Sidoti & Company, LLC
Member FINRA & SIPC

Prenetics Global Ltd (PRE)

$1 Billion Non-Dilutive Financing Removes Growth Constraint; Management Raises Guidance Again; We Increase Revenue Estimates, And Introduce 2028 EPS Estimates; Maintain Price Target

EPS ESTIMATES

	2025	2026E		2027E		2028E	
		OLD	NEW	OLD	NEW	OLD	NEW
Mar	($0.80)	($1.36)A		($0.07)	($0.51)		$0.28
Jun	($0.94)	($0.91)	($0.97)	$0.00	($0.25)		$0.44
Sep	($0.53)	($0.48)	($0.85)	$0.75	($0.01)		$0.65
Dec	($0.42)	($0.43)	($0.95)	$1.21	$0.16		$0.76
EPS	($2.68)	($3.17)	($4.13)	$1.89	($0.60)		$2.13
P/E			**NM**		**NM**		**10.0x**

Note: NR = Not Rated. NC = Stock not covered by Sidoti & Company, LLC. Risk Ratings: H = High, M = Moderate. We include restated financials, and note the company's SPAC merger was completed in 2023. EPS may not equal full-year total due to rounding and/or changes in share count. FCF backs out benefits of equity settled share-based payment expenses (stock-based compensation expense) where noted.

Year	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Rev.(Mil.)	N/A	$65.2	$12.5	$13.2	$6.2	$15.9	$92.4	$224.0	$410.0	$565.0
GAAP EPS	N/A	($0.15)	($178.81)	($37.57)	($5.58)	($3.71)	($2.68)	($4.13)	($0.60)	$2.13

COMPANY DESCRIPTION
Prenetics Global Ltd (www.prenetics.com) is a consumer health and wellness company developing innovative nutritional supplements. More than 50 million servings of its IM8 Daily Ultimate Essentials and Longevity nutrition products have been delivered around the world, making it one of the fastest growing supplement brands in the industry. David Beckham, Aryna Sabalenka, Ollie Bearman, Giannis Antetokounmpo, and Jay Shetty are global brand ambassadors. The company operates with dual headquarters in Hong Kong and Charlotte, NC.

- **Prenetics closed a $1 billion Customer Value Fund (CVF) commitment from General Catalyst, funding up to 70% of IM8 customer-acquisition spend on a cohort-matched basis with no equity, covenants, maturity, or recourse; we model a blended approximate 5% cost, recognized below the operating line.**
- **Management raised guidance for the second time in 2026, now guiding to IM8 revenue of $210-$220 million and a $300 million run-rate exiting 2026, and over $400 million of IM8 revenue in 2027. June was a record $17 million month.**
- **The market reacted positively to the news, with PRE stock closing up nearly 14% compared to the Russell 2000 which closed down approximately 0.1%.**
- **We raise our revenue estimates to $219.0 million (from $193.7 million) for 2026 and $410.0 million (from $292.9 million) for 2027. We introduce a 2028 estimate of $565.0 million.**
- **Our lowered 2026 and 2027 net estimates reflect a spending decision to prioritize long-term growth over near-term profitability and the financing cost of the new CVF. We introduce our 2028 estimates, which reflect a turn to a positive trajectory.**
- **We model a deliberate, CVF funded spending acceleration. Our estimated 2026 share net loss widens to $(4.13) from $(3.17). For 2027 we now estimate a share net loss of $(0.60) from EPS of $1.89. We introduce 2028E EPS of $2.13 on assumptions below management's margin framework.**
- **We maintain our $30 price target, now based on 14x our 2028E EPS of $2.13, and our High risk rating. With $140 million of liquidity, no debt, and growth capital secured, we view the financing positively.**

The Customer Value Fund (CVF) gives Prenetics something high-growth consumer brands rarely secure, growth capital that scales with proven demand, with payments contracted against gross margin for acquired customers. IM8's cohort economics show roughly $1.44 of cumulative gross profit per dollar of acquisition spend, with mature cohorts

NR
Price Target: $30
Price: $21.24

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Key Statistics

Market Cap (Mil)	$357
Enterprise Value (Mil)	$255
52-Week Range	22-7
5-Year EPS CAGR.	NM
Avg. Daily Trading Volume	206,000
Shares Out (Mil)	16.829
Float Shares (Mil)	12.713
Insider Ownership	17%
Institutional Holdings	11%
Annualized Dividend	Nil
Dividend Yield	N/A
FCF Per Share (2026E)	($0.76)
FCF Yield (2026E)	NM
Net Cash Per Share (2026E)	$5.99
Price to Book Value	2.6x
Return on Equity (2026E)	NM
Total Debt to Capital	0%
Interest Coverage Ratio	NM
Short Interest %	4.4%
Short Interest Days To Cover	4.8
Russell 2000	2,965
Russell 2000 - Last 12 Months	31.8%
PRE - Last 12 Months	157.5%

15-Jul-2023 to 15-Jul-2026 (Daily) Price

Source: FactSet Prices

paying back in three to six months. This has made capital, not demand, a binding constraint on Prenetics growth. The CVF from General Catalyst now funds up to 70% of monthly marketing spend, repaid solely from the gross profit of the specific customer cohorts that spend creates, with no equity, covenants, maturity, or recourse to the company's assets. Management retains full discretion over monthly draws. General Catalyst, a venture firm with more than $40 billion under management has funded enterprises such as Stripe, Airbnb, Canva, and Grammarly. It has deployed this customer value structure across dozens of growth-stage companies. Its $1 billion commitment to IM8 is equal to the firm's previous largest investment in Grammarly.

We view the terms as very shareholder friendly. General Catalyst earns a premium scaled to cohort payback speed, from 3.5% for cohorts repaying within three months to a hard cap of 17%. Repayments are calculated against a contractual gross margin set below what IM8 actually generates, a structural cushion in Prenetics' favor. We model a blended 5% cost, or $2.8 million, $6.8 million, and $8.0 million in 2026, 2027, and 2028, recognized below the operating line as a de facto interest expense. The drawn balance sits on the balance sheet as a current liability (roughly $30 million, $38 million, and $44 million at the 2026, 2027, and 2028 yearends) and, while it will screen like debt, it is non-recourse, cohort-collateralized financing with no fixed obligations.

The raised outlook embeds a second-half acceleration the CVF is built to fund. The $210-$220 million IM8 outlook implies an average of $21-$23 million per month in 2H:26, against June's record $17.0 million, supported by CVF-funded acquisition spend beginning in 3Q:26, the 4Q:26 new hydration product launch, and continued geographic broadening. Management's guidance includes only the current product lines and the combined Beckham stack. Our $219.0 million total-company estimate reflects the low end of IM8 guidance plus a steady $2.2 million per quarter from CircleDNA, and implies a December exit rate near $24-$25 million per month, approaching the $300 million run-rate target.

