

Zacks Small-Cap Research

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Cosmos Health

(COSM-NASDAQ)

COSM: Initiating Coverage: Increasing Revenue Through Innovation and Efficiency

COSM is a growing healthcare company that has a broad revenue base and an expanding pharmaceutical business. Using DCF analysis, we value COSM at \$4.50 per share.

Current Price (01/12/26)	\$0.50
Valuation	\$4.50

OUTLOOK

Cosmos is a vertically integrated healthcare group with a portfolio that spans pharmaceutical and nutraceutical brands, pharmaceutical distribution, proprietary and contract manufacturing as well as an emerging set of technology- and services-oriented assets.

COSM is a rare opportunity for investors as a company that has solid revenue and expanding its core, while also growing its pharmaceutical business using advanced AI technology.

SUMMARY DATA

52-Week High	\$1.25
52-Week Low	\$0.32
One-Year Return (%)	-17.58
Beta	5.37
Average Daily Volume (sh)	480,656

Shares Outstanding (mil)	37
Market Capitalization (\$mil)	\$19
Short Interest Ratio (days)	N/A
Institutional Ownership (%)	13
Insider Ownership (%)	25
Annual Cash Dividend	\$0.00
Dividend Yield (%)	0.00

5-Yr. Historical Growth Rates

Sales (%)	-0.1
Earnings Per Share (%)	N/A
Dividend (%)	N/A

P/E using TTM EPS

P/E using TTM EPS	N/A
P/E using 2026 Estimate	N/A
P/E using 2027 Estimate	N/A

Zacks Rank

ZACKS ESTIMATES

	Revenue (in millions of \$)					High, Small-Value N/A
	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)	
2024	NA	NA	NA	NA	NA	54.4 A
2025	13.7 A	14.7 A	17.1 A	18.8 E	64.4 E	
2026	20.7 E	22.8 E	25.1 E	30.1 E.	98.6 E	
2027	31.1 E	32.9 E	33.0 E	33.8 E	130.8 E	

	Earnings per Share					High, Small-Value N/A
	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)	
2024	NA	NA	NA	NA	NA	-1.17 A
2025	-0.03 A	-0.10 A	-0.17 A	-0.04 E	-0.34 E	
2026	-0.07 E	-0.03 E	-0.03 E	0.02 A	-0.11 E	
2027	0.00 E	0.01 E	0.03 E	0.03 E	0.07 E	

KEY POINTS

- Cosmos has an existing solid pharmaceutical arm with wide distribution that provides solid and growing revenues.
- The company has made key acquisitions that will aid in its growth in the future.
- Through the growth of the pharmaceutical business, aided by the advanced AI technology the company has, revenues should rise in the coming years at an increasing rate.

OVERVIEW

Zacks is initiating coverage on Cosmos Health (NASDAQ: COSM) with a price target of \$4.50 per share. Cosmos is a vertically integrated healthcare group with a portfolio that spans pharmaceutical and nutraceutical brands, pharmaceutical distribution, proprietary and contract manufacturing as well as an emerging set of technology- and services-oriented assets. Over the last 18–24 months the company has combined traditional, cash-generative businesses in Europe with targeted acquisitions and R&D initiatives intended to lift revenue quality and pursue higher-growth projects — a strategy we believe makes COSM an attractive option for investors.

On the commercial side Cosmos owns established pharmaceutical brands (C-Sept and C-Scrub), nutraceutical brands (for example Sky Premium Life and Mediterranation) and operates Cosmofarm, its distribution and sourcing arm, which supplies more than a thousand pharmacies and maintains an extensive supplier network. That core business provides recurring revenue, inventory expertise and manufacturing/distribution relationships that lower the operational risk of rolling out new consumer healthcare products. Company management has been clear that the company will continue building proprietary branded products alongside contract manufacturing and distribution to create multiple, complementary revenue streams.

In parallel the company has pursued strategic acquisitions and investments to add to growth opportunities in an ever-changing market. Notably, Cosmos acquired ZipDoctor in 2023, a telehealth subscription business in the U.S. which gives the group a direct-to-consumer services channel for cross-selling nutraceuticals and OTC offerings. In early 2024 Cosmos completed what we believe will prove to be the most important acquisition when it purchased Cloudscreen, an AI-enabled drug-repurposing and R&D platform, positioning the company to participate in higher-margin discovery and licensing outcomes. These moves further illustrate management's plans: combine stable distribution and brand revenues with higher-upside technology and services assets.

Recent corporate actions reinforce that narrative and show management putting capital behind growth and optionality. In 2025 Cosmos reported its best-ever third quarter with double-digit year-over-year revenue growth and materially improved gross profit and adjusted EBITDA, a signal that the mix-shift toward higher-margin activities and improved topline execution are beginning to show in the financials. Around the same time the company disclosed an increase to its digital asset allocation — purchasing additional Ethereum under a disclosed digital assets program.

