Benchmark Equity Research
Healthcare Services
June 16, 2026

Prenetics Global Limited Class A (PRE)

Initiating Coverage at Buy with $30 Price Target

Initiation of Coverage
Rating: Buy

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Price Chart

Current Price	$20.75
Price Target	$30.00
52-Week Range	$6.88 - $23.63
Shares Outstanding (M)	17.0
Market Cap (M)	$352
Enterprise Value (M)	$212
Avg Vol (000s)	296
Net Cash/Share	$140.0
Sector Weight	Overweight

► We are initiating coverage of Prenetics Global (PRE) at Buy with a $30 PT. Prenetics is a health and wellness company that is today focused on IM8, its consumer brand addressing the growing nutritional supplements market. IM8 was co-founded by David Beckham and Prenetics CEO Danny Yeung in December 2024. In the 18 months since, IM8 has reached ARR of $200 million as of May 31st. Drivers for this meteoric growth include: 1) an expanding roster of influencers who are also shareholders including Aryna Sabalenka, World #1 in women's tennis, and Giannis Antetokounmpo, two-time NBA MVP, 2) a product line with an unusually high level of scientific clinical validation for the supplements industry, 3) AI-enhanced targeted marketing program producing customer LTV/CAC of 3:1, and 4) the recent impact of longer (quarterly) subscriptions. Prenetics recently divested stakes in three non-core businesses, retained a small, profitable consumer genetics testing unit, and now has cash and investments of ~$140 million – more than sufficient to fund the current high growth trajectory until the company scales to positive cash expected by 2028. We also believe the company has a viable long-term growth strategy built on logical product expansion and adjacencies, further marketing channel diversification, and increasing global reach.

► **Positioned in a faster growing subset of the expanding global dietary supplements market**. Industry research estimates for the global dietary supplements market range from $400 to $500 billion with a 7%-10% forward CAGR. IM8 is focused on a market subset for proprietary and clinically substantiated formulations that is growing at a more rapid pace based on rising consumer preference.

► **Product line with strong clinical validation and attractive value proposition**. IM8 Daily Essentials is an all-in-one supplement with a very broad nutrient profile that costs about 30% the price of the supplements purchased individually. The product claims have been substantiated by a broad-based scientific advisory panel and clinical validation, with two new double-blind studies underway this year.

► **Expanding roster of equity-aligned influencers in sports and wellness**. IM8's "global ambassadors" have discovered and used the product before approaching the company, and their deals are weighted towards equity. With exquisite timing, Prenetics just signed a deal with Inter Miami CF wherein IM8 will receive branding in the club's Nu Stadium, training center and digital platforms.

► **Marketing channel diversification**. As of 1Q, 85% and 15% of total spend was on Meta (covered by Mark Zgutowicz) and Google (GOOG-NR), respectively. In the second half, IM8 will move to a targeted spend of 55% on Meta, 15% on Google, 12% on You Tube, 12% on TikTok and 6% on AppLovin (APP-Buy, covered by Mike Hickey). This step will reduce single platform risk, unlock new audiences and should further improve CAC efficiency.

► **Product line expansion across health and wellness categories.** With the 1Q print, management announced three products to be launched by 4Q extending the IM8 brand to adjacent categories. Management expects a solid initial impact as it focuses on the current 80,000+ customer base. Their internal models suggest that these three products could add $178 to $378 of incremental second-year revenue per customer.

Year to 31 Dec	2025A	1Q26A	2Q26E	3Q26E	4Q26E	2026E	2027E
EBITDA	(13.0)	(5.6)	(7.8)	(7.2)	(5.8)	(26.5)	(15.5)
Delta % (+/-) v. Cons.							
Revenue (m)	$92.5	$36.0	$48.2	$57.8	$70.4	$212.3	$356.6
EV/Rev	2.3x					1.0x	0.6x
Consensus Revenue (mm)						$198.7	$308.7

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Company Snapshot

Prenetics was founded in 2014 in Hong Kong by current CEO Danny Yeung with a focus on genomic testing and diagnostic services. In 2020, a COVID testing business was launched that grew to peak annual revenue of ~$275M and was exited in 2023. Prenetics launched IM8 Health in December 2024 with co-founder David Beckham to address the global nutritional supplements market. As of May 31st, IM8 is generating ARR of ~$200 million and shipping products to 43 markets.

The product set currently is comprised of Daily Ultimate Essentials Pro, Daily Ultimate Longevity and the "Beckham Stack", which combines the two products. Approximately 93% of purchases are subscription base, with an increasing number of quarterly subscriptions.

IM8 is shipped currently to 43 countries. In 1Q, the mix of the top five markets was: U.S. (38% of revenue), Canada (14%), UK (10%), Australia (6%) and Singapore (4%).

Beginning in 2025, Prenetics has streamlined the company, divesting its stakes in ACT Genomics (precision oncology), Europa Sports (logistics and distribution) and Insighta (multi-cancer, early detection technology) for cumulative proceeds of up to $155 million. In addition to IM8, continuing operations now include only CircleDNA (direct-to-consumer genetics tests).

The company's IPO was in May 2022 through a SPAC transaction.

Multi-faceted Growth Story

Positioned in a faster growing subset of the expanding global dietary supplements market

Industry research estimates for the global dietary supplements market range from $400 to $500 billion with a 7%-10% forward CAGR. IM8 is focused on a market subset for proprietary and clinically substantiated formulations that is growing at a more rapid pace based on rising consumer preference. Other drivers for this category are GLP-1 adoption, which is increasing demand toward high protein and nutrient dense supplementation, and an aging population that, unlike prior generations, is intently focused on preventive medicine and anti-aging approaches.

Product line with strong clinical validation and attractive value proposition

IM8 Daily Essentials is an all-in-one supplement with a very broad nutrient profile that costs about 30% the price of the supplements purchased individually. The product claims have been substantiated by a broad-based scientific advisory panel and clinical validation. In October 2024, Prenetics commenced a 12-week randomized, controlled clinical trial evaluating Daily Ultimate Essentials at the San Francisco Research Institute with 60 healthy adults aged 25–60. In the trial, 95% of participants reported improved daily energy levels, 85% reported improved digestion and reduced bloating, 80% reported better sleep, and 75% reported improved focus and mental clarity.

As detailed in Figure 1 on the next page, two randomized, double-blind, placebo-controlled studies are set for this year.