Our lower 2026 and 2027 net estimates reflect a spending decision to prioritize long-term growth over near-term profitability. The CVF funds a substantial step-up in customer acquisition. We model selling and marketing spend of roughly $133 million, $193 million, and $229 million in 2026, 2027, and 2028, with General Catalyst funding about $351 million cumulative, roughly a third of the facility. General Catalyst provides 70% of that spend in cash, all of which is expensed through the income statement as incurred. We also now carry the financing cost itself, $2.8 million, $6.8 million, and $8.0 million, below the operating line. Higher revenue and gross profit recover part of the difference, and the trajectory improves quickly: we model 2027 nearly breakeven at the operating level, with an inflection to sustained profitability in 4Q:27, and 2028E EPS of $2.13 on a roughly 8.6% operating margin with a 15% assumed tax rate despite substantial loss carryforwards. Cash flow tells the more constructive story: because General Catalyst fronts the spend and repayment comes from cohort gross profit rather than corporate cash, our model builds cash in every forecast year, from roughly $83 million currently to $93 million, $110 million, and $174 million at the 2026-2028 year-ends, with 2026 aided by $41 million of digital-asset divestiture proceeds alongside a $40 million repurchase program.

We maintain our $30 price target, now derived from our newly introduced 2028 estimates. With 2027 an investment year now focused on accelerating growth and market share, we believe 2028 is the appropriate valuation basis. Our target applies an unchanged 14x multiple, a discount to high-growth consumer-health peers, to our 2028E EPS of $2.13, which embeds assumptions at or below the conservative end of management's outlook. We see the 2H:27 profitability inflection as the bridge to that earnings power and the 2Q:26 report as the next catalyst. Risks to our target include customer acquisition cost inflation, cohort payback deterioration, and execution against an aggressive second-half ramp. We maintain our High risk rating given these risks and the company's historical operating losses.

Valuation	We maintain our $30 price target, now based on 14x our newly introduced 2028 EPS estimate of $2.13. With 2027 now a growth focused year, we believe 2028, the first year of meaningful earnings in our model, is the appropriate valuation basis. PRE stock currently trades at 10.0x our 2028 EPS estimate, and is valued modestly above its most recently reported cash, current financial assets, and escrow balance of $139.7 million with a ratio of 2.5x. In the past two years, the public peers we listed in the Industry Overview section of our Initiation report have traded at P/E multiples of 12x to 18x; our 14x target multiple sits modestly below the midpoint of this range. Our prior target was based on 14x our $2.16 2027 EPS estimate; we hold our multiple unchanged and roll our valuation basis to 2028 to reflect the CVF funded investment acceleration. We believe our valuation view is warranted given the company's rapid growth, best-in-class partnerships, favorable unit economics, and a balance sheet strengthened by the General Catalyst financing, which removes funding and dilution risk. Our High risk rating reflects Prenetics' history of operating losses.		
Key Risks **Risk Rating: H**	Commercial viability, including history of operating losses and negative earnings.		

Prenetics Global Ltd

Table 1. Prenetics Global Limited Class A (PRE), Income Statement
($ in thousands, except share and per share amounts)

	2020A	2021A	2022A	2023A	2024A	2025A	MarA	JuneE	SeptE	DecE	2026E
Revenue	**$ 65,180**	**$ 12,533**	**$ 13,164**	**$ 6,155**	**$ 15,936**	**$ 92,390**	**$ 35,954**	**$ 50,000**	**$ 63,000**	**$ 75,000**	**$ 223,954**
Year-over-year change	*NA*	*-81%*	*5%*	*-53%*	*159%*	*480%*	*146%*	*183%*	*167%*	*105%*	*142%*
Costs of goods sold	38,835	8,930	9,546	4,982	6,659	43,600	12,671	17,500	22,050	26,250	78,471
Gross profit	**26,345**	**3,603**	**3,618**	**1,173**	**9,277**	**48,790**	**23,283**	**32,500**	**40,950**	**48,750**	**145,483**
Gross margin	*40%*	*29%*	*27%*	*19%*	*58%*	*53%*	*65%*	*65%*	*65%*	*65%*	*65%*
Operating expenses											
Other inc & other net gain	(315)	(202)	430	4,133	2,006	614	840	1,100	1,100	1,100	4,140
Selling & marketing expenses	(6,493)	(5,739)	(4,738)	(5,462)	(5,413)	(35,540)	(22,205)	(31,008)	(38,273)	(43,696)	(135,181)
Research & development expenses	(2,782)	(6,391)	(5,989)	(9,172)	(9,051)	(5,132)	(1,443)	(1,699)	(2,097)	(2,394)	(7,633)
Administrative and other operating expenses	(16,616)	(47,932)	(59,343)	(29,116)	(33,090)	(46,398)	(9,341)	(11,893)	(14,680)	(16,760)	(52,674)
Impairment loss of goodwill	0	0	0	0	0	(6,815)	0	0	0	0	0
Other	(1,133)	0	0	0	0	0	0	0	0	0	0
Total operating expenses	(27,340)	(60,264)	(69,640)	(39,617)	(45,548)	(93,271)	(32,149)	(43,500)	(53,950)	(61,750)	(191,349)
Operating income (loss)	**(995)**	**(56,662)**	**(66,022)**	**(38,444)**	**(36,271)**	**(44,481)**	**(8,866)**	**(11,000)**	**(13,000)**	**(13,000)**	**(45,866)**
FV gain/(loss) on financial assets	0	(94)	(9,363)	(7,135)	(8,869)	780	(568)	(568)	(568)	(568)	(2,272)
FV gain/(loss) on warrant liabs	0	0	3,197	3,351	49	(17,943)	(8,035)	0	0	0	(8,035)
Unrealized fair value loss on alternative assets	0	0	0	0	0	(9,725)	(9,830)	(4,597)	0	0	(14,427)
Gain on warrant exchange / CVF financing cost	0	0	0	0	0	36,657	0	0	(1,340)	(1,529)	(2,869)
Share of loss of equity-accounted investees	0	0	0	(670)	(2,010)	(1,260)	0	0	0	0	0
Other costs	(2,906)	(159,798)	(153,633)	(46)	1,076	(241)	(9)	(9)	(9)	(9)	(36)
Pretax income (loss)	**(3,901)**	**(216,554)**	**(225,821)**	**(42,944)**	**(46,025)**	**(36,213)**	**(27,308)**	**(16,174)**	**(14,917)**	**(15,106)**	**(73,505)**
Income tax credit/(expense)	1,938	(2,569)	245	(54)	7,639	(34)	(28)	(49)	(45)	(45)	(167)
Tax rate	*-49.66%*	*1.19%*	*-0.11%*	*0.13%*	*-16.60%*	*0.09%*	*0.10%*	*0.30%*	*0.30%*	*0.30%*	*0.23%*
Income (loss) from cont. ops	**(1,964)**	**(219,122)**	**(225,576)**	**(42,998)**	**(38,386)**	**(36,247)**	**(27,336)**	**(16,222)**	**(14,961)**	**(15,152)**	**(73,671)**
Loss from disc. Ops	0	45,105	35,122	(21,779)	(11,420)	(3,731)	4,231	0	0	0	4,231
Net income (loss)	**(1,964)**	**(174,017)**	**(190,454)**	**(64,777)**	**(49,806)**	**(39,978)**	**(23,105)**	**(16,222)**	**(14,961)**	**(15,152)**	**(69,440)**
Share of other comp income/exp	0	0	0	0	303	(26)	(167)	150	150	150	283
Gain on revaluation of intangibles	0	0	0	0	0	0	0	500	500	500	1,500
Reclassification of cumulative translation reserve	0	0	0	0	0	(74)	0	0	0	0	0
Exchange on foreign ops	1,581	260	(4,843)	1,795	(1,022)	716	(198)	(50)	(50)	(50)	(348)
Total comprehensive expense for the period	**(383)**	**(173,757)**	**(195,297)**	**(62,982)**	**(50,525)**	**(39,362)**	**(23,470)**	**(15,622)**	**(14,361)**	**(14,552)**	**(68,005)**
Net income (loss)	(1,964)	(174,017)	(190,454)	(64,777)	(49,806)	(39,978)	(23,104)	(16,222)	(14,961)	(15,152)	(69,439)
Non-controlling interests	(24)	(8)	0	(2,053)	(3,502)	(2,269)	0	(301)	(1,221)	(40)	(1,562)
Loss attributable to equity shareholders	**(1,940)**	**(174,009)**	**(190,454)**	**(62,724)**	**(46,304)**	**(37,709)**	**(23,104)**	**(15,921)**	**(13,741)**	**(15,112)**	**(67,877)**
Diluted weighted avg. comm shares	13,177	973	5,069	11,241	12,495	14,052	16,983	16,483	16,163	15,877	15,877
Earnings (loss) per share	**$ (0.15)**	**$ (178.81)**	**$ (37.57)**	**$ (5.58)**	**$ (3.71)**	**$ (2.68)**	**$ (1.36)**	**$ (0.97)**	**$ (0.85)**	**$ (0.95)**	**$ (4.13)**