We believe the investment opportunity in COSM can best be framed as a blend of reliable and growing cash flow from distribution and branded products plus potentially substantial upside from three major areas. The first is brand and geographic expansion: scaling existing pharmaceutical and nutraceutical

brands into additional retail channels and foreign markets, leveraging an established network. The second is services and recurring revenues through telehealth and digital offerings powered by ZipDoctor — recurring subscription models have favorable unit economics if patient acquisition costs can be managed. The third is technology-enabled R&D: Cloudscreen's AI-driven repurposing and R&D collaborations could generate licensing fees or product candidates that materially increase margins if any program advances through development milestones. Each theme is distinct but complementary, allowing management to allocate capital across lower-risk and higher-risk initiatives depending on progress and liquidity.

In the near future, Cosmos's immediate priorities appear to be continuing to grow its pharmaceutical, nutraceutical and distribution sales, advance Cloudscreen collaborations and selectively deploy capital to commercialize proprietary formulations and expand into new markets. If Cosmos can sustain revenue growth while improving gross margins through higher-margin product sales and monetized services, the valuation upside could be meaningful relative to current market expectations.

Company Summary

Cosmos Health Inc. is a global healthcare group currently executing a strategic pivot from its origins as a regional European distributor into a vertically integrated, diversified enterprise. Headquartered in Chicago, Illinois, with established operational hubs in Greece and the United Kingdom, the company controls a comprehensive value chain that spans research and development, manufacturing, and global distribution. Its investment thesis is built on transforming stable, cash-generative legacy operations into a launchpad for high-margin proprietary brands and advanced technological integration.

Operational Core and Manufacturing Sovereignty The bedrock of the company's physical operations lies in its pharmaceutical and manufacturing division, primarily anchored by its subsidiary, Cana Laboratories S.A., in Greece. Holding European Good Manufacturing Practices (GMP) licensure, this facility provides Cosmos with critical manufacturing sovereignty, allowing it to produce, among others, branded generics, over-the-counter (OTC) medications, and medical devices. This manufacturing capability is dual-purpose: it serves the company's extensive wholesale distribution network across the European Union and the UK, and simultaneously acts as a Contract Manufacturing Organization (CMO) for third parties, ensuring steady revenue streams while securing quality control for its own product lines.

Proprietary High-Growth Brands To drive margin expansion beyond traditional wholesale distribution, Cosmos Health has developed a robust portfolio of proprietary nutraceuticals. The flagship brand, **Sky Premium Life®**, is positioned as a premium, pharmaceutical-grade supplement line targeting the global preventative healthcare market. By adhering to strict pharmaceutical standards in production, Sky Premium Life differentiates itself in a crowded market through quality assurance and high-potency formulations. Complementing this is the **Mediterranation®** line, which capitalizes on the global wellness trend favoring natural ingredients. This brand leverages exclusive organic herbs and extracts sourced from specific Greek regions—such as Chios Mastic and Cretan Dittany—to offer unique, region-specific wellness solutions. These brands serve as the company's primary vehicles for international retail expansion, particularly into the United States, the UAE, and Asia.

Digital Expansion and US Market Entry Cosmos Health is joining in the increasing trend of bridging the gap between physical goods and digital services. This initiative is spearheaded by **ZipDoctor, Inc.**, a wholly-owned telemedicine subsidiary. ZipDoctor operates a subscription-based model providing patients with 24/7 access to board-certified physicians for primary care and licensed professionals for mental health services. This platform allows Cosmos to bypass traditional distribution hurdles in the US, establishing a direct relationship with American consumers. The company has announced plans to use this digital infrastructure to create a comprehensive "virtual clinic", eventually integrating its nutraceutical and weight-management products directly into patient care plans.

Future Roadmap: AI and Innovation Looking ahead, according to management, the company's growth strategy is heavily weighted toward R&D and technological convergence. Cosmos is investing in artificial intelligence to accelerate drug repurposing, with active programs targeting major global health challenges

such as obesity, diabetes, and cancer. A notable pipeline asset includes the development of the CCX obesity pill. Furthermore, the company is modernizing its corporate treasury and IP management through blockchain technology and digital asset financing.

The story that these major themes convey is of a company that has good and growing cash flow, multiple revenue streams, diversified products, extensive global reach and cutting-edge plans to accelerate growth going forward. We believe this makes COSM worth a look by investors.

Operations

When looking more in depth at the operations of Cosmos, we believe the place to start is where the best potential for rapid future growth resides—and we believe that is with the company's Cloudscreen technology.

