Prenetics Global Limited (PRE)
NASDAQ

Rating	Buy
Price (08/18/26)	$19.40
12-Mo.Price Target	$36.00

Stock Data

52-Week Range	$7.25- $22.15
Shares Out. (mil)	15.20
Mkt. Cap.(mil)	$294.90
3-Mo. Avg. Vol.	223,983
Cash (mil)	$114.0
Tot. Debt (mil)	$0.0

S/O are adjusted to reflect the recent $40mn share repurchase, and exclude 3.1mn of warrants (2.4mn of which strike at $18).

Rev ($M)

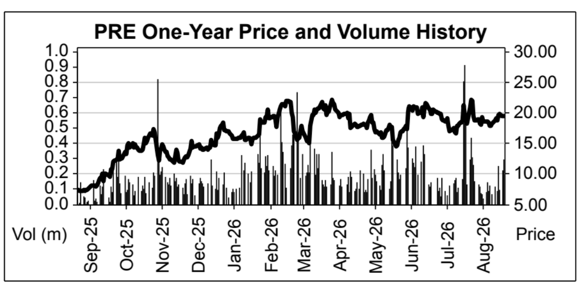
Yr Dec	Q1	Q2	Q3	Q4	FY
2025A	14.6A	17.7A	23.6A	36.6A	92.4A
2026E	36.0A	46.5A	63.8E	79.5E	225.7E
Prior		*49.8A*	*61.8E*	*73.8E*	*221.4E*
2027E	89.5E	99.5E	109.3E	119.3E	417.6E
Prior	*81.8E*	*89.8E*	*97.5E*	*104.5E*	*373.6E*

EBITDA

Yr Dec	Q1	Q2	Q3	Q4	FY
2025A	(4.5)A	(4.1)A	(2.1)A	(2.3)A	(13.0)A
2026E	(5.6)A	(19.0)A	(6.3)E	(5.5)E	(36.4)E
Prior		*(5.7)A*	*(4.7)E*	*(3.1)E*	*(19.1)E*
2027E	(4.5)E	(1.7)E	2.6E	5.2E	1.7E
Prior	*(4.1)E*	*(3.3)E*	*(1.0)E*	*1.8E*	*(6.7)E*

Non-GAAP EPS

Yr Dec	Q1	Q2	Q3	Q4	FY
2025A	(0.85)A	(0.96)A	(0.63)A	(1.76)A	(4.19)A
2026E	(1.36)A	(0.52)A	(0.51)E	(0.49)E	(2.88)E
Prior		*(0.48)A*	*(0.42)E*	*(0.32)E*	*(2.59)E*
2027E	(0.47)E	(0.35)E	(0.13)E	0.01E	(0.94)E
Prior	*(0.38)E*	*(0.33)E*	*(0.20)E*	*(0.04)E*	*(0.95)E*



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PRE: 2Q Recap; Revenue Guide Moves Higher; Reit Buy, $36 PT

We liked PRE's 2Q report and would be buying the stock. Growth momentum is on track, CAC is stabilizing, and we see tailwinds that could accelerate growth, improve profitability, and drive valuation upside. Our $36 price target is unchanged.

Quarterly overview: PRE reported 2Q26 revenue and adjusted EBITDA of $46.5mn and ($19.0mn) as compared to our estimates of $49.8mn and ($5.7mn), respectively. Revenue trailed our estimate (that we raised in June & July) largely due to VAT accounting treatment, which shifted approximately $2.5mn out of COGS and into contra-revenue. Adj EBITDA missed our estimate on higher marketing spend, but CAC declined sequentially to $301 from $305.

Outlook: Management raised 2026 consolidated revenue guidance to $220mn-$230mn, with IM8 revenue guidance moving to $215mn-$222mn, the third raise this year after starting at $180mn-$200mn. 2026 adjusted EBITDA guidance fell to ($33mn)-($37mn) from ($15mn)-($20mn) on higher marketing spend, but 2H adj EBITDA is expected to improve significantly from 1H. 2027 IM8 revenue is expected to exceed $400mn.

Estimate changes: We are raising our revenue estimates in 2026 and 2027 to reflect management's updated 2H outlook. Our model calls for sequential growth to slow in 2027 and for CAC to remain fairly consistent with 1H26 levels, but with new products launching in late-26 and early-27 that we leave unmodeled, our model could be conservative. We admit that our 2027 model carries elevated uncertainty given the immaturity of the subscriber base and planned product launches.

Reasons for optimism

July performance and 3Q outlook: IM8 delivered $20.9mn in revenue in July, up from $15.9mn in June, and CAC declined 21% from 2Q to $239. Management guided for IM8 sequential growth to accelerate to 38% in 3Q. Clearly momentum is on track.

