## Prenetics Global Limited (PRE)

NASDAQ

| | |
|---|---|
| **Rating** | Buy |
| **Price (05/14/26)** | $17.59 |
| **12-Mo.Price Target** | $36.00 |

### Stock Data

| | |
|---|---|
| **52-Week Range** | $5.79- $22.15 |
| **Shares Out. (mil)** | 16.00 |
| **Mkt. Cap.(mil)** | $281.44 |
| **3-Mo. Avg. Vol.** | 217,405 |
| **Cash (mil)** | $147.4 |
| **Tot. Debt (mil)** | $0.0 |

*S/O and cash are pro forma the March and April share repurchases and bitcoin sale proceeds, and include $6mn of divestiture proceeds held in escrow.*

**Rev ($M)**

| Yr Dec | Q1 | Q2 | Q3 | Q4 | FY |
|---|---|---|---|---|---|
| **2025A** | 14.6A | 17.7A | 23.6A | 36.6A | 92.4A |
| **2026E** | 36.0A | 46.0E | 53.8E | 61.8E | 197.6E |
| *Prior* | *35.5A* | *44.0E* | *49.8E* | *58.8E* | *188.1E* |
| **2027E** | 67.8E | 74.8E | 84.5E | 94.5E | 321.6E |

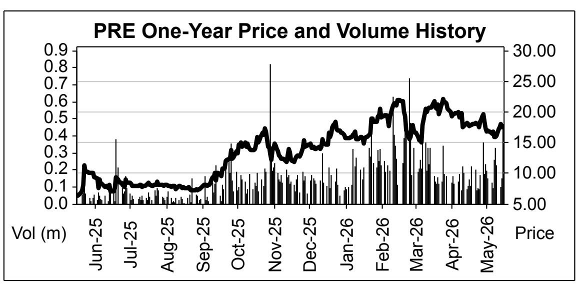
**EBITDA**

| 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 | (5.7)E | (4.7)E | (3.1)E | (19.1)E |
| *Prior* | | *(5.3)E* | *(4.2)E* | *(2.8)E* | *(17.9)E* |
| **2027E** | (2.3)E | (1.7)E | (0.1)E | 2.3E | (1.8)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** | (0.53)A | (0.49)E | (0.42)E | (0.33)E | (1.77)E |
| *Prior* | *(0.49)A* | *(0.47)E* | *(0.39)E* | *(0.31)E* | *(1.66)E* |
| **2027E** | (0.28)E | (0.24)E | (0.15)E | (0.01)E | (0.68)E |

*1Q26 EPS was not disclosed as PRE finalizes non-cash fair value measurements related to Europa business disposal consideration and outstanding warrants.*

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# PRE: 1Q Preliminary Results; Strong IM8 Momentum; Reit Buy

We leave PRE's 1Q preliminary report with increased conviction. Momentum accelerated in April and May, and new marketing channels and brand partners give us added confidence in management's raised guide. New SKUs and geographic expansion should help sustain momentum in late-2026 and 2027. Profitability remains negative on elevated marketing spend, but with 64% GPM, improving retention & LTV, and significant balance sheet dry-powder, we believe management is wise to focus on growth. Our $36 price target is unchanged and based on 2.4x 2026E revenue, a multiple supported by recent transactions in the space.

**Overview:** PRE reported 1Q preliminary revenue and adj. EBITDA of $36.0mn and ($5.6mn) compared to our estimates of $35.5mn and ($5.6mn). IM8 revenue was $33.8mn, up 23% sequentially, and ahead of our $33.5mn estimate. PRE will file detailed quarter-end financials upon completing fair value measurements of divestitures and warrants, expected later this month.

**Guidance and estimate changes:** PRE raised revenue guidance, now calling for $190mn-$210mn of IM8 revenue, up $10mn at the midpoint, and compared to $60mn in 2025. PRE expects 2Q IM8 revenue of $44mn-$46mn. Management still expects 2026 adj. EBITDA of ($20mn) - ($15mn). Our 2026E revenue moves higher on IM8 momentum while adj. EBITDA declines slightly to account for greater marketing spend. Our 2027 estimates remain unchanged.

**IM8 trends:** IM8's momentum accelerated in April, with revenue approximating $14mn and May tracking to $15.5mn, as compared to March at $11.8mn. IM8 continues to push on marketing with 3,000 ads now live on Meta (META-Buy, Kulkarni) and early tests on new channels like Tiktok, Youtube, and Applovin. Partnership announcements with Ollie Bearman, Giannis Antetokounmpo, and Inter Miami are helping drive awareness.

**IM8 KPIs:** Cohort metrics remain favorable and have improved since the quarterly subscription launch with new customer AOV at $240, 12-month LTV now $900-$1100, up from $571 in January 2025, and four-month retention now 10% higher. As of quarter-end, IM8 had 82,000 subscribers, up 17% sequentially. CAC has grown, now reaching the low-$300 range (per management), but we beleive LTV:CAC still approximates 2.5x (before factoring in new SKUs).