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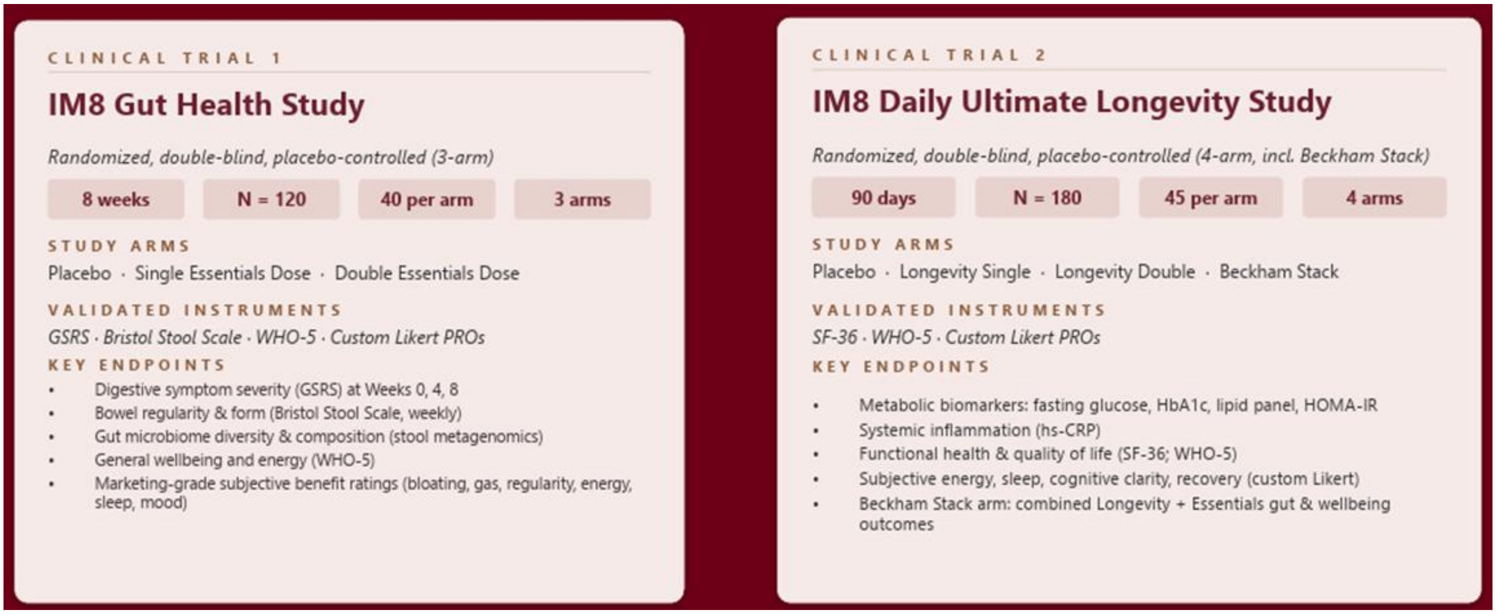
Figure 1: Randomized Controlled Trials Set for 2026



Source: Company presentation

Expanding roster of equity-aligned influencers in sports and wellness

Co-founder David Beckham provided strong initial visibility for the brand, especially with his ~90 million followers. Since then, other professional athletes have used the product and approached the company, which has led to signings that include Aryna Sabalenka, world #1 in women's tennis, Giannis Antetokounmpo, two-time NBA MVP, and Ollie Bearman, a rising F1 driver for Ferrari. Most recently and just as the World Cup gets underway, Prenetics struck a multi-year deal with Inter Miami CF, wherein IM8 will receive branding in the club's Nu Stadium, training center and digital platforms, and will be available to all players and staff. The deal also grants IM8 NIL rights for at least four Inter Miami players. The partnership also provides access to matchday audiences as well as the global fanbase. Inter Miami is taking an equity stake in Prenetics, a first for the club with a brand partner.

All deals involve a significant equity component and, by the standards of the endorsement world, are not large financial commitments. The influencers have typically used the product for several months on the advice of a trainer or physician (or a relationship with Beckham) and then have reached out to Prenetics – all of which enhances the credibility of the endorsement.

In addition to athletes, IM8 is broadening its roster of influencers such as the recent addition of wellness author and podcaster, Jay Shetty. There also are hundreds of influencers running paid ads from their platforms reaching 100+M combined followers across multiple categories.

AI-driven marketing engine and workflow optimization

The company's marketing strategy utilizes AI to accelerate creative production, optimize customer acquisition and improve enterprise-wide workflows.

AI-powered creative production enables speed and efficiency not possible with traditional creative methods. As of 4/1/26, IM8 had more than 2,000 active ad creatives running simultaneously their Meta Ads Manager – a 20-fold increase in a year. The cost of producing creative output has decreased ~80% y/y. In terms of scale, a single AI-generated video campaign for Aryna Sabalenka garnered over 233 million views on Instagram – the platform's top social video advertisement last year. Engagement is enhanced by the ability to produce hundreds of unique ad variations each week, test them against real-time performance data and rapidly iterate.

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AI-optimized customer acquisition leverages machine learning for audience segmentation, bid optimization and predictive modeling of customer lifetime value. AI models analyze behavioral signals across the customer base to identify high-propensity prospects, dynamically allocate marketing spend across channels and geographies, and optimize landing page experiences in real-time based on visitor attributes and predicted conversion probability. Each landing page experience is dynamically assembled using AI to match messaging, social proof, and product recommendations to the individual visitor's profile, maximizing conversion rates and improving customer acquisition cost efficiency.

AI is utilized in search and discovery through implementation of AI-optimized structured data, metadata and content strategies to ensure IM8 is discoverable and accurately represented by AI-powered search engines and recommendation systems. As consumer search behavior migrates from traditional keyword queries to conversational interfaces, AI search optimization is expected to give IM8 an organic traffic advantage relative to competitors who have not made similar investments.

Marketing channel diversification

Since its launch, IM8 has focused paid marketing spend on two channels, Meta (META-Buy, covered by Mark Zgutowicz) and Google (GOOGL-NC). As of 3/31/26, 85% and 15% of total spend was on Meta and Google, respectively. In the second half, IM8 will move to a targeted spend of 55% on Meta, 15% on Google, 12% on You Tube, 12% on TikTok and 6% on AppLovin (APP-Buy, covered by Mike Hickey). This step will reduce single platform risk, unlock new audiences and is expected to improve CAC efficiency.