	MarE	JuneE	SeptE	DecE	2027E	MarE	JuneE	SeptE	DecE	2028E
Revenue	**$ 80,000**	**$ 95,000**	**$ 110,000**	**$ 125,000**	**$ 410,000**	**$ 120,000**	**$ 135,000**	**$ 148,000**	**$ 162,000**	**$ 565,000**
Year-over-year change	*123%*	*90%*	*75%*	*67%*	*83%*	*50%*	*42%*	*35%*	*30%*	*38%*
Costs of goods sold	27,200	32,300	37,400	42,500	139,400	40,800	45,900	50,320	55,080	192,100
Gross profit	**52,800**	**62,700**	**72,600**	**82,500**	**270,600**	**79,200**	**89,100**	**97,680**	**106,920**	**372,900**
Gross margin	*66%*	*66%*	*66%*	*66%*	*66%*	*66%*	*66%*	*66%*	*66%*	*66%*
Operating expenses										
Other inc & other net gain	1,200	1,200	1,200	1,200	4,800	1,200	1,200	1,200	1,200	4,800
Selling & marketing expenses	(41,714)	(45,816)	(50,613)	(54,715)	(192,859)	(50,683)	(55,480)	(59,359)	(63,350)	(228,872)
Research & development expenses	(2,286)	(2,510)	(2,773)	(2,998)	(10,568)	(2,777)	(3,040)	(3,253)	(3,471)	(12,541)
Administrative and other operating expenses	(16,000)	(17,573)	(19,413)	(20,987)	(73,973)	(19,440)	(21,280)	(22,768)	(24,299)	(87,787)
Impairment loss of goodwill	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total operating expenses	(58,800)	(64,700)	(71,600)	(77,500)	(272,600)	(71,700)	(78,600)	(84,180)	(89,920)	(324,400)
Operating income (loss)	**(6,000)**	**(2,000)**	**1,000**	**5,000**	**(2,000)**	**7,500**	**10,500**	**13,500**	**17,000**	**48,500**
FV gain/(loss) on financial assets	(568)	(568)	(568)	(568)	(2,272)	(568)	(568)	(568)	(568)	(2,272)
FV gain/(loss) on warrant liabs	0	0	0	0	0	0	0	0	0	0
Unrealized fair value loss on alternative assets	0	0	0	0	0	0	0	0	0	0
Gain on warrant exchange / CVF financing cost	(1,460)	(1,604)	(1,771)	(1,915)	(6,750)	(1,774)	(1,942)	(2,078)	(2,217)	(8,011)
Share of loss of equity-accounted investees	0	0	0	0	0	0	0	0	0	0
Other costs	(9)	(9)	(9)	(9)	(36)	(9)	(9)	(9)	(9)	(36)
Pretax income (loss)	**(8,037)**	**(4,181)**	**(1,348)**	**2,508**	**(11,058)**	**5,149**	**7,981**	**10,845**	**14,206**	**38,181**
Income tax credit/(expense)	0	0	0	0	0	(772)	(1,197)	(1,627)	(2,131)	(5,727)
Tax rate	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*-15.00%*	*-15.00%*	*-15.00%*	*-15.00%*	*-15.00%*
Income (loss) from cont. ops	**(8,037)**	**(4,181)**	**(1,348)**	**2,508**	**(11,058)**	**4,377**	**6,784**	**9,219**	**12,075**	**32,454**
Loss from disc. Ops	0	0	0	0	0	0	0	0	0	0
Net income (loss)	**(8,037)**	**(4,181)**	**(1,348)**	**2,508**	**(11,058)**	**4,377**	**6,784**	**9,219**	**12,075**	**32,454**
Share of other comp income/exp	150	150	150	150	600	150	150	150	150	600
Gain on revaluation of intangibles	500	500	500	500	2,000	500	500	500	500	2,000
Reclassification of cumulative translation reserve	0	0	0	0	0	0	0	0	0	0
Exchange on foreign ops	(50)	(50)	(50)	(50)	(200)	(50)	(50)	(50)	(50)	(200)
Total comprehensive expense for the period	**(7,437)**	**(3,581)**	**(748)**	**3,108**	**(8,658)**	**4,977**	**7,384**	**9,819**	**12,675**	**34,854**
Net income (loss)	(8,037)	(4,181)	(1,348)	2,508	(11,058)	4,377	6,784	9,219	12,075	32,454
Non-controlling interests	0	(286)	(1,160)	(38)	(1,484)	0	(272)	(1,102)	(36)	(1,410)
Loss attributable to equity shareholders	**(8,037)**	**(3,894)**	**(189)**	**2,546**	**(9,574)**	**4,377**	**7,056**	**10,320**	**12,111**	**33,864**
Diluted weighted avg. comm shares	15,877	15,877	15,877	15,877	15,877	15,877	15,877	15,877	15,877	15,877
Earnings (loss) per share	**$ (0.51)**	**$ (0.25)**	**$ (0.01)**	**$ 0.16**	**$ (0.60)**	**$ 0.28**	**$ 0.44**	**$ 0.65**	**$ 0.76**	**$ 2.13**

Sources: Company reports and Sidoti & Company estimates

Table 2. Prenetics Global Limited Class A (PRE), Cash Flow Statement
($ in thousands, except share and per share amounts)