CAC/LTV tailwinds: Management provided a more detailed CAC breakdown, showing a slight decline in 2Q and more significant decline in July despite more marketing spend and increased AOV. Going forward, we see potential for new products (hydration, gummies, creatine) to lower CAC and/or improve LTV. New products will likely carry lower price points, allowing PRE to better leverage its brand and broaden its marketing channels. Additionally, existing subs may layer on new products, improving LTV.

2027 outlook: Management's +$400mn IM8 revenue outlook in 2027 does not include new products, which we believe could be meaningful. AG1 recently stated that +30% of its subs used creatine.

Valuation upside: Several recent sale transactions in the supplement space carry significant valuation upside to PRE, generally between 2x-4x revenue. Thorne sold for 5.8x revenue.

Potential US domicile: The company is assessing domiciling in the U.S.

Share repurchase: PRE completed its $40mn share buyback, authorized in March.

Valuation and price target: Our $36 price target is based on 1.3x 2027E revenue, inclusive of YE27 GC liability.

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Prenetics Global Limited (PRE)	2024	Q1	Q2	Q3	Q4	2025	Q1	Q2	Q3E	Q4E	2026E	Q1E	Q2E	Q3E	Q4E	2027E
Revenue	15.9	14.6	17.7	23.6	36.6	92.4	36.0	46.5	63.8	79.5	225.7	89.5	99.5	109.3	119.3	417.6
Growth %	*158.9%*	*342.0%*	*595.0%*	*567.7%*	*457.0%*	*479.8%*	*146.3%*	*162.9%*	*170.9%*	*117.5%*	*144.3%*	*148.9%*	*114.0%*	*71.3%*	*50.1%*	*85.0%*
Direct Costs	6.7	8.7	10.4	9.5	14.8	43.4	12.7	16.3	22.3	27.8	79.1	31.3	34.8	38.3	41.8	146.2
Gross Profit	9.3	5.9	7.3	14.0	21.7	48.9	23.3	30.2	41.5	51.7	146.6	58.2	64.7	71.0	77.5	271.4
Other Income and Other Net Gain	(2.0)	(0.2)	0.2	(0.4)	8.0	7.6	(0.8)	(0.9)	0.0	0.0	(1.8)	0.0	0.0	0.0	0.0	0.0
Selling and Distribution	5.4	4.1	5.5	9.9	16.1	35.5	22.2	41.3	38.9	47.9	150.4	51.9	54.7	56.6	60.1	223.4
Research and Development	9.1	2.0	1.2	1.2	0.7	5.1	1.4	0.8	1.3	1.1	4.5	1.3	1.4	1.3	1.4	5.4
Administrative and Other	33.1	8.3	10.5	9.6	17.3	45.7	9.3	10.1	10.2	10.7	40.3	12.1	12.8	13.1	13.4	51.4
Operating Income	(36.3)	(8.4)	(10.1)	(6.2)	(20.4)	(44.9)	(8.9)	(21.0)	(8.9)	(8.1)	(46.8)	(7.1)	(4.3)	0.0	2.6	(8.7)
Change in Value, Financial Assets	8.9	0.0	0.1	0.0	0.1	0.2	0.6	(2.6)	0.0	0.0	(2.1)	0.0	0.0	0.0	0.0	0.0
Change in Value, Warrants	(0.0)	0.1	0.6	(0.1)	(0.1)	0.5	8.0	(2.7)	0.0	0.0	5.3	0.0	0.0	0.0	0.0	0.0
Equity Investments	0.8	0.3	0.1	0.7	0.3	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.2	0.1	0.1	0.1	(8.3)	7.9	9.8	(6.5)	0.0	0.6	3.9	1.4	2.1	2.3	2.5	8.2
Pretax Income	(46.0)	(8.8)	(11.0)	(6.8)	(28.4)	(54.9)	(27.3)	(9.1)	(8.9)	(8.7)	(54.0)	(8.4)	(6.4)	(2.3)	0.2	(17.0)
Taxes	(7.6)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued Ops, net of tax	11.4	(2.2)	(1.8)	1.9	(0.3)	5.6	(4.2)	(0.1)	0.0	0.0	(4.3)	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	(49.8)	(11.0)	(12.7)	(8.7)	(28.2)	(60.6)	(23.1)	(9.0)	(8.9)	(8.7)	(49.7)	(8.4)	(6.4)	(2.3)	0.2	(17.0)
Non-GAAP EPS	(3.99)	(0.85)	(0.96)	(0.63)	(1.76)	(4.19)	(1.36)	(0.52)	(0.51)	(0.49)	(2.88)	(0.47)	(0.35)	(0.13)	0.01	(0.94)
Shares Outstanding	12.5	13.0	13.2	13.9	16.0	14.0	17.0	17.3	17.5	17.7	17.3	17.9	18.1	18.3	18.5	18.2
Adj. EBITDA	(17.9)	(4.5)	(4.1)	(2.1)	(2.3)	(13.0)	(5.6)	(19.0)	(6.3)	(5.5)	(36.4)	(4.5)	(1.7)	2.6	5.2	1.7
Gross Margin	58.2%	40.3%	41.2%	59.5%	59.5%	53.0%	64.8%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%
Selling and Distribution	34.0%	28.3%	30.9%	41.9%	44.0%	38.5%	61.8%	88.8%	61.0%	60.3%	66.6%	58.0%	55.0%	51.8%	50.4%	53.5%
R&D	56.8%	13.8%	6.9%	5.0%	2.0%	5.6%	4.0%	1.6%	2.0%	1.4%	2.0%	1.4%	1.4%	1.2%	1.2%	1.3%
Administrative and Other	207.6%	57.0%	59.3%	40.6%	47.3%	49.4%	26.0%	21.7%	16.0%	13.5%	17.9%	13.5%	12.9%	12.0%	11.2%	12.3%
Taxes	16.6%	-0.2%	0.3%	-0.1%	-0.2%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Margin	-227.6%	-57.3%	-56.9%	-26.2%	-55.7%	-48.7%	-24.7%	-45.1%	-14.0%	-10.2%	-20.8%	-7.9%	-4.3%	0.0%	2.2%	-2.1%
Adj. EBITDA Margin	-112.0%	-31.0%	-23.4%	-8.8%	-6.2%	-14.1%	-15.6%	-40.9%	-9.9%	-6.9%	-16.1%	-5.0%	-1.7%	2.4%	4.4%	0.4%