Expansion into TikTok Shop should be particularly dynamic with the helpful direction of Hudson Leogrande, the founder of Comfrt, who was just added to Prenetics' Board. In four years, Comfrt is on track to exceed $1 billion of revenue this year, in large measure due to their dual-platform model where ~600,000 TikTok affiliates drive reach that, in turn, unlocks customer acquisition on Meta. This is widely cited as one of the most capital-efficient strategies in modern DTC commerce.

Another marketing initiative is the partnership with Superpower, a preventive health platform that offers annual blood testing across 100+ biomarkers, announced in March. Essentially, IM8 subscribers and Superpower members are offered discounted pricing for each service. Initial results suggest 10%-15% of new Superpower members are purchasing IM8 product.

Product introductions across diverse health and wellness categories

In our view, product line expansion will be the number one determinant for IM8 to deliver sustainable longer-term growth. With the 1Q print, management announced three products to be launched by 4Q that are intended to extend the IM8 brand to adjacent categories. Management expects a solid initial impact as it focuses on the current 80,000+ customer base. <u>Their internal models suggest that these three products could add $178 to $378 of incremental second-year revenue per customer</u>.

IM8 Hydration Pro targets a $37B market dominated by largely mature, commoditized sugar and electrolyte products like Gatorade and Liquid IV. Management believes Hydration Pro will be differentiated by a science-backed formulation that is third party tested and NSF certified for sport. The company also sees a marketing advantage with its roster of sports ambassadors as hydration is a category where authentic athlete credibility is key.

IM8 Creatine targets a $1.3B market that is growing north of 20% as consumer interest expands beyond bodybuilding to conditioning, healthy aging and women's health. Current competitors are Optimum Nutrition, Muscle Milk, Thorne and Create, which are focused on muscle conditioning. IM8 Creatine will pair strength building with enhanced cognition. The company also plans to lean into the science behind the formulation versus a market that largely relies on commoditized powders.

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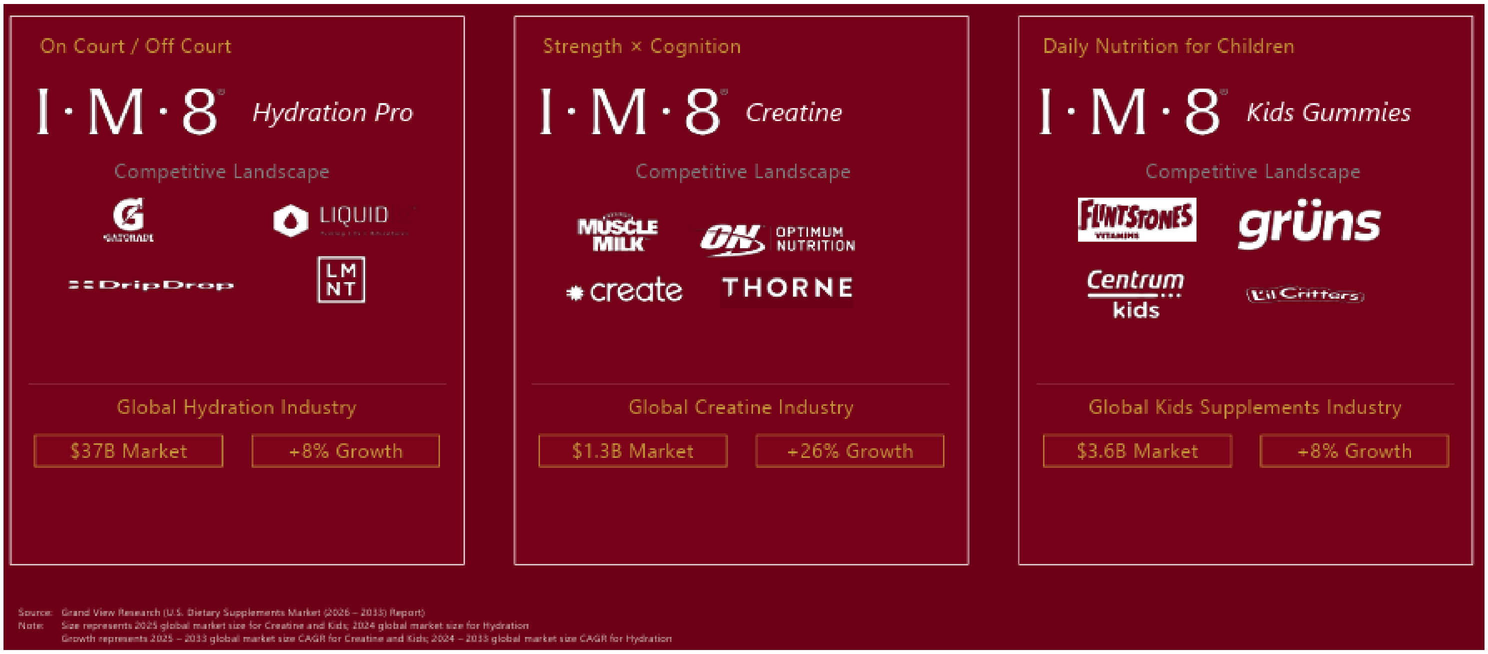
IM8 Kids Gummies targets a $3.6B global kids supplement category growing 8% annually. The legacy brands – Flintstones, Centrum Kids, Lil Critters, etc. – often contain sugar and artificial ingredients. In keeping with the brand, IM8 Kids Gummies will be a science-backed, all-in-one, zero sugar supplement. A newer brand, Gruns, is the main direct competitor. Management believes this could be a very effective brand extension as the overwhelming majority of existing customers are parents.

Figure 2: Extending the IM8 Brand to Adjacent Wellness Categories



Source: Company presentation

Beyond 2026, additional categories are being evaluated for long-term product expansion:

Men's Health - $75B Market growing +10%

Women's Health - $57B market growing +5%

Menopause - $18B market growing +5%

Sports Performance - $189B market growing +8%

Quarterly subscriptions: Higher AOV, Faster Payback, Improved CF

In December 2025, quarterly subscription plans were introduced in the U.S. and were expanded globally in 1Q. The biggest impact has been a dramatic improvement in average order value (AOV), which has stepped up from ~$110 for full-year 2025 to a new customer AOV of $240 in 1Q26. Approximately half of Beckham Stack customers and one-third of Daily Ultimate Essentials customers now subscribe quarterly. Importantly, new customer subscription rate has remained nearly 80%.