- **Cloudscreen**

Cloudscreen is an AI-driven drug repurposing platform Cosmos Health acquired in early 2024. Cloudscreen combines machine learning models with multimodal biochemical data to search for new therapeutic uses for existing molecules — essentially asking which approved or shelved drugs might act on different targets or disease pathways than those for which they were originally developed. The process the company has described begins with large-scale *in silico* screening: Cloudscreen analyzes molecular structures, known bioactivities, genomic/variomic context and other datasets to generate ranked predictions of drug, target, indication matches. Those predictions are then filtered for feasibility and novelty and taken forward to *in vitro* testing for toxicity and efficacy validation, creating a closed loop where experimental results refine the models. This repurposing process through Cloudscreen is designed specifically to shorten timelines and lower cost compared with *de novo* drug discovery by leveraging existing safety data on repurposed molecules and focusing resources on the highest-probability candidates.

Management has plans to evolve Cloudscreen into a next-generation product called Cloudscreen 2.0, which the company says will improve the platform's predictive power and expand the range of data modalities it can use.

Use cases Cosmos has highlighted include rapid identification of candidates for CNS disorders and oncology, supporting patentable repurposing claims, and enabling quicker transitions from computational hit to experimental validation.

In plain terms: Cloudscreen is a data-driven search engine for "hidden" uses of known drugs. It pairs structure- and sequence-aware AI with experimental follow-up so that computational leads can be rapidly validated and, when warranted, protected and progressed.

We believe the potential for Cloudscreen is virtually unlimited and it's exciting to think about the conditions that may be treated by compounds that already exist.

Cloudscreen discussions lead nicely into the compounds Cosmos Health are currently advancing through the process which includes:

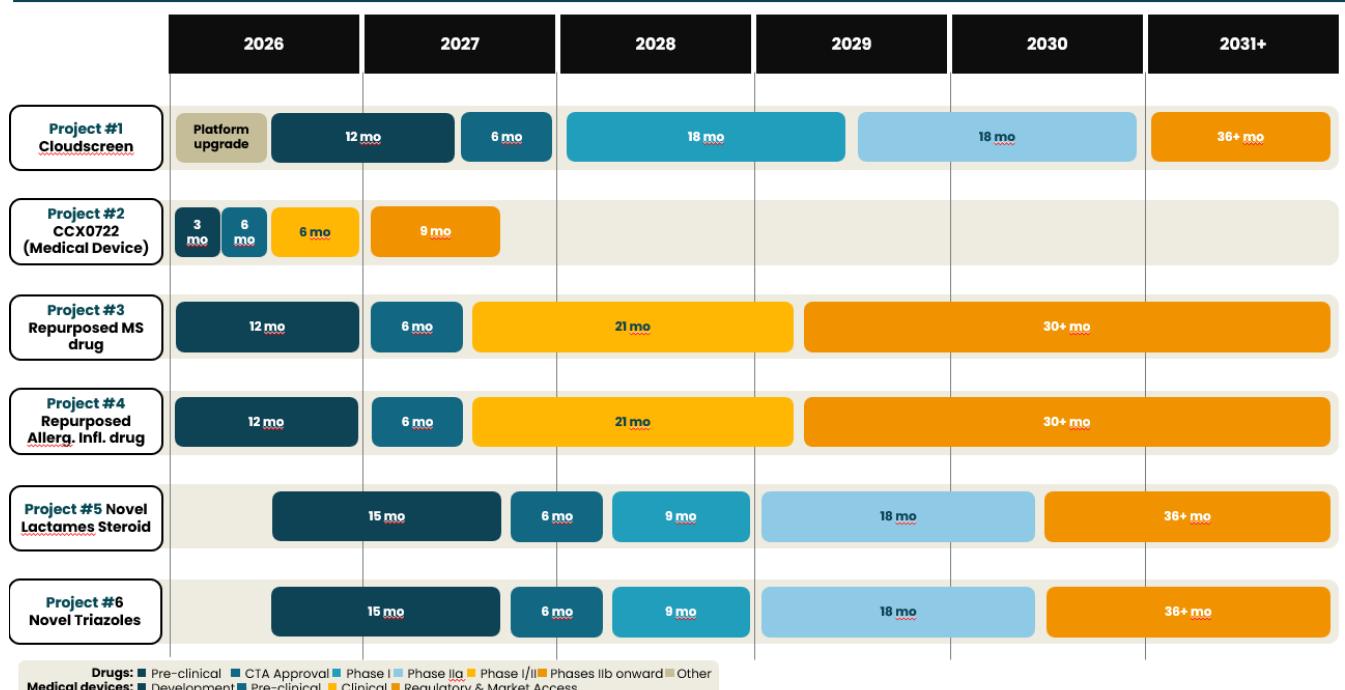
- **CCX0722-Obesity & Weight Management**