	2020A	2021A	2022A	2023A	2024A	2025A	MarA	JuneE	SeptE	DecE	2026E	MarE	JuneE	SeptE	DecE	2027E	MarE	JuneE	SeptE	DecE	2028E
Cash flows from operating activities																					
Loss for the period	**(1,940)**	**(174,017)**	**(190,454)**	**(64,777)**	**(49,806)**	**(39,978)**	**(23,105)**	**(16,222)**	**(14,961)**	**(15,152)**	**(69,440)**	**(8,037)**	**(4,181)**	**(1,348)**	**2,508**	**(11,058)**	**4,377**	**6,784**	**9,219**	**12,075**	**32,454**
Bank interest income	(8)	(4)	(472)	(3,943)	(2,039)	(1,092)	(294)	(250)	(250)	(250)	(1,044)	(250)	(250)	(250)	(250)	(1,000)	(250)	(250)	(250)	(250)	(1,000)
Depreciation	1,292	4,288	5,987	5,879	4,016	2,694	159	185	185	185	714	185	185	185	185	740	185	185	185	185	740
Amortization of intangible assets	1,134	3,059	1,556	1,915	1,913	1,087	25	-	-	-	25	-	-	-	-	-	-	-	-	-	-
Other finance costs	0	0	0	0	0	258	9	9	1,349	1,538	2,905	1,469	1,613	1,780	1,924	6,786	1,783	1,951	2,087	2,226	8,047
Fair value loss on financial assets at FVPL	0	94	9,363	7,135	8,869	(780)	568	568	568	568	2,272	568	568	568	568	2,272	568	568	568	568	2,272
Fair value loss on warrant liabilities	0	0	0	0	0	17,943	8,035	-	-	-	8,035	-	-	-	-	-	-	-	-	-	-
Unrealized fair value loss on digital/alternative assets	0	0	0	0	0	9,725	9,830	-	-	-	9,830	-	-	-	-	-	-	-	-	-	-
Net foreign exchange losses	0	0	0	0	0	498	(20)	-	-	-	(20)	-	-	-	-	-	-	-	-	-	-
Gain on disposal of assets	0	0	0	0	0	(11)	(253)	-	-	-	(253)	-	-	-	-	-	-	-	-	-	-
Write-off on inventories	0	0	0	0	0	721	(32)	-	-	-	(32)	-	-	-	-	-	-	-	-	-	-
Gain on disposal of equity-accounted investee	0	0	0	0	0	0	(4,172)	-	-	-	(4,172)	-	-	-	-	-	-	-	-	-	-
Share of loss of equity-accounted investees	0	0	0	0	0	2,128	113	-	-	-	113	-	-	-	-	-	-	-	-	-	-
Equity-settled share-based payment expenses (SBC)	1,617	22,495	31,580	10,589	7,846	7,607	1,242	2,000	2,000	2,500	7,742	2,500	2,500	2,500	3,000	10,500	2,500	2,500	2,500	3,000	10,500
Income tax expense/(credit)	(1,938)	3,733	7,147	(386)	(7,874)	12	28	49	45	45	167	-	-	-	-	-	772	1,197	1,627	2,131	5,727
Impairment loss of goodwill	0	0	0	3,900	0	6,815	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring costs	0	0	30,379	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	4,868	160,340	153,252	2,857	6,236	(38,585)	-	2,500	2,500	2,500	7,500	2,500	2,500	2,500	2,500	10,000	2,500	2,500	2,500	2,500	10,000
Operating cash flow before working capital changes	**5,026**	**19,988**	**48,338**	**(36,831)**	**(30,839)**	**(30,958)**	**(7,867)**	**(11,162)**	**(8,565)**	**(8,065)**	**(35,659)**	**(1,065)**	**2,935**	**5,935**	**10,435**	**18,240**	**12,435**	**15,435**	**18,435**	**22,435**	**68,740**
Changes in working capital:																					
Decrease/(increase) in deferred expenses							-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in inventories							(7,134)	(302)	(100)	(100)	(7,636)	(300)	(500)	-	(500)	(1,300)	1,000	(500)	-	(500)	-
Decrease/(increase) in trade receivables							451	(221)	(250)	(500)	(520)	-	(250)	(250)	(250)	(750)	750	(250)	(250)	(250)	-
(Increase)/decrease in deposits, prepayments, other receivables							2,874	(654)	-	-	2,220	-	-	-	-	-	-	-	-	-	-
Decrease in amounts due from related companies							4	(500)	-	-	(496)	(500)	-	-	-	(500)	-	-	-	-	-
Decrease/(increase) in other non-current assets							1,255	-	-	-	1,255	-	-	-	-	-	-	-	-	-	-
(Decrease)/increase in trade payables							(1,179)	120	12,334	2,001	13,275	(1,249)	54	1,951	1,811	2,566	(1,688)	142	1,841	1,852	2,147
(Decrease)/increase in accrued expenses							(358)	(2,513)	11,692	4,090	12,912	(2,554)	110	3,989	3,702	5,247	(3,452)	290	3,764	3,787	4,389
(Decrease)/increase in contract liabilities							(138)	(174)	4,192	967	4,847	(604)	26	943	875	1,240	(816)	69	890	895	1,037
(Decrease)/increase in other non-current liabilities							(4)	-	-	-	(4)	-	-	-	-	-	-	-	-	-	-
Changes in working capital (net)	**(7,787)**	**(6,591)**	**(33,763)**	**24,210**	**1,965**	**9,132**	**(4,229)**	**(4,244)**	**27,868**	**6,458**	**25,853**	**(5,208)**	**(559)**	**6,633**	**5,638**	**6,503**	**(4,205)**	**(250)**	**6,245**	**5,783**	**7,573**
Cash (used in)/generated from operating activities	**(2,761)**	**13,396**	**14,575**	**(12,621)**	**(28,874)**	**(21,826)**	**(12,096)**	**(15,406)**	**19,303**	**(1,607)**	**(9,806)**	**(6,273)**	**2,376**	**12,568**	**16,073**	**24,743**	**8,230**	**15,185**	**24,680**	**28,218**	**76,313**
Income taxes paid	(119)	20	(60)	(1,144)	0	0	(28)	-	-	-	(28)	-	-	-	-	-	-	-	-	-	-