Benefits of the shift to quarterly subscriptions include 1) Higher upfront revenue, 2) improved LTV/CAC of 3:1, 3) an accelerated payback and reduced working capital demand, 4) lower fulfillment costs, and 5) more predictable renewals with quarterly auto-renewing.

Quarterly subscriptions are accelerating cash collection per customer by 3x. In January this year, the quarterly cohort generated $587 in cumulative revenue per customer in **four months**. In January 2025, the

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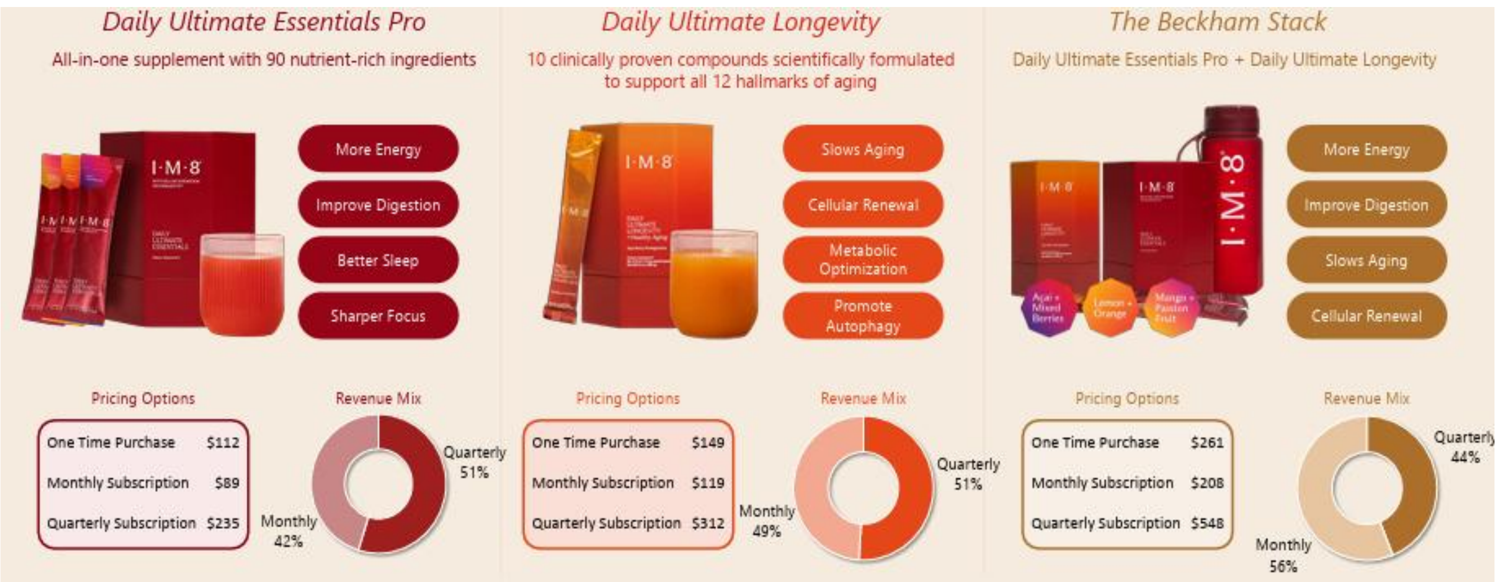
monthly cohort required **12 months** to reach $549 in cumulative revenue per customer. Extrapolating that trajectory, current cohorts are tracking to an implied 12-month revenue per customer of $900 to $1,100 versus the $571 delivered on mature cohorts. In addition, 81% of the cumulative 12th-order revenue in the mature cohorts comes from repeat purchases. This is a retention level well ahead of public peers such as BellRing Brands at 52% and Oddity at 45%.

The Current Product Set

To date, IM8's SKUs are the original Daily Ultimate Essentials Pro, Daily Ultimate Longevity and The Beckham Stack, which combines the first two SKUs. Both products are NSF Certified for Sport; non-GMO and allergen free. The Essentials Pro is an all-in-one supplement replacing 16+ individual products. 90+ ingredients including vitamins, minerals, adaptogens, pre/pro/postbiotics. The Longevity product targets all 12 hallmarks of aging via a five-complex system. Therapeutic doses of NMN (300mg), triple senolytic complex, Spermidine (3mg), Glycine (3g), Taurine (2g), Dihydroberberine (100mg).

Figure 3: Current Core SKUs



Source: Company presentation

Industry and Competitive Dynamics

Prenetics is positioned in one of the fastest growing segments of the global nutritional market. As defined by Nutrition Business Journal, the two fastest growing categories in 2024 in the U.S. were specialty supplements (pre/pro/synbiotics, fiber, collagen, etc.) up 6.3% and sports nutrition (protein powders/beverages, creatine, etc.) up 8.4%. The single fastest growing category was hydration & electrolyte supplements, up 29%, which is a category under consideration at Prenetics. In terms of marketing channels, e-commerce was the fastest growing channel, up 10.7%.

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Figure 4: Competitive Differentiation in Global Wellness Market

	I·M·8	AG1	Bloom	Huel	grüns
	Comprehensive, All-In-One System Replacing 16 Other Supplements	Daily Base Layer	Relieving Bloat and Supporting Digestion	All-In-One Daily Nutrition	Daily Nutrition Support
Gut Health 4-Tier System[1]	✓	✗	✗	✗	✗
Cellular Energy & Heart Health	✓	~	✗	✗	~
Hydration & Electrolytes	✓	~	~	~	✗
Joint & Muscle Health	✓	✗	✗	✗	✗
Stevia-Free Taste Mix	✓	✗	✗	✗	✓
Third Party Tested	✓	✓	✓	✓	✓
Clinical Studies	✓	✓	✗	✓	✓
RCT-Grade Clinical Trials	✓	✗	✗	✗	✗
NSF Certified for Sport	✓	✓	✗	✗	✗
International Presence	✓	✓	✗	✓	✗
Status	NASDAQ: PRE	Private	Private	Acquired: $1.2B	Acquired: $1.2B

Source: IM8 Management estimates, brand websites
1 Includes Prebiotics, Probiotics, Enzymes, Postbiotic

Source: Company presentation

While large and growing, the global nutritional supplements market has many competitors, some with greater financial resources than Prenetics. IM8's most direct competitors include Gruns and AG1 (formerly Athletic Greens), which are also DTC focused businesses with an emphasis on science and well-known influencers (e.g., in the case of AG1, Hugh Jackman, Lewis Hamilton). Interestingly, AG1 got off to a slower start than IM8, requiring ~10 years to reach $100M of annual revenue by 2020, but it has since achieved ~$600M of profitable revenue in 2024 with essentially two products. We think this bodes well for IM8 as it continues to expand its product portfolio.