- By employing novel amino acid-based cross-linkers, a series of water-absorbent polymeric networks, known as superabsorbent hydrogels (SAHs), the company's obesity product, CCX0722, has emerged as a promising candidate for weight management and obesity according to management. Spatial fillers are hydrophilic biopolymer grids capable of absorbing and retaining large amounts of water or biological fluids. According to the company CCX0722 is expected to reduce food intake by increasing satiety and reducing appetite. The company is finalizing the scale-up production phase of CCX0722, which will pave the way for human clinical trials and targeting a market launch in the first or second quarter of 2026. This strategic progress represents

a critical step in positioning CCX0722 for regulatory submission and potential classification as a class III medical device.

It's no secret that obesity has been labeled as one of the biggest health crises in the world, with an estimated 35-40% of adults overweight or obese. It is estimated that medical costs are 30-40% higher for obese patients and the market is estimated to reach over \$30 billion annually by 2032 (*Futures Market Insight*). Having a product that can address these issues and avoid the side effects of some other well known weight loss drugs such as nutrient deficiencies, muscle lost, and gallstones among others would, in our view, be an enormous win for patients and for Cosmos. The company also has compounds that target MS, allergies and steroid for cancer treatment that all address large market sizes and who are all getting ready for clinical trials. Below is the company's projected timeline for the above projects, which illustrates the exciting potential the company has in the coming years.

Cosmos Health R&D Projects Timeline



Source: Cosmos Health

Subsidiaries

Cosmos Health has another side of the company, which is also exciting for investors and is currently the major revenue provider for the company—the distribution of pharmaceuticals and other medical products to a large and ever-growing population. The company has several subsidiaries that work together to accomplish this goal:

SkyPharm

SkyPharm's core business centers on developing, marketing and distributing Cosmos Health's proprietary nutraceutical brand, Sky Premium Life. Through SkyPharm, the group markets dietary supplements and wellness products — expanding its footprint beyond classic pharmaceuticals to branded consumer health products.

Cosmos is aggressively expanding its flagship consumer brands. Under its wellness & nutraceutical umbrella are brands like Sky Premium Life and Mediterranation— each targeting different market segments, from general wellness to family nutrition. Over the last year, Cosmos added more than sixty new formulations, pushing its total product count over 150. Sky Premium Life recently launched U.S.

operations, tapping into the large American nutraceutical market. Management expects that this launch could yield significant revenue at healthy margins. On top of that, Cosmos is scaling up distribution globally: Europe, Middle East, GCC countries, and other territories are targeted, indicating a push to turn their wellness brands into international names.

SkyPharm plays a central role in the group's broader expansion strategy. Cosmos Health has increasingly emphasized building a global nutraceutical platform across Globe — and SkyPharm's export-oriented operations contribute directly to that ambition.

Cosmofarm

Cosmofarm is a licensed, GDP-compliant pharmaceutical wholesaler based in the Athens metropolitan area that serves as an important distribution channel for pharmacies throughout Greece. This subsidiary sources, stores and distributes a wide range of products—prescription medicines, generics, OTC products, nutraceuticals, cosmetics and medical supplies—connecting major manufacturers with thousands of retail pharmacies.

Its core business centers on dependable, regulation-aligned distribution. Cosmofarm maintains controlled warehousing, cold-chain capabilities and modern inventory systems that allow it to fulfill high-volume, time-sensitive orders while meeting Greece's strict pharmaceutical handling requirements. In addition to domestic wholesale activity, the company participates selectively in export and parallel-trade channels when market conditions allow.

Cosmofarm operates within a fragmented Greek pharmacy market, and its established supplier relationships, broad product portfolio, and reliable delivery infrastructure position it as a meaningful mid-tier distributor nationwide. Its strategic priorities focus on expanding its pharmacy network coverage, increasing SKU breadth—particularly in higher-margin OTC and nutraceutical categories—modernizing logistics and digital systems, and pursuing targeted acquisitions that enhance scale.

Overall, Cosmofarm contributes to the mission of Cosmos Health by functioning as a central logistics and distribution platform within Greece's pharmaceutical supply chain, combining regulatory compliance, operational efficiency and a diversified product mix to grow its presence in the country's retail pharmacy ecosystem.

Decahedron

In 2017, Decahedron was acquired by Cosmos Health. Since then, it has operated as the company's UK distribution arm — importing, exporting, storing, and distributing a variety of medicinal products and healthcare items within the UK and across Europe.