Net cash (used in)/from operating activities	**(2,880)**	**13,416**	**14,515**	**(13,765)**	**(28,874)**	**(21,826)**	**(12,124)**	**(15,406)**	**19,303**	**(1,607)**	**(9,834)**	**(6,273)**	**2,376**	**12,568**	**16,073**	**24,743**	**8,230**	**15,185**	**24,680**	**28,218**	**76,313**
Cash flows from investing activities																					
Payment for purchase of financial assets at FVPL	0	0	0	0	0	(19,999)	(19,876)	-	-	-	(19,876)	-	-	-	-	-	-	-	-	-	-
Net cash inflow from disposal of equity-accounted investee	0	0	0	0	0	0	69,000	-	-	-	69,000	-	-	-	-	-	-	-	-	-	-
Payment for purchases of PPE	(2,863)	(8,547)	(4,948)	(345)	(1,006)	(208)	-	(750)	(750)	(750)	(2,250)	(1,000)	(1,000)	(1,000)	(1,000)	(4,000)	(1,000)	(1,000)	(1,000)	(1,000)	(4,000)
Proceeds from sale of PPE	11	714	50	99	42	11	-	60	60	60	180	125	125	125	125	500	125	125	125	125	500
Payment for purchase of alternative assets	0	0	0	0	0	(54,354)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Divestments, digital asset proceeds & other	(3,131)	(14,192)	(41,719)	(86,649)	37,466	37,764	-	41,300	-	-	41,300	-	-	-	-	-	-	-	-	-	-
Interest received	8	4	472	3,943	2,039	1,092	294	250	250	250	1,044	250	250	250	250	1,000	250	250	250	250	1,000
Net cash from/(used in) investing activities	**(5,975)**	**(22,022)**	**(46,145)**	**(82,952)**	**38,541**	**(35,694)**	**49,418**	**40,860**	**(440)**	**(440)**	**89,398**	**(625)**	**(625)**	**(625)**	**(625)**	**(2,500)**	**(625)**	**(625)**	**(625)**	**(625)**	**(2,500)**
Cash flows from financing activities																					
Capital element of lease rentals paid	(611)	(1,299)	(1,878)	(3,235)	(2,563)	(2,431)	(142)	(1,250)	(1,250)	(1,250)	(3,892)	(1,875)	(1,875)	(1,875)	(1,875)	(7,500)	(1,875)	(1,875)	(1,875)	(1,875)	(7,500)
Interest element of lease rentals paid	(49)	(206)	(244)	(241)	(203)	(258)	(9)	(110)	(110)	(110)	(339)	(160)	(160)	(160)	(160)	(640)	(160)	(160)	(160)	(160)	(640)
Payment for purchase of treasury shares (buyback)	0	0	(662)	(1,230)	(577)	0	(13,117)	(11,000)	(8,000)	(8,000)	(40,117)	-	-	-	-	-	-	-	-	-	-
Other (incl. CVF drawdowns, net)	12,503	30,822	146,102	2	0	40,156	-	-	25,451	2,267	27,718	(2,847)	1,268	1,587	956	964	(4,597)	1,416	638	576	(1,966)
Net cash (used in)/from financing activities	**11,843**	**29,317**	**143,318**	**(4,704)**	**(3,343)**	**37,467**	**(13,268)**	**(12,360)**	**16,091**	**(7,093)**	**(16,630)**	**(4,882)**	**(767)**	**(448)**	**(1,079)**	**(7,176)**	**(6,632)**	**(619)**	**(1,397)**	**(1,459)**	**(10,106)**
Net increase/(decrease) in cash and cash equivalents	**2,988**	**20,712**	**111,688**	**(101,421)**	**6,324**	**(20,053)**	**24,026**	**13,094**	**34,954**	**(9,141)**	**62,934**	**(11,780)**	**983**	**11,494**	**14,369**	**15,067**	**973**	**13,942**	**22,658**	**26,135**	**63,707**
Cash and cash equivalents at beginning of period	11,522	14,490	35,289	146,660	45,706	52,251	32,131	56,017	69,161	104,165	32,131	95,075	83,345	84,379	95,923	95,075	110,342	111,365	125,356	148,064	110,342
Effect of foreign exchange rate changes	(20)	87	(317)	467	221	(79)	(140)	50	50	50	10	50	50	50	50	200	50	50	50	50	200
Cash and cash equivalents at end of period	**$14,490**	**$35,289**	**$146,660**	**$45,706**	**$52,251**	**$32,117**	**$56,017**	**$69,161**	**$104,165**	**$95,075**	**$95,075**	**$83,345**	**$84,379**	**$95,923**	**$110,342**	**$110,342**	**$111,365**	**$125,356**	**$148,064**	**$174,249**	**$174,249**
Free cash flow	**($5,743)**	**$4,870**	**$9,567**	**($14,110)**	**($29,880)**	**($22,034)**	**($12,124)**	**($16,156)**	**$18,553**	**($2,357)**	**($12,084)**	**($7,273)**	**$1,376**	**$11,568**	**$15,073**	**$20,743**	**$7,230**	**$14,185**	**$23,680**	**$27,218**	**$72,313**
Free cash flow per share	**($0.44)**	**$5.00**	**$1.89**	**($1.26)**	**($2.39)**	**($1.57)**	**($0.71)**	**($0.98)**	**$1.15**	**($0.15)**	**($0.76)**	**($0.46)**	**$0.09**	**$0.73**	**$0.95**	**$1.31**	**$0.46**	**$0.89**	**$1.49**	**$1.71**	**$4.55**
Free cash flow excl. stock-based comp	**($7,360)**	**($17,625)**	**($22,013)**	**($24,699)**	**($37,726)**	**($29,641)**	**($13,366)**	**($18,156)**	**$16,553**	**($4,857)**	**($19,826)**	**($9,773)**	**($1,124)**	**$9,068**	**$12,073**	**$10,243**	**$4,730**	**$11,685**	**$21,180**	**$24,218**	**$61,813**
Free cash flow excl. stock-based comp per share	**($0.56)**	**($18.11)**	**($4.34)**	**($2.20)**	**($3.02)**	**($2.11)**	**($0.79)**	**($1.10)**	**$1.02**	**($0.31)**	**($1.25)**	**($0.62)**	**($0.07)**	**$0.57**	**$0.76**	**$0.65**	**$0.30**	**$0.74**	**$1.33**	**$1.53**	**$3.89**