**Margin & profitability:** IM8 gross margin expanded to 64%, up 400bps sequentially. During the quarter PRE renegotiated unit economics with co-manufacturers and ingredinet suppliers and expects GPM gains to be sustainable. Consolidated selling and marketing was ~$22mn, or 61% of revenue.

**New products:** Three new SKUs will launch in 4Q: hydration, creatine and kids' gummies. Together the categories represent >$40bn of spend. New SKUs are not incorporated into IM8's 2026 guidance.

**IM8 CFO:** PRE appointed Brian Rosin as CFO of IM8. He is based in the U.S. and previously served as CFO of several wellness and supplement brands including Wellbeam Consumer Health and NATURELO.

**Balance sheet:** Following quarter-end, PRE divested its BTC stake for $41.3mn of proceeds. Pro forma, PRE has approximately $147mn of cash. Capital allocation priorities include accelerating DTC marketing spend and share repurchases.

**Valuation:** Our $36 price target is unchanged and based on 2.4x '26E sales.



**Important Disclosures & Regulation AC Certification(s) are located on pages 4 to 5 of this report.**

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| Prenetics Global Limited (PRE) | 2024 | Q1 | Q2 | Q3 | Q4 | 2025 | Q1 | Q2E | Q3E | Q4E | 2026E | Q1E | Q2E | Q3E | Q4E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 15.9 | 14.6 | 17.7 | 23.6 | 36.6 | 92.4 | 36.0 | 46.0 | 53.8 | 61.8 | 197.6 | 67.8 | 74.8 | 84.5 | 94.5 | 321.6 |
| *Growth %* | *158.9%* | *342.0%* | *595.0%* | *567.7%* | *457.0%* | *479.8%* | *146.6%* | *160.2%* | *128.4%* | *69.0%* | *113.9%* | *88.3%* | *62.6%* | *57.1%* | *52.9%* | *62.8%* |
| Direct Costs | 6.7 | 8.7 | 10.4 | 9.5 | 14.8 | 43.4 | 12.7 | 18.4 | 21.5 | 24.3 | 76.9 | 26.3 | 28.7 | 32.1 | 35.5 | 122.7 |
| Gross Profit | 9.3 | 5.9 | 7.3 | 14.0 | 21.7 | 48.9 | 23.3 | 27.6 | 32.3 | 37.5 | 120.7 | 41.5 | 46.1 | 52.4 | 59.0 | 198.9 |
| Other Income and Other Net Gain | (2.0) | (0.2) | 0.2 | (0.4) | 8.0 | 7.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 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 | 22.0 | 23.9 | 26.6 | 30.3 | 102.8 | 32.5 | 35.9 | 39.7 | 43.5 | 151.6 |
| Research and Development | 9.1 | 2.0 | 1.2 | 1.2 | 0.7 | 5.1 | 0.8 | 0.9 | 1.1 | 0.8 | 3.6 | 0.9 | 1.0 | 1.0 | 1.1 | 4.1 |
| Administrative and Other | 33.1 | 8.3 | 10.5 | 9.6 | 17.3 | 45.7 | 9.4 | 11.0 | 11.9 | 12.1 | 44.4 | 12.9 | 13.5 | 14.4 | 14.6 | 55.4 |
| Operating Income | (36.3) | (8.4) | (10.1) | (6.2) | (20.4) | (44.9) | (8.9) | (8.3) | (7.3) | (5.7) | (30.2) | (4.9) | (4.3) | (2.7) | (0.3) | (12.2) |
| Change in Value, Financial Assets | 8.9 | 0.0 | 0.1 | 0.0 | 0.1 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Pretax Income | (46.0) | (8.8) | (11.0) | (6.8) | (28.4) | (54.9) | (8.9) | (8.3) | (7.3) | (5.7) | (30.2) | (4.9) | (4.3) | (2.7) | (0.3) | (12.2) |
| 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 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) | (8.9) | (8.3) | (7.3) | (5.7) | (30.2) | (4.9) | (4.3) | (2.7) | (0.3) | (12.2) |
| Non-GAAP EPS | (3.99) | (0.85) | (0.96) | (0.63) | (1.76) | (4.19) | (0.53) | (0.49) | (0.42) | (0.33) | (1.77) | (0.28) | (0.24) | (0.15) | (0.01) | (0.68) |
| Shares Outstanding | 12.5 | 13.0 | 13.2 | 13.9 | 16.0 | 14.0 | 16.8 | 17.0 | 17.2 | 17.4 | 17.1 | 17.6 | 17.8 | 18.0 | 18.2 | 17.9 |
| Adj. EBITDA | (17.9) | (4.5) | (4.1) | (2.1) | (2.3) | (13.0) | (5.6) | (5.7) | (4.7) | (3.1) | (19.1) | (2.3) | (1.7) | (0.1) | 2.3 | (1.8) |
| Gross Margin | 58.2% | 40.3% | 41.2% | 59.5% | 59.5% | 53.0% | 64.7% | 60.0% | 60.1% | 60.6% | 61.1% | 61.2% | 61.6% | 62.0% | 62.4% | 61.9% |
| Selling and Distribution | 34.0% | 28.3% | 30.9% | 41.9% | 44.0% | 38.5% | 61.1% | 52.0% | 49.5% | 49.0% | 52.0% | 48.0% | 48.0% | 47.0% | 46.0% | 47.1% |
| R&D | 56.8% | 13.8% | 6.9% | 5.0% | 2.0% | 5.6% | 2.1% | 2.0% | 2.0% | 1.4% | 1.8% | 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% | 27.0% | 24.0% | 22.2% | 19.5% | 22.5% | 19.0% | 18.0% | 17.0% | 15.5% | 17.2% |
| Taxes | 16.6% | -0.2% | 0.3% | -0.1% | -0.2% | -0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Operating Margin | -227.6% | -57.3% | -56.9% | -26.2% | -55.7% | -48.7% | -24.6% | -18.0% | -13.6% | -9.3% | -15.3% | -7.2% | -5.8% | -3.2% | -0.3% | -3.8% |
| Adj. EBITDA Margin | -112.0% | -31.0% | -23.4% | -8.8% | -6.2% | -14.1% | -15.6% | -12.3% | -8.8% | -5.0% | -9.7% | -3.4% | -2.3% | -0.1% | 2.5% | -0.6% |

