

Zacks Small-Cap Research

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Cosmos Health

(COSM-NASDAQ)

COSM: New Product Addresses Large Market Opportunity

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.

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 announced the launch of LIV18, which is a liver health supplement and has positive clinical trial evidence. The liver health market is underserved and large and is a large opportunity for COSM.

Current Price (04/08/26) \$0.30
Valuation \$4.50

SUMMARY DATA

52-Week High \$1.25
 52-Week Low \$0.30
 One-Year Return (%) -13.52
 Beta 5.33
 Average Daily Volume (sh) 366,137

Shares Outstanding (mil) 37
 Market Capitalization (\$mil) \$11
 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 (%) N/A
 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

Type of Stock
 Industry

Above Average
 Small-Growth
 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

KEY POINTS

- Cosmos announced the launch of a clinically proven supplement for liver fat reduction.
- Liv18 is supported by two clinical studies on its botanical blend that demonstrated reduction in liver fat accumulation and to support body weight health.
- Liver fat diseases have grown exponentially, and the liver health supplement market is estimated at \$4.6 billion annually and growing.

OVERVIEW

The latest announcement from Cosmos Health Inc. regarding the planned U.S. launch of Liv18 represents a strategically coherent step in the company's broader effort to reposition itself around higher-margin, science-backed nutraceutical products.

Highlighting this investment thesis is the market opportunity Liv18 is targeting. Liver disease—specifically metabolic dysfunction-associated steatotic liver disease (MASLD), formerly known as NAFLD—has quietly become one of the most prevalent chronic conditions in developed markets. More than 30% of U.S. adults are estimated to be affected, driven largely by obesity, diabetes, and metabolic syndrome trends. This creates a large and underpenetrated preventive-care market, particularly because pharmaceutical interventions remain limited or are focused on more advanced disease states. Against this backdrop, the U.S. liver health supplement market is already estimated at approximately \$4.6 billion, with expected mid-single-digit annual growth through the next decade.

We view Liv18's positioning as designed to bridge the gap between wellness supplements and clinically validated interventions. The product is built around BergacynFF, a patented botanical blend derived from bergamot and wild artichoke, standardized for specific bioactive compounds including flavonoids and sesquiterpenes. These compounds are associated with anti-inflammatory, antioxidant, and lipid-modulating effects—key pathways implicated in liver fat accumulation and metabolic dysfunction. The emphasis on a “synergistic blend” is important from an investment perspective, as it provides both intellectual property protection and a marketing narrative that differentiates the product from commoditized single-ingredient supplements.

What elevates Liv18 above many nutraceutical peers is the level of clinical validation. The underlying ingredient has been tested in two randomized, double-blind, placebo-controlled trials—the gold standard in clinical research, and still relatively uncommon in the supplement industry. In a 16-week study involving patients with NAFLD and type 2 diabetes, participants demonstrated statistically significant reductions in key liver enzymes (ALT and AST) along with regression in liver fat severity. A second 12-week study in non-diabetic individuals with liver steatosis showed a roughly 9% reduction in liver fat versus placebo, with even stronger results (approximately 15%) in older populations. Notably, the trials also indicated ancillary benefits such as weight loss and improvements in inflammatory markers, suggesting a broader metabolic impact rather than a narrowly targeted liver effect.

From our point of view, this clinical backing is central. The supplement industry is often criticized for weak evidence and limited regulatory oversight, which compresses pricing power and increases competition. By contrast, Cosmos Health is attempting to position Liv18 closer to a “medical-grade” nutraceutical—supported by published human trials at the commercial dose level. If successfully communicated to

consumers and healthcare practitioners, this could enable premium pricing, physician channel penetration, and stronger brand loyalty.

Commercially, the go-to-market strategy reflects a hybrid distribution model spanning e-commerce, retail, and practitioner channels. This is important because practitioner endorsement can materially influence supplement adoption in categories tied to chronic conditions, while e-commerce provides scalability and margin efficiency. Additionally, U.S.-based manufacturing in GMP-certified, FDA-registered facilities reduces regulatory risk and supports quality positioning—an increasingly important factor in consumer health products.