Sources: Company reports and Sidoti & Company estimates

Prenetics Global Ltd

Table 3. Prenetics Global Limited Class A (PRE), Balance Sheet
($ in thousands, except share and per share amounts)

	2020A	2021A	2022A	2023A	2024A	2025A	MarA	JuneE	SeptE	DecE	2026E	MarE	JuneE	SeptE	DecE	2027E	MarE	JuneE	SeptE	DecE	2028E
Assets																					
Deferred expenses	0	0	4,577	8,313	3,549	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories	4,498	6,829	4,534	3,127	6,566	7,032	14,198	14,500	14,600	14,700	14,700	15,000	15,500	15,500	16,000	16,000	15,000	15,500	15,500	16,000	16,000
Trade receivables	22,991	47,042	41,692	4,058	5,242	2,978	2,529	2,750	3,000	3,500	3,500	3,500	3,750	4,000	4,250	4,250	3,500	3,750	4,000	4,250	4,250
Deposits, prepayments, other	893	7,818	6,889	5,285	7,975	11,860	9,346	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Financial assets at FV	0	9,906	17,538	11,034	10,562	31,192	50,018	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Cash	14,490	35,289	146,660	45,706	52,251	32,117	56,017	69,161	104,165	95,075	95,075	83,345	84,379	95,923	110,342	110,342	111,365	125,356	148,064	174,249	174,249
Other	1,086	9	19,920	16,138	3	17	0	500	500	500	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Current assets	**43,957**	**106,893**	**241,810**	**93,660**	**86,148**	**85,197**	**132,108**	**126,911**	**162,265**	**153,775**	**153,775**	**142,845**	**144,629**	**156,423**	**171,592**	**171,592**	**170,865**	**185,606**	**208,564**	**235,499**	**235,499**
Property, plant and equipment	4,693	13,037	13,103	5,778	7,811	1,763	594	594	594	594	594	594	594	594	594	594	594	594	594	594	594
Intangible assets	24,096	23,826	14,786	13,425	11,574	66	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Alternative assets	0	0	0	0	0	44,629	34,799	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill	3,993	3,978	33,800	29,170	37,364	1,379	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interests in equity-accounted investees	0	0	788	98,465	68,223	66,109	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial assets at FV	0	0	0	9,371	1,103	252	2,338	14,592	14,193	11,736	11,736	9,637	7,641	5,838	3,864	3,864	596	(2,918)	(6,676)	(11,075)	(11,075)
Other non-current assets	2,145	773	7,844	4,302	1,352	6,678	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423	5,423
Total non-current assets	**34,927**	**41,615**	**70,321**	**160,510**	**127,427**	**120,876**	**43,194**	**20,649**	**20,250**	**17,793**	**17,793**	**15,694**	**13,698**	**11,895**	**9,921**	**9,921**	**6,653**	**3,139**	**(619)**	**(5,018)**	**(5,018)**
Assets classified as held for sale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**78,883**	**148,507**	**312,131**	**254,171**	**213,575**	**206,073**	**175,302**	**147,560**	**182,516**	**171,568**	**171,568**	**158,539**	**158,327**	**168,318**	**181,513**	**181,513**	**177,518**	**188,745**	**207,945**	**230,481**	**230,481**
Liabilities																					
Trade payables	13,437	9,980	7,291	1,671	3,668	3,142	1,961	2,081	14,415	16,415	16,415	15,166	15,220	17,171	18,981	18,981	17,293	17,435	19,276	21,128	21,128
Accrued expenses	8,929	36,280	15,611	8,175	9,312	21,124	20,293	17,780	29,472	33,563	33,563	31,008	31,119	35,107	38,809	38,809	35,358	35,648	39,412	43,198	43,198
Contract liabilities	7,055	9,587	5,674	6,111	6,491	3,086	2,948	2,774	6,966	7,933	7,933	7,329	7,355	8,298	9,173	9,173	8,357	8,426	9,316	10,211	10,211
Lease liabilities	865	1,667	2,883	1,502	2,758	1,330	407	462	2,679	3,051	3,051	2,819	2,829	3,192	3,528	3,528	3,214	3,241	3,583	3,927	3,927
Other (incl. CVF financing liability)	16,785	1,223	25,735	22,025	14,322	31	31	31	26,822	30,618	30,618	29,231	32,102	35,460	38,332	38,332	35,509	38,867	41,583	44,376	44,376
Total current liabilities	**47,072**	**58,738**	**57,195**	**39,484**	**36,551**	**28,713**	**25,640**	**23,121**	**53,586**	**61,023**	**61,023**	**56,378**	**56,579**	**63,832**	**70,563**	**70,563**	**64,287**	**64,814**	**71,658**	**78,543**	**78,543**
Warrant liabilities	0	0	3,575	224	175	20,319	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354	28,354
Lease liabilities	805	3,600	3,763	867	3,014	437	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Other	0	487,064	4,135	3,438	2,489	238	236	236	236	236	236	236	236	236	236	236	236	236	236	236	236
Total non-current liabilities	**805**	**490,665**	**11,473**	**4,529**	**5,678**	**20,994**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**	**28,640**
Liabilities classifed as held for sale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**47,876**	**549,402**	**68,668**	**44,013**	**42,229**	**49,707**	**54,280**	**51,761**	**82,226**	**89,663**	**89,663**	**85,018**	**85,219**	**92,472**	**99,203**	**99,203**	**92,927**	**93,454**	**100,298**	**107,183**	**107,183**
Equity attributable to equity shareholders	31,084	(400,810)	237,064	206,358	170,389	156,459	121,115	96,194	101,905	83,560	83,560	75,176	75,049	78,947	85,449	85,449	87,729	98,701	112,159	127,846	127,846
Non-controlling interests	(77)	(85)	6,399	3,799	957	(93)	(93)	(394)	(1,615)	(1,655)	(1,655)	(1,655)	(1,941)	(3,101)	(3,139)	(3,139)	(3,139)	(3,410)	(4,512)	(4,548)	(4,548)
Total equity	**31,007**	**(400,895)**	**243,463**	**210,157**	**171,346**	**156,366**	**121,022**	**95,800**	**100,290**	**81,905**	**81,905**	**73,521**	**73,108**	**75,846**	**82,310**	**82,310**	**84,591**	**95,291**	**107,647**	**123,298**	**123,298**
Net cash (debt) per share	**$ 1.10**	**$ 36.26**	**$ 28.93**	**$ 4.07**	**$ 4.18**	**$ 2.29**	**$ 3.30**	**$ 4.20**	**$ 6.44**	**$ 5.99**	**$ 5.99**	**$ 5.25**	**$ 5.31**	**$ 6.04**	**$ 6.95**	**$ 6.95**	**$ 7.01**	**$ 7.90**	**$ 9.33**	**$ 10.98**	**$ 10.98**

Sources: Company reports and Sidoti & Company estimates

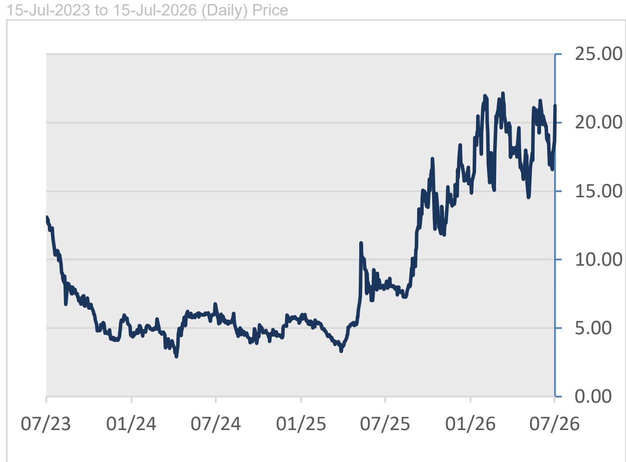
Required Disclosures

Prenetics Global Ltd (PRE-$21.24) NR Price Target: $30 Risk Rating: H

Rating and Price Target History Table

Action	Date	Px	Rating	PT	Risk Rating
Initiation	02/12/2026	21.0	NR	30	H

15-Jul-2023 to 15-Jul-2026 (Daily) Price



Source: FactSet Prices

Valuation	We maintain our $30 price target, now based on 14x our newly introduced 2028 EPS estimate of $2.13. With 2027 now a growth focused year, we believe 2028, the first year of meaningful earnings in our model, is the appropriate valuation basis. PRE stock currently trades at 10.0x our 2028 EPS estimate, and is valued modestly above its most recently reported cash, current financial assets, and escrow balance of $139.7 million with a ratio of 2.5x. In the past two years, the public peers we listed in the Industry Overview section of our Initiation report have traded at P/E multiples of 12x to 18x; our 14x target multiple sits modestly below the midpoint of this range. Our prior target was based on 14x our $2.16 2027 EPS estimate; we hold our multiple unchanged and roll our valuation basis to 2028 to reflect the CVF funded investment acceleration. We believe our valuation view is warranted given the company's rapid growth, best-in-class partnerships, favorable unit economics, and a balance sheet strengthened by the General Catalyst financing, which removes funding and dilution risk. Our High risk rating reflects Prenetics' history of operating losses.		
Key Risks Risk Rating: H	Commercial viability, including history of operating losses and negative earnings.		

