

Zacks Small-Cap Research

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Cosmos Health

(COSM-NASDAQ)

COSM: Creating New Growth Opportunities for Investors

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 (05/29/26) \$0.25
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 has announced a significant expansion of its business strategy with the planned launch of a veterinary formulation of C-Scrub. This is substantial market as the global animal health market was valued at approximately \$68.7 billion in 2025.

SUMMARY DATA

52-Week High \$1.25
 52-Week Low \$0.25
 One-Year Return (%) -44.37
 Beta 4.80
 Average Daily Volume (sh) 986,639

Shares Outstanding (mil) 60
 Market Capitalization (\$mil) \$15
 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 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	19.7 A	65.3 A
2026	17.9 A	19.7 E	21.7 E	26.0 E	87.3 E
2027	26.1 E	27.9 E	28.0 E	28.8 E	110.8 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	-0.33 A	-0.63 A
2026	-0.06 A	0.01 E	0.02 E	0.04 A	0.01 E
2027	0.00 E	0.01 E	0.03 E	0.03 E	0.07 E

OVERVIEW

Cosmos Health (NASDAQ: COSM) continues to execute on its strategy of building a diversified healthcare platform with the announcement that it is entering the global animal health industry through the planned launch of a veterinary version of its C-Scrub Wash 4% antimicrobial product. While the headline may appear straightforward, the significance for investors could be much larger than simply introducing another product. The initiative demonstrates how Cosmos is leveraging its existing intellectual property, manufacturing infrastructure, and regulatory expertise to pursue additional revenue streams in attractive, high-growth healthcare markets.

The opportunity itself is substantial. According to industry estimates referenced by the company, the global animal health market was valued at approximately \$68.7 billion in 2025 and is projected to reach roughly \$156 billion by 2033. Growth is being driven by increasing pet ownership, rising expenditures on companion animal care, greater attention to livestock health and biosecurity, and expanding veterinary healthcare services worldwide. These trends have created one of the fastest-growing segments within the broader healthcare industry.

For Cosmos, this represents a logical extension of an already established product rather than a speculative research project. C-Scrub Wash 4% is manufactured through the company's wholly owned subsidiary Cana Laboratories, a pharmaceutical and healthcare products manufacturer that has become a key component of Cosmos' vertical integration strategy. The product contains 4% chlorhexidine digluconate, a widely used antimicrobial agent known for its broad-spectrum effectiveness against bacteria and other pathogens. By adapting an existing product for veterinary applications, Cosmos may be able to accelerate commercialization while minimizing the development costs and execution risks often associated with launching entirely new products.

Importantly, the company's move into animal health follows successful independent testing that provides meaningful validation of C-Scrub's effectiveness. The product was evaluated by Quality Assurance & Control Systems Ltd. (QACS), an accredited laboratory operating under internationally recognized EN ISO/IEC 17025 standards. The testing demonstrated that C-Scrub met the requirements of European veterinary standards EN 1656:2019 and EN 1657:2024, which assess the bactericidal and yeasticidal efficacy of disinfectants and antiseptic products intended for veterinary use.

The results were encouraging. C-Scrub successfully achieved the required microbial reduction standards against several clinically relevant pathogens, including *Pseudomonas aeruginosa*, *Staphylococcus aureus*, *Proteus hauseri*, *Enterococcus hirae*, and *Candida albicans*. These organisms are frequently associated with infections and contamination concerns in veterinary environments. The ability to meet these standards under recognized European protocols strengthens the product's commercial positioning and provides a solid scientific foundation for its expansion into professional veterinary settings. The practical applications for the product are broad. Veterinary clinics, animal hospitals, livestock operations, breeding facilities, grooming centers, shelters, transportation facilities, and agricultural environments all require effective antimicrobial solutions as part of routine infection-control practices. As awareness of biosecurity continues to increase globally, demand for proven antimicrobial products is expected to remain strong. A successful veterinary launch could therefore provide Cosmos access to a recurring revenue opportunity that extends well beyond its traditional pharmaceutical markets.

Perhaps the most attractive aspect of the announcement is how efficiently it fits into Cosmos Health's existing business model. Unlike many healthcare companies that must invest heavily to enter new markets, Cosmos already possesses much of the infrastructure needed to support commercialization.

Cana Laboratories provides manufacturing expertise and production capacity, while the company's existing regulatory experience and distribution relationships may help facilitate market entry. This potentially allows Cosmos to pursue a significant new addressable market without the substantial capital expenditures often associated with major expansion initiatives.