Decahedron's main line of business involves wholesale trade in pharmaceuticals. It sources both branded and generic medicines, as well as OTC drugs, medical devices, and healthcare products. Through its connections with suppliers and vendors across Europe, Decahedron facilitates both domestic UK distribution and cross-border export/import — serving pharmacies, distributors, and wholesalers. In addition to standard pharmaceuticals, Decahedron also acts as the UK distributor for the nutraceutical and food-supplement brand Sky Premium Life (which is discussed above). That diversification allows Decahedron to straddle both traditional medicine distribution and consumer-health/wellness segments. Decahedron maintains temperature-controlled storage facilities, enabling it to handle products that require cold-chain or controlled storage — a key capability for certain medicines, supplements, and medical-device supplies.

We also want to point out what we view as an important development for Decahedron and Cosmos Health, in the form of a successful submission of a tender to supply the UK's public health system, NHS Scotland, with an antimicrobial skin/hand-wash product (C-Scrub Wash Chlorhexidine 4%). To us, this suggests Decahedron is actively competing for governmental contracts — a path that could significantly expand its volume business and visibility in institutional supply.

Additionally, in April 2023 Decahedron was named “Pharmaceutical Wholesaler of the Month” by a UK healthcare-industry publication, recognition that underscores its reputation and operational credentials. According to management discussions, plans for the future include expanding Decahedron’s wholesale network, increasing cross-border trade, broadening the product mix (both in generics/OTC and nutraceuticals), and leveraging its UK base to access new markets. The ability to handle cold-chain logistics and regulated drugs places Decahedron in a strong position to respond to demand for both conventional medicines and wellness products.

ZipDoctor

In early 2023, ZipDoctor was acquired by Cosmos Health in a move to expand the company’s footprint into the growing U.S. telehealth market. ZipDoctor is a direct-to-consumer telemedicine service company, originally launched in 2020.

ZipDoctor’s core business model hinges on subscription: customers pay a regular monthly fee for access to virtual care, rather than using traditional insurance-based billing or per-visit copays. Recently, according to public comments, ZipDoctor’s strategic focus has evolved: instead of just competing on general consumer subscriptions, the company is aiming to develop customized telemedicine solutions for niche or specialty-care segments and to act as a telemedicine platform provider for pharmacies. In that model, ZipDoctor would offer its technology platform, provider network, and telehealth services to pharmacies (especially compounding or specialty pharmacies) that need an integrated telehealth offering to support patient care and prescription fulfillment.

This hybrid approach — combining consumer-facing subscription telehealth with a telemedicine platform licensing for pharmacies — gives ZipDoctor flexibility in targeting both individuals and wholesale/customized distribution partners.

Additionally, Cosmos Health’s management has mentioned plans to further broaden ZipDoctor’s service offerings. Beyond primary care and mental health, they are considering adding services related to men’s and women’s health, weight-management and wellness treatments — and even exploring opportunities to cross-promote the broader Cosmos Health product portfolio (e.g., nutraceuticals and OTC medications) through the telehealth channel.

By integrating telehealth with their existing distribution and product lines, Cosmos Health is positioning ZipDoctor as a cornerstone of a more vertically integrated healthcare and wellness delivery model — one that spans from virtual consultations to physical products.

Given broader industry trends — including growing demand for virtual care, shortage of primary care providers, and increasing acceptance of telemedicine — Cosmos Health and ZipDoctor are likely banking on significant U.S. market growth.

Cana Laboratories

Cana Laboratories is a Greek pharmaceutical and healthcare-products manufacturer and contract-manufacturing organization (CMO), with historical roots going back to 1928. It owns a production facility in Athens (roughly 54,000 square feet) that is licensed under European Good Manufacturing Practices (GMP) standards and certified by the European Medicines Agency (EMA). The facility is equipped to manufacture a broad array of products: pharmaceuticals (tablets, capsules, liquids, creams, gels, etc.), food supplements and vitamins, cosmetics and dermocosmetics, antiseptics/biocides, medical devices, and even baby-care & infant nutrition products.

Historically, Cana has served as a trusted manufacturing and distribution partner for major multinational pharmaceutical and consumer-health companies, including names such as AstraZeneca, Merck & Co., and Janssen Pharmaceutica — as well as major FMCG / consumer-product firms. Cana has also for decades marketed its own proprietary product lines, covering healthcare products, supplements, dermocosmetics, antiseptics, and infant care (e.g. under a baby-care/infant nutrition line).

In July 2023, Cosmos Health completed the acquisition of Cana Laboratories. That acquisition gave Cosmos Health direct control over a GMP-certified manufacturing facility — a major step toward vertical integration.

Since the acquisition, Cosmos Health has invested significantly — roughly \$5.5 million — into upgrading Cana's facility, upgrading machinery, production lines, quality systems, personnel, regulatory compliance, and general infrastructure. This modernization effort is intended to scale up production, improve capacity and ready Cana for both internal production of Cosmos's own brands and external contract manufacturing for third-party clients.