Leadership

With the recent addition of Hudson Leogrande, founder and CEO of Comfrt, Prenetics now has three independent members on its four-member Board of Directors. While not active in either management or the BoD, co-founder David Beckham plays an important role in the brand's growth.

Danny Sheng Wu Yeung is Chairperson and CEO of Prenetics since the company's founding in 2014. He serves the same roles for IM8. Prior to Prenetics, Mr. Yeung was a founding partner at SXE Ventures, where he led investments in genetic testing companies and in Honey Science Corporation, which was acquired by PayPal Holdings, Inc. for approximately $4 billion in 2019. Mr. Yeung founded uBuyiBuy in 2010, which was subsequently acquired by Groupon, Inc. Prior to leaving Groupon in early 2014, Mr. Yeung served as Chief Executive Officer of Groupon East Asia, establishing it as the largest e-commerce platform in the region. Mr. Yeung's earlier ventures include franchising Hong Kong dessert chain Hui Lau Shan into the United States and operating a hospitality furniture business that executed multi-million-dollar projects for MGM Resorts.

Brian Roisin was appointed CFO of IM8 in May. He joined IM8 from Wellbeam Consumer Health, a private equity-backed e-Commerce-focused consumer wellness platform, where he served as CFO and SVP, e-Commerce Operations. In those roles, he led finance and digital commerce across Wellbeam's portfolio of brands, including TruSkin (clean, plant-powered skincare), BioTRUST Nutrition (direct-to-consumer nutrition for healthy aging), Eu Natural (women's botanical supplements), and Penetrex (joint and muscle therapy, divested in 2024). He originally joined TruSkin as CFO in 2020, prior to its acquisition by Wellbeam in 2021. Earlier in his career, he also held CFO roles at NATURELO Premium Supplements, and Rant, Inc. Mr. Roisin holds dual bachelor's degrees, Cum Laude, in Economics and Political Science from Northern Illinois University.

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Financial Results and Outlook

1Q26 Highlights. In 1Q26, total revenue from continuing ops was $36 million, up ~333% y/y. IM8 contributed $33.8 million, up nearly 6x y/y and up 23% q/q. Servings delivered grew 28% sequentially to 8.8 million for the quarter. IM8 new customer average order increased ~53% q/q reflecting the broader adoption of quarterly subscription plans (introduced in December) and continued demand for higher value bundles, primarily the Beckham Stack.

IM8 gross margins expanded to 64%, a ~400 bp improvement q/q. The GM improvement was the result of 1) scale-driven manufacturing efficiencies as production volumes increased across both product lines, 2) renegotiated unit economics with key contract manufacturers and ingredient suppliers, 3) a favorable product mix shift toward higher-margin SKUs, and 4) subscription orders, packaging optimization, and improved fulfillment and freight efficiencies on increased order density.

Adj EBITDA loss was ($5.6M) vs ($2.4M) a year ago. Offsetting the improved GM was a y/y increase of S&M/revenue from 50% to 61.8%, reflecting higher spending ahead of accelerating volume growth. Customer LTV/CAC improved to 3:1.

Figure 5: KPIs – 2Q25-1Q26

	Q2/25	Q3/25	Q4/25	Q1/26
Total Customer Orders	90,000	160,000	230,000	220,000
Total Serviings (000)	2,700	4,800	6,900	8,800
New Customer Avg Order Value	$110	$150	$157	$240
New Customer Subscription Rate	80%	80%	80%	79%
Gross margin	60.0%	69.7%	60.2%	64.3%
Qtr/Qtr growth				
Total Customer Orders		77.8%	43.8%	-4.3%
Total Serviings		77.8%	43.8%	27.5%
New Customer Avg Order Value		36.4%	4.7%	52.9%

Source: Company reports; Benchmark, a StoneX company

2Q26 Guidance. IM8 revenue is guided to $45M at the midpoint, up 33% q/q, which looks very conservative based on April revenue of $14M, up 19% m/m, and May revenue of $16.7M, also up 19% m/m. Even if June revenue is flat m/m, 2Q IM8 revenue would be more than $47M.

FY26 Guidance. Full-year IM8 revenue is guided to $190-$210M, which appears conservatively set with May revenue of $16.7M implying ARR of $200M.

Our FY26-FY27 Model. For FY2026, we have IM8 revenue of $204M. We have kept gross margin at 64.6%, ~in line with 1Q, though continued initiatives (as discussed above in 1Q Highlights) would move it higher. S&M/revenue is expected to remain north of 60% with customer LTV/CAC remaining at ~3:1. Adj EBITDA loss is expected to be in a quarterly range of ($6M)-($8M), and we have ($26.5M) for the year.

For FY2027, we have IM8 revenue of $349M, up 71% y/y, which assumes a deceleration of q/q growth to 8% by 4Q. Given the planned product launches later this year, expanding roster of influencers and plans to implement a significant marketing effort on TikTok, we see substantial potential upside to our model. We assume a modest uptick in GM, S&M/revenue of 60% and some scale benefits in G&A resulting in an improved AEBITDA loss of ($15.5M), with a loss ($2.0M) in 4Q. AEBITDA break-even looks possible in 4Q with a bigger lift in gross margin.

Liquidity and Cash Flow

As of May 31, cash and equivalents were ~$83.4M, up from $56.0M at March 31, due to the sale early in this quarter of its digital asset position for $41.3M at an average price of $80,906/unit. The digital assets

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were valued at $34.8M as of 3/31. In addition to the cash position, Prenetics held investment funds of ~$50.2M (based on valuations as of 5/31) and cash held in escrow and holdback of ~$6.1M for the ACT and Insighta transactions, bringing total cash and investments to $139.7M as of 5/31.

The cash balance as of 5/31 reflects share buybacks totaling ~$19M between March 6th and May 13th, under a $40M repurchase program. Given the minimal capex demands of the business and working capital turns of ~1.0x, we believe cash is sufficient to cover anticipated operating losses and additional share repurchases until Prenetics becomes cash positive.