The announcement also highlights the evolution of Cosmos Health over the past several years. Once viewed primarily as a pharmaceutical distributor, the company has steadily expanded its footprint into proprietary healthcare products, nutraceuticals, manufacturing services, telehealth, and healthcare innovation. Recent initiatives involving the company's growing 18 Series nutraceutical portfolio, Cana Laboratories' product development efforts, and strategic acquisitions all reflect management's objective of building a more diversified healthcare organization with greater exposure to higher-margin proprietary products.

C-Scrub's expansion into animal health fits squarely within that strategy. Rather than relying solely on pharmaceutical distribution, which generally carries lower margins and greater competitive pressures, Cosmos continues to build a portfolio of owned products that can generate stronger profitability and potentially create long-term shareholder value. The veterinary market may prove particularly attractive because it combines recurring demand with favorable industry growth characteristics.

The company's previously issued long-term guidance targets significant revenue growth and margin expansion over the coming years. Achieving those goals will likely require contributions from multiple business segments rather than a single breakthrough product. In that context, the veterinary C-Scrub initiative represents another piece of a larger puzzle. While it may not transform the company's financial profile overnight, it adds another potential growth driver to an increasingly diversified portfolio. For shareholders, the announcement illustrates a recurring theme that has emerged across many of Cosmos Health's recent initiatives: management continues to seek opportunities where existing assets can be leveraged into larger commercial markets. By utilizing proven products, established manufacturing capabilities, and existing infrastructure, the company may be able to pursue growth while maintaining capital discipline. The successful expansion of C-Scrub into veterinary applications would not only create a new revenue stream but would also further validate Cosmos' broader strategy of transforming itself into an integrated healthcare platform with multiple avenues for growth.

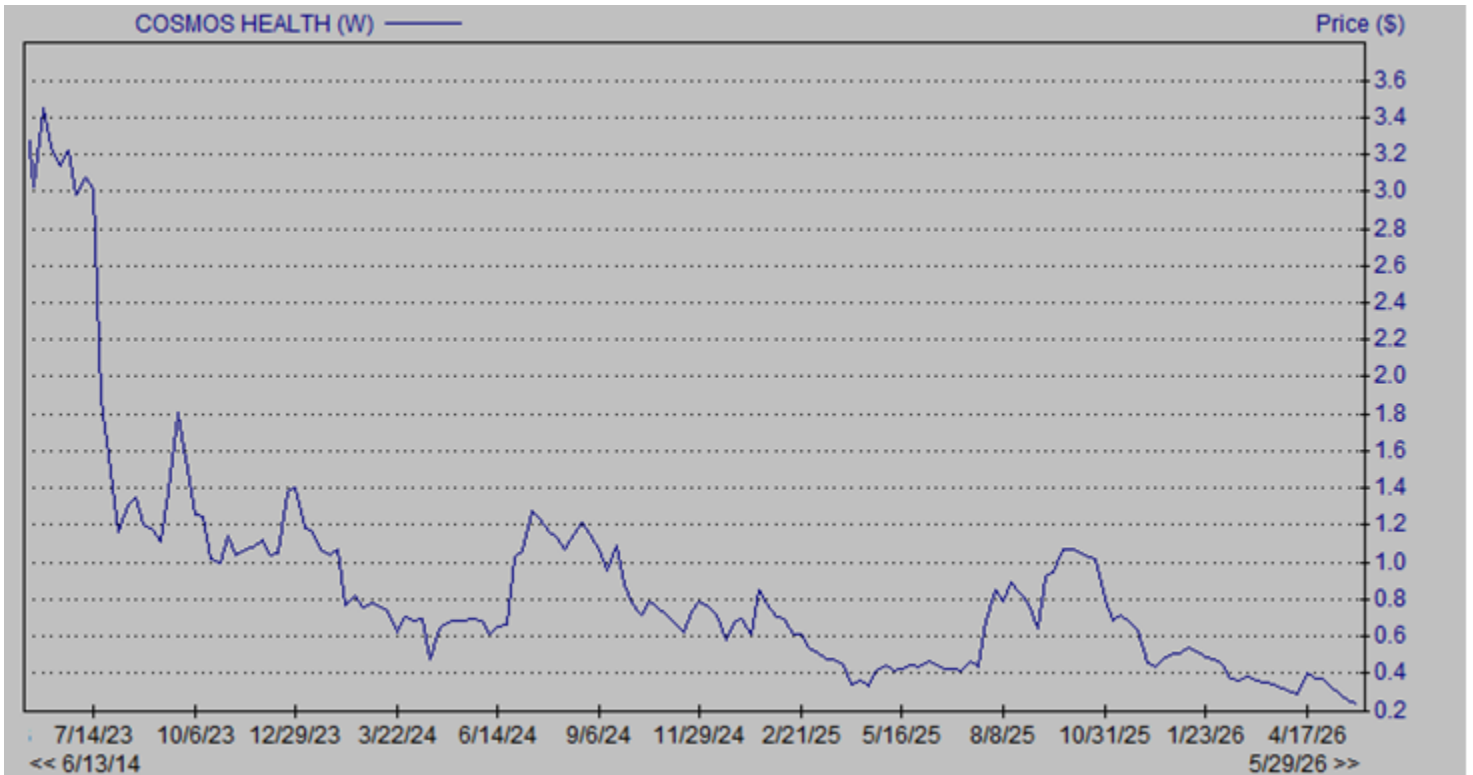
As a result, the company's entry into the global animal health market appears to be more than simply a product launch. It represents another example of Cosmos Health expanding the reach of its proprietary portfolio, increasing its exposure to attractive healthcare end markets, and positioning itself for potentially higher-margin growth opportunities in the years ahead. For investors seeking evidence that management is executing on its long-term vision, the veterinary C-Scrub initiative may be viewed as another encouraging step in that direction.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Cosmos Health Income Statement and Balance Sheet

