

# Zacks Small-Cap Research

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## Cosmos Health

(COSM-NASDAQ)

### COSM: Announcements Add to Investing Case

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 (04/01/26) \$0.32  
**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.

Cosmos Health recently had several announcements, including positive results from an antimicrobial product study. We believe these announcements add to the case for COSM being undervalued at current prices.

### SUMMARY DATA

52-Week High \$1.25  
 52-Week Low \$0.31  
 One-Year Return (%) -26.98  
 Beta 5.33  
 Average Daily Volume (sh) 371,489

Shares Outstanding (mil) 37  
 Market Capitalization (\$mil) \$12  
 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 N/A  
 P/E using 2026 Estimate N/A  
 P/E using 2027 Estimate N/A

Zacks Rank N/A

Risk Level Above Average  
 Type of Stock Small-Growth  
 Industry Health Care

### ZACKS ESTIMATES

#### Revenue

(in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	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

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	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

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## KEY POINTS

- Cosmos announces important study results on an infection-fighting product.
- The company announced another acquisition that continues to improve its overall business prospects.
- Management used the recent pullback in bitcoin to add to holdings.

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## OVERVIEW

The recent sequence of strategic actions by Cosmos Health—including an accretive acquisition, expansion into digital assets, and positive clinical validation of its C-Scrub product—should be viewed not as isolated developments, but as part of a broader effort to reposition the company as a diversified, asset-backed healthcare platform with multiple levers for growth and valuation re-rating.

At its core, Cosmos Health remains a vertically integrated healthcare company spanning pharmaceutical distribution, manufacturing, nutraceuticals, and increasingly, technology-enabled healthcare. The business has been generating record revenue and improving margins, supported by a mix of owned brands, contract manufacturing, and wholesale distribution infrastructure across Europe and the United States. What distinguishes the current phase of the company's evolution is management's deliberate attempt to layer high-growth and balance-sheet-enhancing initiatives on top of this operating base.

The acquisition of a pharmacy distribution network generating approximately \$11.5 million in annual revenue is emblematic of this strategy. The target, which has operated for decades in Greece, is not a speculative bolt-on but rather a logical extension of Cosmos Health's existing CosmoFarm distribution platform. By integrating this network, the company stands to deepen its penetration in a fragmented but essential segment of the healthcare supply chain, while also extracting operational efficiencies through its automated logistics capabilities. This acquisition is particularly compelling because it adds immediate revenue visibility while reinforcing a core competency—distribution—that underpins the company's broader commercial ecosystem. In effect, Cosmos is consolidating infrastructure that can support both its own branded products and third-party pharmaceutical flows.

Running parallel to this operational expansion is a more unconventional—but increasingly intentional—capital allocation strategy centered on digital assets. The company's purchase of \$600,000 in Bitcoin, bringing total crypto holdings to roughly \$3.1 million, reflects management's view of digital assets as both a treasury diversification tool and a mechanism to address what it perceives as a disconnect between market value and intrinsic asset value. While this strategy introduces volatility and may be viewed skeptically by traditional healthcare investors, it is consistent with Cosmos Health's broader emphasis on balance sheet optionality. Management has explicitly framed these holdings as monetizable assets that can be deployed opportunistically to fund acquisitions, reduce debt, or return capital to shareholders. When combined with the company's real estate portfolio—estimated to exceed its current market capitalization—the digital asset strategy reinforces a narrative that Cosmos is materially undervalued relative to its asset base, albeit with the caveat that realization of that value depends on execution and market conditions.

Perhaps the most strategically important recent development, however, lies within the company's product portfolio—specifically the successful EN 12791 study results for C-Scrub Wash 4%. This clinical validation is a meaningful inflection point. The study confirmed that the product meets a recognized European standard for surgical hand disinfection, effectively elevating C-Scrub from a retail antiseptic offering to a clinically credible solution for hospital and surgical settings. This distinction matters: institutional healthcare markets are significantly larger, more stable, and often characterized by recurring procurement contracts. By meeting EN 12791 standards, Cosmos Health reduces regulatory and credibility barriers that would otherwise limit access to these channels.

Importantly, this development builds on an already established commercial trajectory. C-Scrub has been gaining traction in UK retail through placements in major chains such as Tesco and Superdrug, demonstrating consumer acceptance and distribution capability. The transition from retail shelves to hospital procurement lists represents a classic “upmarket” strategy—one that can materially expand margins and lifetime customer value if executed successfully. In this context, the EN 12791 certification is less a standalone milestone and more a gateway to a higher-quality revenue stream

Taken together, these initiatives highlight a company pursuing a multi-pronged value creation strategy. The acquisition activity strengthens the revenue base and enhances distribution scale; the digital asset strategy introduces financial flexibility and a potential catalyst for unlocking balance sheet value; and the advancement of C-Scrub signals a move toward higher-margin, clinically validated products with global applicability.