Through this integration, Cana becomes a cornerstone for Cosmos's "own-manufacture + distribution + brand/pipeline" strategy — enabling the group to: control production quality; reduce dependence on third-party manufacturers; produce its existing nutraceutical / supplement / wellness / pharmaceutical product lines; and offer contract manufacturing services to other firms, thereby generating additional revenue streams at favorable margins. Already we've seen evidence that those goals are beginning to materialize"

- In 2024, Cana secured new contract-manufacturing agreements with third-party companies. For example, it signed a deal with Provident Pharmaceuticals to manufacture hundreds of thousands of units of a medication (for muscle spasms) and a separate contract to produce vitamin-supplement vials (for DE3-SOLE) for Provident.
- Also in 2024, Cana signed a contract with an Australian company — Humacology — to manufacture up to 500,000 CBD-based wellness units annually.
- After completing the first phase of its facility upgrades, Cana under Cosmos Health expects to generate over \$ 10 million in recurring annual gross profit (at full capacity), once ramped up by end of 2025 according to management.

These developments indicate Cana is successfully transitioning from a legacy manufacturer with a domestic footprint into a rejuvenated, export- and contract-manufacturing-oriented production hub — serving both third-party clients internationally and producing Cosmos Health's own branded products.

The Digital World

Finally, in a move that shows Cosmos is thinking not only about health but also about financial and operational infrastructure, the company is embracing digital finance and blockchain technology. In 2025, Cosmos secured a substantial financing facility — up to \$300 million via senior secured convertible promissory notes — with a major portion allocated to building a digital-asset treasury reserve strategy. The company initiated purchases of Ethereum (ETH), with custody and staking managed by institutional infrastructure.

Beyond just token purchases, the firm recently formalized a strategic partnership with Prime Ledger LLC — specializing in blockchain infrastructure and digital-asset treasury management — to oversee its \$300M treasury, and to design and deploy a platform for the tokenization of Cosmos's intellectual-property assets. The idea is to unlock new capitalization channels, mobilize investments, and create financial flexibility while maintaining compliance and security. This move suggests Cosmos is exploring innovative financing structures: using the blockchain not only for treasury management but also to leverage its IP portfolio in new ways.

Financial Improvement

Over the past year, Cosmos Health has been moving toward stronger financial performance and operational resilience. Its most recent quarterly results show record revenue and profitability metrics. In the third quarter of 2025, the company posted about \$17.1 million in revenue, a roughly 38 % year-over-year increase, and gross profit more than doubled from the prior year period. Gross margins expanded significantly as well, reflecting improved operational efficiency across its business segments.

In our view, one of the most notable improvements has been in profitability trends. In earlier 2025 results, the company achieved higher gross profits and improved adjusted EBITDA and adjusted net income,

driven by a shift toward higher-margin products and more disciplined cost management, which management has indicated it is continuing to pursue.

On the balance sheet side, total assets have grown, supported by increased cash balances and a diversified asset base that includes inventory and real-estate holdings. For example, at the end of Q3 2025 the company's cash and equivalents jumped significantly, enhancing its liquidity position. Equity has also increased compared to earlier periods, although liabilities have grown for a positive reason in our view as the company deploys financing to support growth initiatives.

As mentioned above, a key element of Cosmos Health's recent strategy has been securing a \$300 million financing facility, which it is using to build a digital asset treasury strategy, including systematic purchases of Ethereum. This move reflects a diversification of its balance sheet and a long-term growth focus beyond traditional healthcare revenue streams, again illustrating the forward-looking nature of management, which we believe serves the company well.

VALUATION

Using a discounted cash flow framework with a 20 percent discount rate, Cosmos Health can be valued by projecting a gradual transition from its historical negative free cash flow profile toward positive and improving cash generation.

In our analysis, revenue is assumed to grow at a moderate but achievable pace over the next five years, starting at roughly 10 percent in the first year, accelerating slightly in the second year as operating leverage improves. This growth profile reflects a maturing business that is still expanding but becoming more disciplined and margin focused. We then have a more substantial bump in revenue in year five due to the commercialization of their weight management product.

Free cash flow margins are assumed to improve steadily over the projection period. In the near term, Cosmos Health is modeled as still generating modestly negative free cash flow as it continues to invest in working capital, brand expansion, and operational scale. By the second year, free cash flow turns marginally positive, followed by a meaningful expansion in years three through five as higher-margin products, cost controls, and operational efficiencies take hold. By year five, the model assumes a free cash flow margin of approximately 10 percent, which remains conservative for a stabilized healthcare distribution and manufacturing platform, leaving room for more rapid growth as a very real possibility. Each year's projected free cash flow is discounted back to present value using the 20 percent discount rate, which reflects Cosmos Health's small-cap profile, execution risk, and historical volatility. After the explicit five-year forecast period, a terminal value is calculated using a long-term growth rate of 2 percent, intended to approximate sustainable, inflation-adjusted growth over the long run. This terminal value is also discounted back to present value at the same 20 percent rate.