	2024A	1Q2025A	2Q2025A	3Q2025A	4Q2025A	1Q2026A	2Q2026E	3Q2026E	4Q2026E
Revenues	54,426,402	13,712,528	14,745,702	17,110,425	19,703,160	17,927,892	19,720,681	21,692,749	26,031,299
Cost of Goods Sold	50,115,079	11,662,729	13,581,888	14,507,807	17,623,816	16,546,721	15,776,545	16,920,344	19,523,474
Gross Profit	4,311,323	2,049,799	1,163,814	2,602,618	2,079,344	1,381,171	3,944,136	4,772,405	6,507,825
Operating Expenses									
General and administrative	(11,733,237)	(1,478,702)	(1,490,485)	(2,040,341)	(10,609,632)	(1,800,162)	(1,836,165)	(1,836,165)	(1,872,889)
Salaries and wages	(5,693,436)	(1,040,019)	(1,868,443)	(1,919,950)	(1,949,866)	(1,397,657)	(1,411,634)	(1,425,750)	(1,440,007)
Sales and marketing	(354,969)	(28,155)	(21,706)	(64,794)	(35,585)	(19,352)	(21,287)	(23,416)	(25,758)
Research and development	(533,293)	(15,629)	(74,637)	(18,337)	(410,760)	0	(1,400,000)	(2,000,000)	(2,500,000)
Impairment Charge	(291,980)	0	0	0	(162,785)	0	0	0	0
Depreciation and amort.	(1,249,238)	(320,439)	(353,862)	(377,911)	(317,141)	(348,179)	(358,624)	(369,383)	(380,465)
Total Operating Expenses	(19,856,153)	(2,882,944)	(3,809,133)	(4,421,333)	(13,485,769)	(3,565,350)	(5,027,710)	(5,654,714)	(6,219,118)
Other income and (expenses)									
Interest income	406,449	91,326	105,787	100,698	98,602	46,673	47,606	48,559	49,530
Interest expense	(1,012,314)	(187,107)	(388,814)	(669,150)	(654,801)	(423,229)	(380,906)	(342,815)	(308,534)
Other income, net	(32,323)	110,829	100,278	(2,965,723)	1,816,691	(244,688)	1,889,359	1,964,933	1,964,933
Total other (income) and expenses, net	(638,188)	15,048	(182,749)	(3,534,175)	1,260,492	(621,244)	1,556,059	1,670,676	1,705,929
Gain/(Loss) from before income taxes	(16,183,018)	(818,097)	(2,828,068)	(5,352,890)	(10,145,933)	(2,805,423)	472,485	788,367	1,994,636
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)	(10,145,933)	(2,805,423)	472,485	788,367	1,994,636
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	2,466,434	(295,061)	0	0	0
Total Comprehensive Gain/(Loss)	(24,093,129)	213,171	(1,265,598)	(5,097,627)	(7,679,499)	(3,100,484)	472,485	788,367	1,994,636
Basic and diluted loss per share	\$ (1.17)	\$ (0.03)	\$ (0.10)	\$ (0.17)	\$ (0.33)	\$ (0.06)	\$ 0.01	\$ 0.02	\$ 0.04
Basic and diluted wtd avg common shares	19,147,726	26,037,608	28,753,492	30,625,284	30,289,072	47,087,621	49,087,621	51,087,621	53,087,621
Assets									
Current Assets:									
Cash	315,105	742,881	655,503	889,441	715,674	514,702	530,143	546,047	562,429
Restricted Cash	-	-	-	3,744,219	2,744,219	1,644,219	-	-	-
Accounts Receivable	14,708,571	15,673,910	16,905,141	19,637,469	22,072,800	20,552,592	20,758,118	20,965,699	21,175,356
Securities and other current assets	21,148	25,278	30,266	33,178	46,158	34,225	35,594	37,018	38,498
Inventory	4,355,365	4,736,222	5,110,947	5,683,662	5,778,142	5,650,458	5,819,972	5,994,571	6,174,408
Loan Receivable	1,171,946	1,435,116	1,431,298	1,834,777	487,638	485,191	490,043	494,943	499,893