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

**PRE's 1Q preliminary report did not include a complete income statement, but revenue, gross profit, operating income, and adj. EBITDA are as reported.*

## Valuation: Prenetics Global Limited (PRE)

Our $36 price target is based on 2.4x 2026E revenue.

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.

*Cryptocurrency:* Prenetics holds approximately 510 bitcoin, and fluctuations in the price could impact PRE's balance sheet.

## 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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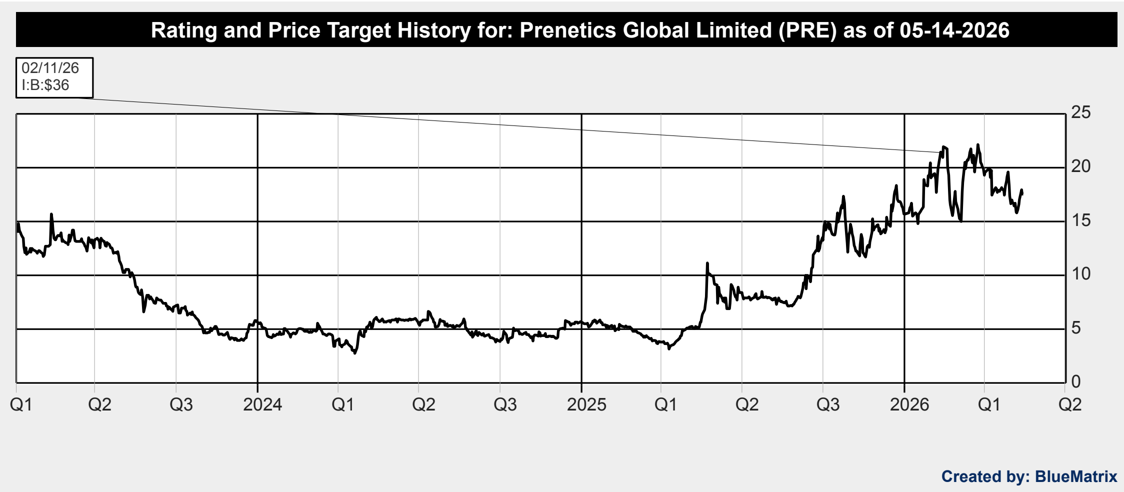
## Disclosures:

ROTH makes a market in shares of Prenetics Global Limited and as such, buys and sells from customers on a principal basis.
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 May 15, 2026 | |
|---|---|---|---|---|
| **Rating** | **Count** | **Percent** | **Count** | **Percent** |
| **Buy [B]** | **370** | **74.75** | **102** | **27.57** |
| **Neutral [N]** | **86** | **17.37** | **7** | **8.14** |
| **Sell [S]** | **3** | **0.61** | **1** | **33.33** |
| **Under Review [UR]** | **36** | **7.27** | **17** | **47.22** |

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.

Ratings System Definitions - ROTH Capital employs a rating system based on the following:

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

**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.

**Not Covered [NC]:** ROTH Capital does not publish research or have an opinion about this security.

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