Capitalization and Valuation

Capitalization

Prenetics has two classes of stock. Each Class A Ordinary Share is entitled to one (1) vote, while each Class B Ordinary Share is entitled to twenty (20) votes. Only Class A Ordinary Shares are listed and traded on Nasdaq. The Class B shares are beneficially owned by Chairman and CEO Danny Yeung.

Prenetics also has 2.36M Class C warrants with a $18 strike that were created in December 2025 in a voluntary warrant exchange program that permitted Class A and B warrants to be exchanged on a two-for-one basis for new Class C Warrants with a lower strike price.

Valuation

On EV/revenue, PRE currently trades for 2.3x and 1.0x 2026E and 2027E, respectively. A peer group of health/wellness/foods companies, which are profitable but growing at a more moderate pace, have 2026 and 2027 median EV/rev multiples of 2.8x and 2.3x, respectively. At our $30 PT, PRE's 2026 and 2027 multiples would be 3.9x and 1.7x, respectively. Given the high visibility and velocity of IM8's 2026-27 revenue trajectory, we think this target multiple range makes sense while the company is still unprofitable.

Several private market transactions also support our target valuations, the most recent example being the acquisition of Huel by Danone for $1.2 billion, a revenue multiple of ~3x.

Key Risk Factors

Sustainable growth depends on converting customers into paying subscribers and retaining customers. Subscriber renewal rates, average order frequency, and the relationship between customer lifetime value and cost of acquiring new customers are important to the long-term health of our business. If subscriber retention declines, or if the company is unable to convert a sufficient proportion of new customers into recurring subscribers, revenue and operating results could be adversely affected. Consumer preferences in the health and wellness market may shift, competitive alternatives may emerge, or macroeconomic conditions may reduce consumer willingness to maintain discretionary health-related subscriptions. As of December 31, 2025, approximately 80% of all new IM8 orders were placed by subscribers through a monthly or quarterly subscription plan. This year, the company has begun to shift new customers from monthly to quarterly plans, enhancing customer lifetime value.

Prenetics must balance growth with expense management in order to achieve profitability. IM8's largest expense has been and is expected to remain sales and marketing, and the company's ability to manage customer acquisition costs efficiently is critical to reaching and sustaining profitability. The company's transition to acquiring longer-duration quarterly subscribers has raised per-customer acquisition costs on an absolute basis in order to gain subscribers with greater projected lifetime value. However, changes in digital advertising rates, platform algorithms, privacy regulations, or marketing effectiveness could result in higher customer acquisition costs that are not offset by corresponding improvements in customer quality or retention. Also, as a DTC brand that ships products globally, IM8 incurs significant costs related to freight, warehousing, packaging, last-mile delivery, and fulfillment operations. Changes in global shipping rates,

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carrier availability, fuel costs, tariffs, and customs duties can materially impact direct costs and gross margins.

Dietary supplements are not approved by the FDA. Manufacturers are responsible for meeting standards of product safety and label accuracy as prescribed under the Dietary Supplement Health and Education Act (DSHEA). Even still, there have been publicized cases where labels were missing named ingredients or included unlisted ones. Prenetics is well aware of this industry issue. In addition to meeting DSHEA standards, IM8 meets manufacturing standards (cGMP) that ensure purity and dosage, and it has NSF Certified for Sport that verifies an absence of banned substances and that label claims are accurate. To provide data supporting the supplements' efficacy, Prenetics has run a randomized controlled clinical trial evaluating Daily Ultimate Essentials in 2024, and three are planned for this year.

Nutritional supplement industry is highly competitive. While large and growing, the global nutritional supplements market has many competitors, some with greater financial resources than Prenetics. The IM8 brand has gotten traction rapidly since its launch in December 2024, with ARR of nearly $200M expected this month based on 2Q guidance. IM8's most direct competitor is AG1 (formerly Athletic Greens), which achieved ~$600M of profitable revenue in 2024 with essentially two products. We think this bodes well for IM8 as it continues to expand its product portfolio.

Prenetics has operations in Hong Kong, a Special Administrative Region of China. The mainland Chinese government currently does not exert direct oversight and discretion over Prenetics' business activities. However, there is no guarantee that the mainland Chinese government will not seek to intervene or influence their operations at any time. If the company became subject to such oversight, discretion or control, it could result in a material adverse change in operations, significantly limit or completely hinder the company's ability to offer securities to investors. Also, tariffs and trade restrictions on non-U.S. materials could adversely affect supply chain, costs, and financial performance. Note, however, that IM8 products are manufactured by a limited number of nutraceutical manufacturers in FDA-registered facilities in the United States and undergo independent third-party testing through NSF Certified for Sport.

Prenetics is listed on Nasdaq as a foreign private issuer and is a controlled company. Nasdaq rules permit a foreign private issuer like Prenetics to follow the corporate governance practices of the Cayman Islands, its home country. Also, Chairman and CEO Danny Yeung has more than 50% total voting power of the issued and outstanding ordinary shares. As a foreign private issuer and a "controlled company," Prenetics may rely on exemptions from corporate governance rules, including exemptions that (i) a majority of the board must be independent directors; (ii) director nominees must be selected or recommended solely by independent directors; (iii) the compensation committee must be comprised solely of independent directors; (iv) an annual general meeting must be held; and (v) shareholder approval is required for issuing additional securities exceeding 20% of our outstanding ordinary shares.

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Figure 6: Income Statements: 2024-2027