Prepaid Expenses	4,889,213	5,231,592	6,429,156	6,281,543	6,543,625	8,007,935	8,088,014	8,168,894	8,250,583
Total Current Assets	25,461,348	27,844,999	30,562,311	38,104,289	38,388,256	36,889,322	35,721,884	36,207,173	36,701,168
Property, Plant and Equipment, net	9,689,505	10,016,068	10,820,391	10,664,820	10,578,858	10,280,203	10,485,807	10,695,523	10,909,434
Goodwill and intangible, net	7,756,534	7,808,529	8,225,361	7,960,633	7,569,695	7,225,011	7,080,511	6,938,901	6,800,123
Digital Assets	-	-	-	1,000,057	1,411,084	2,068,645	4,137,290	8,274,580	16,549,160
Other assets	11,404,505	11,528,348	12,227,497	11,762,959	7,529,625	5,905,830	5,846,772	5,788,304	5,730,421
Total Assets	54,311,892	57,197,944	61,835,560	69,492,758	65,477,518	62,369,011	63,272,264	67,904,481	76,690,305
Liabilities and stockholder equity									
Current liabilities:									
Accounts Payable	12,427,061	12,287,516	13,431,963	14,676,934	16,626,476	14,817,101	14,965,272	15,114,925	15,266,074
Accrued Interest	221,820	255,192	345,406	521,843	786,497	871,960	880,680	889,486	898,381
Lines of Credit	6,985,052	7,305,377	8,161,845	7,584,786	9,177,684	7,856,208	7,070,587	6,363,528	5,727,176
Notes/loans Payable	2,565,232	2,774,735	3,167,072	3,584,928	4,341,049	2,123,322	2,080,856	2,039,238	1,998,454
Other current liabilities	3,558,375	3,963,167	6,060,275	12,165,826	7,340,138	8,408,244	8,828,656	9,270,089	9,733,593
Total Current Liabilities	25,757,540	26,585,987	31,166,561	38,534,317	38,271,844	34,076,835	33,826,051	33,677,267	33,623,678
Long-term Liabilities:									
Notes payable-long-term	1,560,433	2,088,540	2,053,857	5,711,462	5,851,837	6,124,297	6,185,540	6,247,395	6,309,869
Operating/Fin. Lease--long-term	501,797	468,697	453,442	427,813	373,473	463,388	468,022	472,702	477,429
Other liabilities	1,959,193	2,097,008	1,930,066	1,684,282	2,555,735	1,878,132	1,821,788	1,767,134	1,714,120
Total long-term liabilities	4,021,423	4,654,245	4,437,365	7,823,557	8,781,045	8,465,817	8,475,350	8,487,232	8,501,419
Total liabilities	29,778,963	31,240,232	35,603,926	46,357,874	47,052,889	42,542,652	42,301,400	42,164,499	42,125,097
Stockholders Equity									
Common stock	23,689	27,285	29,804	31,956	41,154	49,868	50,865	51,883	52,920
Additional Paid-in capital	141,583,625	142,785,641	144,328,641	146,327,367	152,136,404	156,629,904	154,620,042	154,461,441	152,800,480
Subscription receivable	(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)	(133,167,273)	(135,972,696)	(132,815,683)	(127,885,701)	(117,397,600)
Accumulated other comp. income	(2,134,931)	(1,103,663)	458,808	714,070	331,503	36,442	32,798	29,518	26,566
Total stockholders equity	24,532,929	25,957,112	26,231,634	23,134,884	18,424,629	19,826,359	20,970,863	25,739,982	34,565,208
Total liabilities and stockholder equity	54,311,892	57,197,944	61,835,560	69,492,758	65,477,518	62,369,011	63,272,264	67,904,481	76,690,305

HISTORICAL STOCK PRICE



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