Ultimately, the Liv18 launch reflects a broader strategic pivot toward evidence-based nutraceuticals targeting large chronic health markets. For investors, the key question is not whether the science is compelling—it appears to be—but whether Cosmos Health can operationalize that science into sustained revenue growth and improved financial performance.

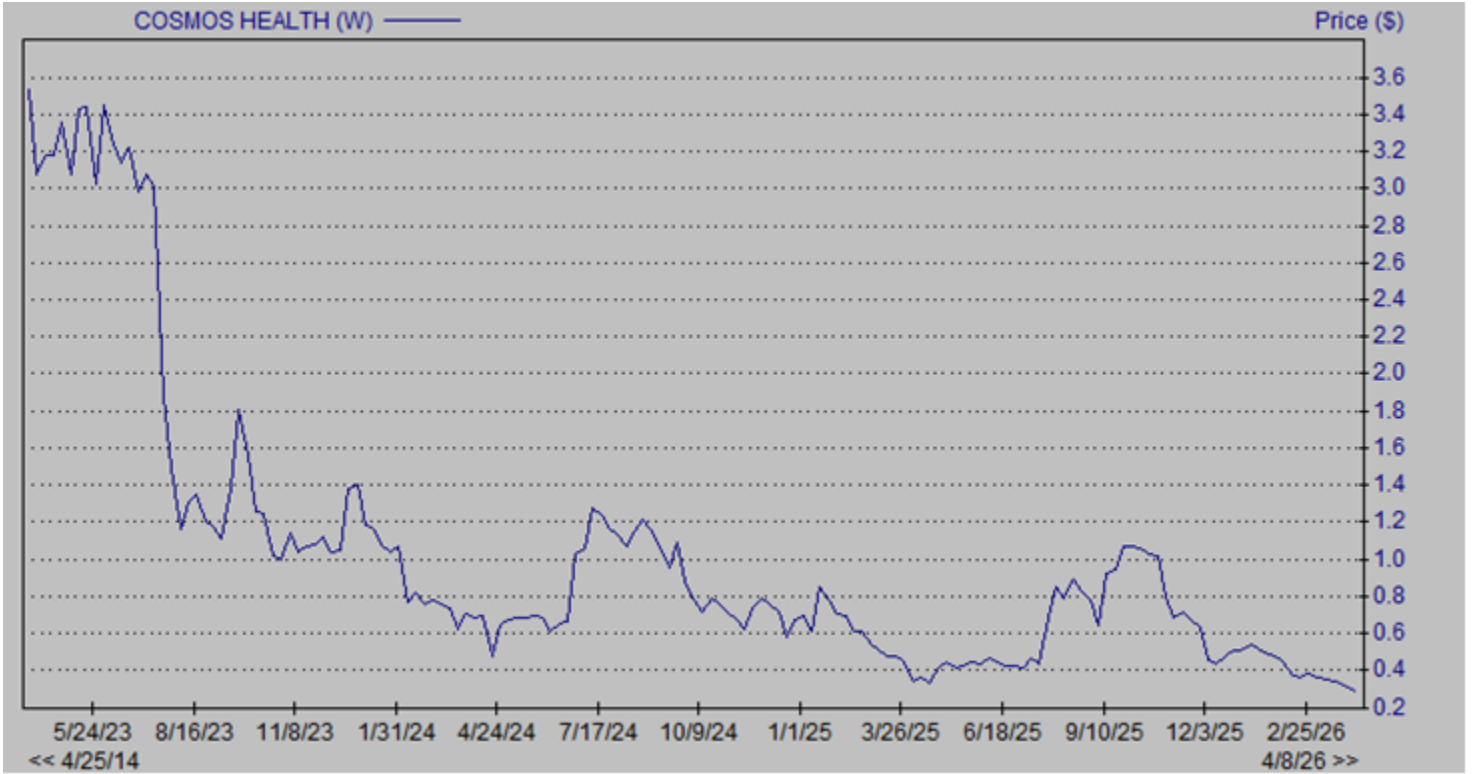
The success of LIV8 ultimately depends on the market penetration achieved by Cosmos and how the company can grow market acceptance and use of the product. The company has proven it can roll out products successfully and we are confident that the COSM price target will be raised in the not-too-distant future as market penetration of LIV18 begins to be realized.

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

HISTORICAL STOCK PRICE



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