Based on an estimated share count of roughly 35 million shares of COSM outstanding, this discounted cash flow analysis implies an intrinsic value of about \$4.50 per share. This valuation is conservative in our view, with the possibility of more rapid and robust margin improvement as well as bringing new products currently in the pipeline to market having the potential to add to the upside.

Overall, this DCF reflects a conservative view of Cosmos Health that still incorporates the company's recent financial improvements, including stronger revenues, improving gross margins, and a path toward sustainable cash generation. We believe the market is currently not appreciating the recent and continued improvements the company has made as well as the vast and diversified portfolio the company enjoys. We urge investors with a modestly higher risk tolerance to take a good look at COSM. We believe this is an inflection point and it's only a matter of time before the market comes to that realization.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Cosmos Health Income Statement and Balance Sheet									
	2024A	1Q2025A	2Q2025A	3Q2025A	4Q2025E	1Q2026E	2Q2026E	3Q2026E	4Q2026E
Revenues	54,426,402	13,712,528	14,745,702	17,110,425	18,821,468	20,703,614	22,773,976	25,051,373	30,061,648
Cost of Goods Sold	50,115,079	11,662,729	13,581,888	14,507,807	15,810,033	16,976,964	18,219,181	19,540,071	22,546,236
Gross Profit	4,311,323	2,049,799	1,163,814	2,602,618	3,011,435	3,726,651	4,554,795	5,511,302	7,515,412
Operating Expenses									
General and administrative	(11,733,237)	(1,478,702)	(1,490,485)	(2,040,341)	(1,520,295)	(2,081,148)	(1,550,701)	(2,122,771)	(1,581,715)
Salaries and wages	(5,693,436)	(1,040,019)	(1,868,443)	(1,919,950)	(1,939,150)	(1,958,541)	(1,978,126)	(1,997,908)	(2,017,887)
Sales and marketing	(354,969)	(28,155)	(21,706)	(64,794)	(71,273)	(78,401)	(86,241)	(94,865)	(104,351)
Research and development	(533,293)	(15,629)	(74,637)	(18,337)	(73,348)	(1,200,000)	(1,400,000)	(2,000,000)	(2,500,000)
Impairment Charge	(291,980)	0	0	0	0	0	0	0	0
Depreciation and amort.	(1,249,238)	(320,439)	(353,862)	(377,911)	(389,248)	(400,926)	(412,954)	(425,342)	(438,102)
Total Operating Expenses	(19,856,153)	(2,882,944)	(3,809,133)	(4,421,333)	(3,993,314)	(5,719,015)	(5,428,021)	(6,640,886)	(6,642,055)
Other income and (expenses)									
Interest income	406,449	91,326	105,787	100,698	102,712	104,766	106,862	108,999	111,179
Interest expense	(1,012,314)	(187,107)	(388,814)	(669,150)	(602,235)	(542,012)	(487,810)	(439,029)	(395,126)
Other income, net	(32,323)	110,829	100,278	(2,965,723)	104,289	108,461	108,461	112,799	112,799
Total other (income) and expenses, net	(638,188)	15,048	(182,749)	(3,534,175)	(395,234)	(328,785)	(272,488)	(217,231)	(171,149)
Gain/(Loss) from before income taxes	(16,183,018)	(818,097)	(2,828,068)	(5,352,890)	(1,377,113)	(2,321,149)	(1,145,714)	(1,346,815)	702,208
Income Taxes	0	0	0	0	0	0	0	0	0
Net gain/(loss)	(16,183,018)	(818,097)	(2,828,068)	(5,352,890)	(1,377,113)	(2,321,149)	(1,145,714)	(1,346,815)	702,208
Deemed Dividends	(6,195,024)	0	0	0	0	0	0	0	0
Foreign currency translation adjustment	(1,715,087)	1,031,268	1,562,470	255,263	0	0	0	0	0
Total Comprehensive Gain/(Loss)	(24,093,129)	213,171	(1,265,598)	(5,097,627)	(1,377,113)	(2,321,149)	(1,145,714)	(1,346,815)	702,208
Basic and diluted loss per share	\$ (1.17)	\$ (0.03)	\$ (0.10)	\$ (0.17)	\$ (0.04)	\$ (0.07)	\$ (0.03)	\$ (0.03)	\$ 0.02
Basic and diluted wt'd avg common shares	19,147,726	26,037,608	28,753,492	30,625,284	32,625,284	34,625,284	36,625,284	38,625,284	40,625,284