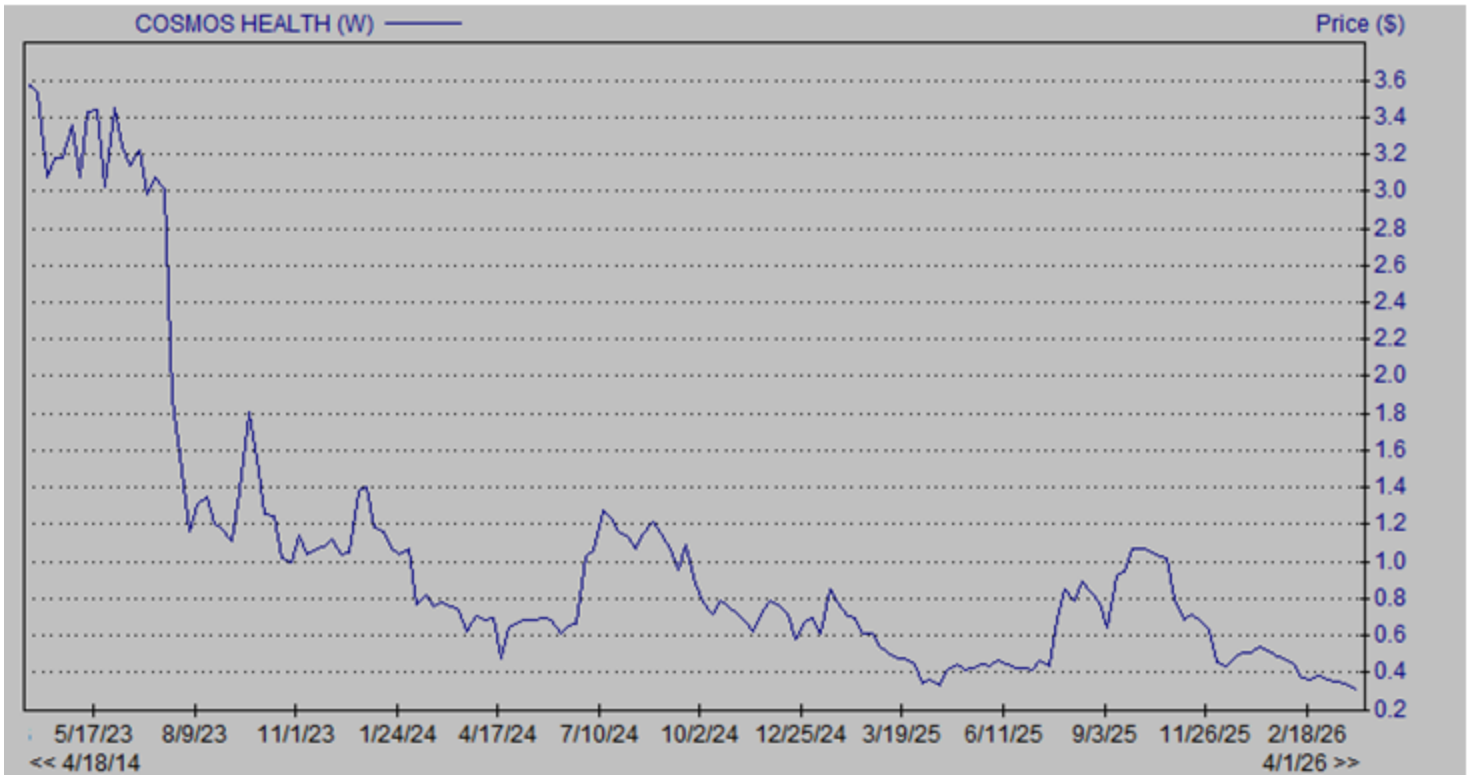
If management can successfully integrate the acquired distribution assets, translate C-Scrub's clinical validation into institutional sales, and opportunistically leverage its balance sheet—including digital assets—to fund growth without excessive dilution, which we believe they have proven they can, Cosmos Health has a credible pathway to both earnings expansion and multiple re-rating. We continue to believe that COSM is vastly undervalued and provides an excellent opportunity for investors looking for a growth company to add to a portfolio.

# 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 wtd 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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