in millions except per share	2024 A	Q1 A	Q2 (a) A	Q3 (a) A	Q4 A	2025 (a) A	Q1 A	Q2 E	Q3 E	Q4 E	2026 E	Q1 E	Q2 E	Q3 E	Q4 E	2027 E
Revenue:																
IM8	5,569	5,732	9,800	17,200	27,448	60,180	33,782	46,200	55,811	68,370	204,163	75,891	83,480	90,994	98,273	348,638
Circle DNA	10,367	2,543	2,080	2,482	5,840	12,945	2,172	2,000	2,000	2,000	8,172	2,000	2,000	2,000	2,000	8,000
Total	15,936	8,275	17,700	23,555	33,288	92,520	35,954	48,200	57,811	70,370	212,335	77,891	85,480	92,994	100,273	356,638
Gross Profit																
IM8	1,155	3,415	5,880	11,984	16,513	37,792	21,728	29,799	35,998	44,441	131,966	49,709	55,097	60,511	65,843	231,159
Circle DNA	8,122	2,192	1,664	2,040	4,864	10,998	1,555	1,440	1,440	1,440	5,875	1,440	1,440	1,440	1,440	5,760
Total	9,277	5,607	7,289	14,024	21,377	48,790	23,283	31,239	37,438	45,881	137,841	51,149	56,537	61,951	67,283	236,919
Other income, net gain	2,006	204	200	395	212	614	840									
Sales & Marketing	5,413	4,126	5,900	9,859	16,090	35,540	22,205	29,884	35,265	42,222	129,576	46,735	51,288	55,331	59,161	212,515
G&A	33,090	5,649	10,500	9,554	16,270	46,398	9,341	9,500	9,700	10,000	38,541	10,150	10,300	10,450	10,600	41,500
R&D	9,051	2,007	1,190	1,170	743	5,132	1,443	1,400	1,400	1,200	5,443	1,500	1,500	1,500	1,500	6,000
GW Impairment						6,815										
Operating Expense	47,554	11,782	17,590	20,583	33,103	93,885	32,989	40,784	46,365	53,422	173,560	58,385	63,088	67,281	71,261	260,015
Operating (Loss) / Income (EBIT)	(36,271)	(5,971)	(10,101)	(6,164)	(11,514)	(44,481)	(8,866)	(9,545)	(8,927)	(7,541)	(34,879)	(7,236)	(6,551)	(5,330)	(3,978)	(23,096)
Unrealized FV (loss) on crypto					(9,725)	(9,725)	(9,830)				(9,830)					-
Other gains/(losses)	(9,754)	(81)	(920)	(615)	20,185	17,993	(8,612)				(8,612)					
Pre-tax (Loss) / Income	(46,025)	(6,052)	(11,021)	(6,779)	(1,054)	(36,213)	(27,308)	(9,545)	(8,927)	(7,541)	(53,321)	(7,236)	(6,551)	(5,330)	(3,978)	(23,096)
Income tax (expense)/credit	7,639	(20.0)		(9)	(37)	(34)	(28)	(30)	(30)	(30)	(118)	(30)	(30)	(30)	(30)	(120)
Net Income (loss) from continuing ops	(38,386)	(6,072)	(11,021)	(6,788)	(1,091)	(36,247)	(27,336)	(9,575)	(8,957)	(7,571)	(53,439)	(7,266)	(6,581)	(5,360)	(4,008)	(23,216)
Discontinued ops	(11,420)	(4,944)		(1,905)	(6,451)	(3,731)	4,231				4,231					-
Net Income (loss) for period	(49,806)	(11,016)		(8,693)	(7,542)	(39,978)	(23,105)	(9,575)	(8,957)	(7,571)	(49,208)	(7,266)	(6,581)	(5,360)	(4,008)	(23,216)
NCI	(3,502)	(626)		(1,285)	(42)	(2,203)										
Net Inc (loss) to shareholders	(46,304)	(10,390)	(10,101)	(7,408)	(7,500)	(37,775)	(23,105)	(9,575)	(8,957)	(7,571)	(49,208)	(7,266)	(6,581)	(5,360)	(4,008)	(23,216)
EPS (Continuing ops)	-$3.04	-$0.47	-$0.84	-$0.41	-$0.07	-$2.46	-$1.61	-$0.56	-$0.52	-$0.44	-$3.12	-$0.42	-$0.38	-$0.30	-$0.23	-$1.32
Diluted Shares Outstanding	12,630	13,004	13,195	13,895	16,034	14,730	16,982	17,082	17,182	17,282	17,132	17,400	17,500	17,600	17,700	17,550
D&A	2,475	326		599	273	2,340	184	200	200	200	784	250	250	250	250	1,000
EBITDA	(56,765)	(11,074)		(8,132)	(7,430)	(59,014)	(23,177)	(9,345)	(8,727)	(7,341)	(48,590)	(6,986)	(6,301)	(5,080)	(3,728)	(22,096)
SBC Expense	5,842	1,167			1,299	6,384	1,242	1,500	1,500	1,500	5,742	1,500	1,700	1,700	1,700	6,600
Other adjustments	33,070	7,468		6,049	4,295	39,641	16,336				16,336					-
Adj EBITDA	**(17,853)**	**(2,439)**	**(4,132)**	**(2,083)**	**(1,836)**	**(12,989)**	**(5,599)**	**(7,845)**	**(7,227)**	**(5,841)**	**(26,512)**	**(5,486)**	**(4,601)**	**(3,380)**	**(2,028)**	**(15,496)**
Margins																
IM8 Gross Margin		59.6%	60.0%	69.7%	60.2%	62.8%	64.3%	64.5%	64.5%	65.0%	64.6%	65.5%	66.0%	66.5%	67.0%	66.3%
Circle DNA Gross Margin		86.2%	80.0%	82.2%	83.3%	85.0%	71.6%	72.0%	72.0%	72.0%	71.9%	72.0%	72.0%	72.0%	72.0%	72.0%
Total Gross Margin	58.2%	67.8%	41.2%	59.5%	64.2%	52.7%	64.8%	64.8%	64.8%	65.2%	64.9%	65.7%	66.1%	66.6%	67.1%	66.4%
S&M as % of revenue		49.9%	33.3%	41.9%	48.3%	38.4%	61.8%	62.0%	61.0%	60.0%	61.0%	60.0%	60.0%	59.5%	59.0%	59.6%
G&A as % of revenue		68.3%	59.3%	40.6%	48.9%	50.1%	26.0%	19.7%	16.8%	14.2%	18.2%	13.0%	12.0%	11.2%	10.6%	11.6%
R&D as a % of revenue		24.3%	6.7%	5.0%	2.2%	5.5%	4.0%	2.9%	2.4%	1.7%	2.6%	1.9%	1.8%	1.6%	1.5%	1.7%
Opex as a % of revenue	NM	142.4%	99.4%	87.4%	99.4%	101.5%	91.8%	84.6%	80.2%	75.9%	81.7%	76.9%	75.6%	73.9%	72.5%	74.6%
Adj EBITDA (a)																
Growth																
IM8 Revenue y/y						980.6%	489.4%	371.4%	224.5%	149.1%	239.3%	124.6%	80.7%	63.0%	43.7%	70.8%
Total Revenue y/y						480.6%	334.5%	172.3%	145.4%	111.4%	129.5%	116.6%	77.3%	60.9%	42.5%	68.0%
IM8 Revenue q/q		24822%	71.0%	75.5%	59.6%		23.1%	36.8%	20.8%	22.5%		11.0%	10.0%	9.0%	8.0%	