(IF A COMPANY SPONSORED RESEARCH (“CSR”) REPORT, ALSO REFER TO ADDITIONAL CSR-SPECIFIC DISCLOSURES PROVIDED BELOW)

Rating System

Sidoti’s Equity Research rating system consists of BUY and NEUTRAL recommendations, as well as a NOT RATED classification. We do not assign these BUY or NEUTRAL ratings for companies covered under our Company Sponsored Research program. Companies (or equity securities) covered by our CSR program are classified as NOT RATED (NR) and are only assigned a HIGH (H) or MODERATE (M) risk rating, which rating can be found in the “Risk Section” of this document. Unless otherwise noted in a report, Sidoti ratings should be interpreted as follows:

Rating	Industry	Interpretation
BUY	All, except Utilities	Capital appreciation of at least 25% over the next 12 months
NEUTRAL	All, except Utilities	Capital appreciation of less than 25% over the next 12 months
BUY	Utilities(a)	Capital appreciation of at least 15% over the next 12 months

NEUTRAL	Utilities(a)	Capital appreciation of less than 15% over the next 12 months
HIGH (RISK)	All in CSR program	Companies/equities with among others, one or more of the following characteristics: • significant potential for loss of principal; • significant share price volatility; • limited or no revenue or cash flow and/or high unpredictability associated with revenue and cash flow; • short and/or unprofitable operating history; • potentially significant issues regarding operational and/or financial success; • problematic financial, liquidity, legal, regulatory or political issues; • upcoming need for additional capital when availability is questionable; • significant related party transactions which could lead to a conflict of interest; • any other factor that the analyst believes could materially and adversely impact the subject company and/or the value of its securities.
MODERATE (RISK)	All in CSR program	Companies which have many of the same risks as described under the HIGH risk rating, but which risks are mitigated (on a relative basis and in the opinion of the analyst) due to, among others, one or more of the following: • more stable, predictable or foreseeable revenue, profits and cash flow; • more established operating history; • more favorable operating or business environment • lower potential for financial, liquidity, regulatory or political issues; or • less onerous upcoming capital needs.

(a) those with at least 75% of operations derived from regulated state and federal businesses

Percentage of Covered Companies with Each Rating and
Realization of Investment Banking Income from Covered Companies Over the Past 12 Months:

With reference to the information described in the header immediately above please refer to the table below, which is as of 7-15-2026 , and reflects information immediately prior to, the publication of this report:

Rating	# of Companies	% (b)	Realized Investment Banking Income (# of companies with rating)	Realized Investment Banking Income (% of companies with rating)
BUY	17	12.8%	0	0.0%
NEUTRAL(a)	4	3.0%	0	0.0%
NOT RATED	0	0.0%	0	0.0%
NR - CSRs Moderate Risk (c)	96	72.2%	0	0.0%
NR - CSRs High Risk (c)	16	12.0%	0	0.0%
TOTAL	133	100%	0	0.0%
(a) Of the NEUTRALS 6 trade above our price target.				
(b) Numbers may not add due to rounding or because of a pending drop of coverage.				
(c) 85.7% of our CSRs are moderate risk, while 14.3% are high risk.				

Certain Risks

A universal risk to all our price targets is that the analyst's estimates or forecasts may not be met. Past performance should not be construed as indicative of future performance. This report contains forward-looking statements, which involve risks and uncertainties. Actual results may differ significantly from such forward-looking statements. Factors that may cause such a difference include, but are not limited to, those discussed in the "Risk Factors" section in the subject company's SEC filings available in electronic format through SEC Edgar filings at www.sec.gov.

Certain information Regarding Analyst Compensation

Sidoti employees, including research analysts, receive compensation that is based in part upon the overall performance of the firm, including revenues generated by Sidoti's investment banking activities, brokerage activities, from issuers participating in Sidoti's Company Sponsored Research program, from covered (and non-covered) companies paying to attend our affiliate's conferences or compensating Sidoti for arranging Non-Deal Road Show (NDR) meetings, but compensation is not directly related to any of these revenue streams. As noted below such factors present a potential conflict of interest.

Factors that May Influence Continuation of Coverage and Related Potential Conflicts of Interest

Sidoti research analysts generally do not cover (or continue to cover) those companies where Sidoti does not deem coverage to be profitable. In determining whether coverage is profitable, Sidoti considers among other things, (a) an estimate of invoice payments received from its institutional investor clients as it relates to a covered company; (b) whether management of a covered company participates in a Sidoti affiliate's-sponsored conferences and/or non-deal roadshows (Sidoti's affiliate receives a fee from the issuer if the issuer presents at a conference and may receive a fee from the issuer if it schedules an NDR; The affiliate thereafter covers a portion of Sidoti's expenses pursuant to an expense sharing agreement, which amount is determined based on affiliate revenue versus Sidoti revenue); and (c) whether a covered company has in the past or is inclined to include Sidoti in an investment banking transaction as a co-manager or otherwise. A possible effect of factors (b) and (c) above may be that continued coverage decisions are based, in part, on the willingness of management of covered companies to participate in, and compensate Sidoti's affiliate for, such conferences and NDR meetings, as well as Sidoti's inclusion in investment banking transactions. This approach could be viewed as presenting potential conflicts of interest. There are additional conflicts of interest, described below, regarding companies that are part of Sidoti's CSR program.

Sidoti and Analyst Ownership of Securities Described Herein and Other Analyst Restrictions

Sidoti does NOT own securities of the issues described herein. Sidoti policy does not allow an analyst or a member of their household or any account in which they otherwise hold a beneficial interest to own shares in any company that he/she covers, provided however that but certain of its other associated persons may hold and transact in these securities subject to Sidoti conflict of interest policies. Sidoti policy does not allow employees or household members to serve as an officer or director of a covered company. Sidoti does not make a market in any securities.

Sidoti Investment Banking Revenue Realized from the Subject Company in the Last 12 Month

Sidoti has non-research employees that will seek compensation for investment banking services from the company covered hereunder. As of the date hereof, Sidoti may expect to receive or may intend to seek investment banking compensation from any of its covered companies, including the subject company covered herein, within the next 3 months (additional detail, if any, is provided in a special disclosure below). Investment banking services, as defined under FINRA Rule 2241, includes, among other things, acting as an underwriter in or as a member of the selling group in a securities underwriting. Sidoti's role in most investment banking transactions can be viewed on this company's filings at www.sec.gov. The table below sets forth instances where Sidoti has received investment banking revenue from the company covered hereunder in the last twelve months, if any:

Date	Role	Transaction	Security

Sidoti Non-Investment Revenue Realized from the Subject Company in the Last 12 Months

Prior to December 31, 2022, Sidoti held multiple conferences a year and charged a fee of up to $6,000 per conference to presenting companies. Beginning January 2023, Sidoti Events, LLC ("Sidoti Events"), an affiliate of Sidoti by common ownership, began to hold these conferences. Sidoti or Sidoti Events may also receive a fee of up to $8,000 for scheduling a Non-Deal Roadshow ("NDR") day. Sidoti Events reimburses Sidoti for certain services provided by Sidoti to Sidoti Events in respect of these conferences (or NDR days) pursuant to an Expense Sharing Arrangement. The table below sets forth instances where Sidoti or Sidoti Events received non-investment revenue from the company covered hereunder, if any, over the past 12 months:

Conferences	NDR Days
December 2025	
January 2026	
March 2026	

Additional Disclosures Specific to the Subject Company of this Report Including the Pursuit or Expectation of Investment Banking Revenue in the Next Three Months

None

Analyst Certification

The research analyst that authors this report, Alex Hantman, certifies that this report accurately reflects his/her personal views about the subject securities and issuers and that none of the research analysts compensation was, is or will be directly or indirectly related to the analyst's specific recommendations or views contained in this research report.