Assets									
Current Assets:									
Cash	315,105	742,881	655,503	889,441	916,124	943,608	971,916	1,001,074	1,031,106
Restricted Cash	-	-	-	3,744,219	-	-	-	-	-
Accounts Receivable	14,708,571	15,673,910	16,905,141	19,637,469	19,833,844	20,032,182	20,232,504	20,434,829	20,639,177
Securities and other current assets	21,148	25,278	30,266	33,178	34,505	35,885	37,321	38,814	40,366
Inventory	4,355,365	4,736,222	5,110,947	5,683,662	5,854,172	6,029,797	6,210,691	6,397,012	6,588,922
Loan Receivable	1,171,946	1,435,116	1,431,298	1,834,777	1,853,125	1,871,656	1,890,373	1,909,276	1,928,369
Prepaid Expenses	4,889,213	5,231,592	6,429,156	6,281,543	6,344,358	6,407,802	6,471,880	6,536,599	6,601,965
Total Current Assets	25,461,348	27,844,999	30,562,311	38,104,289	34,836,128	35,320,930	35,814,684	36,317,603	36,829,905
Property, Plant and Equipment, net	9,689,505	10,016,068	10,820,391	10,664,820	10,878,116	11,095,679	11,317,592	11,543,944	11,774,823
Goodwill and intangible, net	7,756,534	7,808,529	8,225,361	7,960,633	7,801,420	7,645,392	7,492,484	7,342,634	7,195,782
Digital Assets	-	-	-	1,000,057	2,000,114	4,000,228	8,000,456	16,000,912	32,001,824
Other assets	11,404,505	11,528,348	12,227,497	11,762,959	11,645,329	11,528,876	11,413,587	11,299,451	11,186,457
Total Assets	54,311,892	57,197,944	61,835,560	69,492,758	65,160,994	65,590,877	66,038,348	66,503,633	66,986,967
Liabilities and stockholder equity									
Current liabilities:									
Accounts Payable	12,427,061	12,287,516	13,431,963	14,676,934	14,823,703	14,971,940	15,121,660	15,272,876	15,425,605
Accrued Interest	221,820	255,192	345,406	521,843	527,061	532,332	537,655	543,032	548,462
Lines of Credit	6,985,052	7,305,377	8,161,845	7,584,786	6,826,307	6,143,677	5,529,309	4,976,378	4,478,740
Notes/Loans Payable	2,565,232	2,774,735	3,167,072	3,584,928	3,513,229	3,442,965	3,374,106	3,306,623	3,240,491
Other current liabilities	3,558,375	3,963,167	6,060,275	12,165,826	6,363,289	6,681,453	7,015,526	7,366,302	7,734,617
Total Current Liabilities	25,757,540	26,585,987	31,166,561	38,534,317	32,053,590	31,772,367	31,578,256	31,465,212	31,427,916
Long-term Liabilities:									
Notes payable-long-term	1,560,433	2,088,540	2,053,857	5,711,462	5,768,577	5,826,262	5,884,525	5,943,370	6,002,804
Operating/Fin. Lease--long-term	501,797	468,697	453,442	427,813	432,091	436,412	440,776	445,184	449,636
Other liabilities	1,959,193	2,097,008	1,930,066	1,684,282	1,633,754	1,584,741	1,537,199	1,491,083	1,446,350
Total long-term liabilities	4,021,423	4,654,245	4,437,365	7,823,557	7,834,421	7,847,415	7,862,500	7,879,637	7,898,790
Total liabilities	29,778,963	31,240,232	35,603,926	46,357,874	39,888,012	39,619,782	39,440,755	39,344,849	39,326,706
Stockholders Equity									
Common stock	23,689	27,285	29,804	31,956	32,595	33,247	33,912	34,590	35,282
Additional Paid-in capital	141,583,625	142,785,641	144,328,641	146,327,367	147,827,367	149,327,367	150,827,367	152,327,367	153,827,367
Subscription receivable	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)
Treasury stock	(917,159)	(917,159)	(917,159)	(917,159)	(917,159)	(917,159)	(917,159)	(917,159)	(917,159)
Accumulated Deficit	(114,022,275)	(114,840,372)	(117,668,440)	(123,021,330)	(122,312,464)	(123,050,737)	(123,867,064)	(124,754,495)	(125,706,860)
Accumulated other comp. income	(2,134,931)	(1,103,663)	458,808	714,070	642,663	578,397	520,557	468,501	421,651
Total stockholders equity	24,532,929	25,951,712	26,231,634	23,134,884	25,272,982	25,971,095	26,597,593	27,158,785	27,660,261

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