Source: Company filings, Benchmark, a StoneX company

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Figure 7: Balance Sheet: 12/31/25-3/31/26

(In 000's)	**12/31/24**	**12/31/25**	**3/31/26**
Cash & equivalents	52,251	32,131	56,017
Financial assets at FV through P&L	10,562	31,192	50,018
Inventories	6,566	7,032	14,198
Trade receivables	5,242	2,978	2,529
Deposits, prepay and other receivables	11,527	11,864	9,346
CURRENT ASSETS	**86,148**	**85,197**	**132,108**
PP&E, net	7,811	1,763	594
Intangible and other assets	119,616	119,113	42,600
TOTAL ASSETS	**213,575**	**206,073**	**175,302**
Trade payables & accrued	12,980	24,266	22,254
Contract and lease liabilities	9,249	4,416	3,355
Other	14,322	31	31
TOTAL CURRENT LIABILITIES	**36,551**	**28,713**	**25,640**
Warrant liabilities	175	20,319	28,354
Other LT liabilities	5,503	675	286
Total Liabilities	42,229	49,707	54,280
Equity	171,346	156,366	121,022
TOTAL LIABILITIES & S. EQUITY	**213,575**	**206,073**	**175,302**
Ratio Analysis			
Inventory Turns	3.9x	6.4x	4.4x
Receivables Turns	5.7x	18.6x	31.7x
Payables Turns	8.3x	12.9x	17.6x
Working Capital Turns	0.7x	1.6x	1.1x
Current Ratio	2.3x	3.0x	5.1x

Source: Company filings

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As of March 31, 2026

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Speculative Buy	**12**	**3.5%**	**9**	**2.6%**
Sell	**0**	**0.0%**	**0**	**0.0%**

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Underweight: Analyst's defined Sector/Industry Index* is expected to underperform the S&P 500 over the following 6 to 12 months.

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Company	Disclosure
Prenetics Global Limited Class A	1,3

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Sustainable growth depends on converting customers into paying subscribers and retaining customers.

Prenetics must balance growth with expense management in order to achieve profitability.

Dietary supplements are not approved by the FDA.

Nutritional supplement industry is highly competitive.

Prenetics has operations in Hong Kong, a Special Administrative Region of China.

Prenetics is listed on Nasdaq as a foreign private issuer and is a controlled company.

Valuation Methodology

On EV/revenue, PRE currently trades for 2.3x and 1.0x 2026E and 2027E, respectively. A peer group of health/wellness/foods companies, which are profitable but growing at a more moderate pace, have 2026 and 2027 median EV/rev multiples of 2.8x and 2.3x, respectively. At our $30 PT, PRE's 2026 and 2027 multiples would be 3.9x and 1.7x, respectively. Given the high visibility and velocity of IM8's 2026-27 revenue trajectory, we think this multiple range makes sense while the company is still unprofitable.

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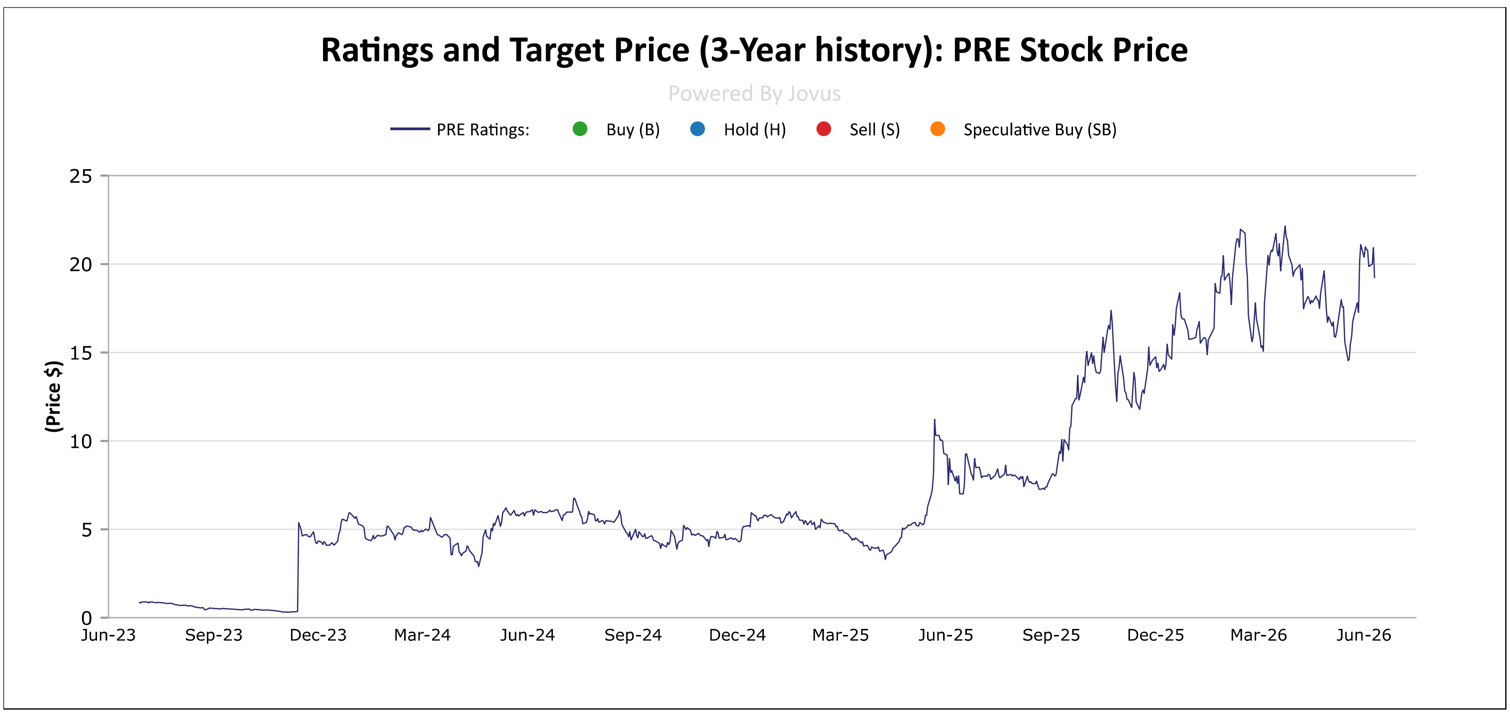

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