Other Disclosures

This report is for information purposes only and is not intended as an offer to sell or a solicitation to buy securities. Sidoti does not maintain a predetermined schedule for publication of research and will not necessarily update this report. The stock rating on this report, if any, reflects the analyst's recommendation based on a 12-month period. Past performance should not be construed as indicative of future performance. Information contained herein is based on sources Sidoti believes to be reliable, but it does not guarantee their accuracy. Targets, forecasts, estimates, valuations, and opinions concerning the subject company or its securities, and information involving composition of market sectors included in this report reflect analyst judgments as of this date and are subject to change without notice. It should be presumed that the analyst who authored this report has had discussions with the subject company to ensure factual accuracy prior to publication. This report was prepared for market professionals and institutional investor customers. Market professionals and institutional investors should consider this report as only a single factor in making their investment decisions. This research report is not a substitute for the exercise of your independent judgment. At times, Sidoti may be in possession of material non-public information, none of which is used in the preparation of our research. Sidoti maintains and enforces written policies and procedures reasonably designed to prevent any controlling persons, officers (or persons performing similar functions), or employees of Sidoti from influencing the activities of research analysts and the content of research reports prepared by the research analyst. Sidoti receives and seeks to receive, through the efforts of non-research employees, commission sharing agreement compensation from institutional investors in connection with providing securities-related services including access to this report. Reprints of Sidoti & Company, LLC reports are prohibited without permission. Additional information is available upon request. The trademarks and service marks contained in Sidoti & Company Research are the property of their respective owners. Third-party data providers make no warranties or representations relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages relating to such data.

SPECIAL CSR-RELATED DISCLOSURES

Very Important Notice to Recipients Regarding Purpose and Usage of CSR

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When a price target is “N/A”, readers of the associated research must understand that the covered company’s equity is, in most instances, characterized by extraordinary risk and is very likely to be subject to highly significant price fluctuations While an investor in any equity may experience, and must be able to bear, significant losses, investors in an NPT company must be able to bear the loss of their entire investment. Sidoti urges readers of an NPT report to carefully consider the risks outlined in the subject company’s research publication and in its public filings, which may be found at www.sec.gov. In evaluating such risks, investors should, among other things, seek to gain an appreciation for the speculative nature of the subject company’s securities (and potential high volatility associated therewith) and factors including: when or if future earnings or cash flow will be forthcoming, how much additional and potentially dilutive financing will be needed to turn such earnings or cash flow metrics positive and the special exogenous factors subject companies may face (which could cause their share prices to decrease in value whether suddenly or over time). Sidoti further reminds readers of its reports that they are being produced solely for sophisticated institutional investors and that they must not be used by retail investors for any investment-oriented purpose. Please note that a Sidoti analyst covering an NPT company is not recommending the reader to take any action with respect to and will not recommend or issue any investment opinion about, the subject company’s securities. The information contained in the financial model in an NPT report must be considered to be inadequate for making an investment decision, valuing the subject company’s securities or drawing any conclusions about the subject company’s potential.

<u>CSR Fees and Related Potential Conflicts of Interest</u>

As of June 1, 2026, all companies that are part of Sidoti’s CSR program will pay a fee of $50,000 for one year of coverage (in the event a CSR client was previously under contract at an annual fee for $60,000 per annum, such client’s fee will be reduced for the remaining earnings reports due under the contract to a $50,000 annual rate on a pro rata basis). The fee is for the production and dissemination of an Initiation Report (if the initial year of the contract) and quarterly update reports during the one-year term of a CSR contract. (Sidoti does not accept stock or warrant compensation). Such contractually required reports coincide with initiation of coverage and the subject companies’ quarterly earnings releases. Sidoti may also publish reports on its CSR companies between each earnings report for which it has a contractual obligation to publish. The purpose of the CSR fee is to subsidize the high costs of providing securities research coverage. Sidoti’s receipt of a fee from the issuer described herein for producing this report could present potential conflicts of interest. To mitigate the potential for conflicts, Sidoti:

- assures its contracts with the issuer described herein allows for Sidoti’s full editorial control of all research and, within reason, the timing of its release;
- requires the term of a contract extend for one full year, which contract the issuer cannot unilaterally terminate;
- provides Sidoti the ability to terminate the contract under certain circumstances;
- has a provision in its contract with its CSR clients which states that, at a minimum, pro-rata payment of the annual fee is to be received prior to the publication or release of a research report;
- utilizes analysts who must abide by the CFA Institute Code of Ethics and Standards of Professional Conduct;
- provide analysts with full discretion on the price target and over other coverage points based on their own due diligence;
- maintains and enforces written policies and procedures reasonably designed to prevent any controlling persons, officers (or persons performing similar functions), or employees of Sidoti from influencing the activities of research analysts and the content of research reports prepared by the research analyst;
- does not directly tie analyst compensation to their willingness to cover a company on a commissioned basis, provided however that the provision of CSR coverage is one of several overall considerations that is factored into Sidoti’s determination of analyst compensation; and
- does not directly or indirectly tie analyst compensation to the specific recommendations or views expressed in any research report.
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Notwithstanding the measures set forth above to mitigate the risk of potential conflicts of interest, Sidoti makes no representations and does not warrant that such measures can or will fully eradicate potential conflicts.

<u>Certain Additional CSR Risk Considerations</u>

Many companies covered under Sidoti’s CSR program can be classified as microcap stocks, which equities typically bear certain risks that are not as prevalent in the “Blue Chip”, large capitalization, mid capitalization or even the small capitalization segment of the market. Microcap stocks are more prone to trade at discounts. They generally have smaller trading volume and smaller public floats than companies with larger market capitalization, which can lead to an inability to buy or sell shares (liquidity risk) in quantity without moving the market (or at all), large bid-ask spreads, and increased stock price volatility (which can result) even if a trade involves a very small number of shares. In addition, microcaps tend to have significant company specific risks that contribute to lower valuations and may limit stock price appreciation. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market. Given the foregoing, readers of this report are urged to pay special attention to the risk rating and risk factors set forth in this report, as well as to seek more detailed information regarding risks by reviewing the company's public filings at www.sec.gov.

For More Information

For more information concerning the valuation methodology and risks associated with any recommendation, rating, price target or commentary referenced in this research report, please contact Sidoti's Client Support Team at US/Canada +1 212-453-7000. Alternatively, you may contact a Sidoti investment representative by mailing Sidoti & Company, LLC, Attention: Director of Research, 1177 Avenue of the Americas, 5th Floor, New York, NY 10036, USA.

Source(s)

Key Statistics data is sourced from FactSet Research Systems