Source: SEC filings, company press releases, ROTH Capital Partners

Valuation: Prenetics Global Limited (PRE)

Our $36 price target is based on 1.3x 2026E revenue, inclusive of YE27 GC liability.

Impediments to our price target include: 1) churn dramatically increases causing IM8 to miss growth targets and unit economics to become less attractive, 2) customer acquisition cost rises causing slower revenue growth or greater EBITDA losses, 3) competitors introduce comparable products at lower price causing customer growth to slow.

Risks: Prenetics Global Limited (PRE)

Competition: Health and wellness supplements are a highly competitive vertical with low barriers to entry and numerous large well-capitalized healthcare companies.

Churn: While early churn metrics appear healthy, IM8 has limited 12-month cohorts to forecast from.

Quality control: Prenetics outsources its manufacturing to a third party, but any contamination or loss of NSF designation would negatively impact IM8's reputation.

Voting control: CEO Danny Yeung owns 1.6mn Class B Shares, which are entitled 20 votes per share, giving him >65% voting power.

International headquarters: PRE is headquartered in Hong Kong.

FX: Over 50% of Prenetics' revenue is derived internationally.

Company Description: Prenetics Global Limited (PRE)

Prenetics Global Ltd. is a health sciences company, which engages in providing consumer health products and services. The firm offers scientifically formulated supplements under the IM8 brand, sports nutrition products under the Europa platform, and direct-to-consumer DNA tests through the CircleDNA brand. It is also involved in establishing a Bitcoin treasury for the exploration of applications within the healthcare ecosystem. The company was founded by Sheng Wu Yeung and Chi Hung Tzang in 2014 and has dual headquartered in Charlotte, the United States and Hong Kong. *(FactSet as of 2/4/26)*

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Within the last twelve months, ROTH Capital Partners, or an affiliate to ROTH Capital Partners, has received compensation for investment banking services from Prenetics Global Limited.

Each box on the Rating and Price Target History chart above represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first note written during the past three years. **Distribution Ratings/IB Services** shows the number of companies in each rating category from which Roth or an affiliate received compensation for investment banking services in the past 12 months.

Distribution of IB Services Firmwide

			IB Serv./Past 12 Mos. as of August 19, 2026	
Rating	**Count**	**Percent**	**Count**	**Percent**
Buy [B]	**404**	**78.91**	**114**	**28.22**
Neutral [N]	**74**	**14.45**	**6**	**8.11**
Sell [S]	**1**	**0.20**	**0**	**0**
Under Review [UR]	**33**	**6.45**	**14**	**42.42**

Our rating system attempts to incorporate industry, company and/or overall market risk and volatility. Consequently, at any given point in time, our investment rating on a stock and its implied price movement may not correspond to the stated 12-month price target.

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Neutral: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return between negative 10% and 10% over the next 12 months.

Sell: A rating, which at the time it is instituted and or reiterated, that indicates an expectation that the price will depreciate by more than 10% over the next 12 months.

Under Review [UR]: A rating, which at the time it is instituted and or reiterated, indicates the temporary removal of the prior rating, price target and estimates for the security. Prior rating, price target and estimates should no longer be relied upon for UR-rated securities.

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