

FARMACOSMO

E-Commerce

Smaller, more profitable, and with optionality

Farmacosmo (COSMO) is an e-retailer focused on Health, Pharma & Beauty for OTC and SOP pharmaceuticals (without prescription) and BPC (beauty and personal care).

FY25: A Transition Year Masked by Disposals

COSMO's FY25 results reflect the voluntary wind-down of the B2B channel, not yet fully matched by a reduction in the cost base, which weighed on profitability and led to a net loss. B2C revenues held broadly stable, while Net Debt improved at reported level on the back of the Baubau and Ramo Farmacia disposals. Key highlights include: i) VoP at €56.3mn, -12% YoY, with the decline of the farmacosmo.it portal partially offset by the strong growth of BauCosmesi, (disposed of on 29 Dec 2025), Physical Pharmacies and ContactU; ii) Reported EBITDA at -€45k; iii) Net Debt at €2.2mn, from €3.9mn as of FY24.

Reshaping the Mix, Resizing the Cost Base, Positioning for optionality (regulatory and company specific)

In pursuit of a more profitable profile, COSMO has reshaped its mix around a leaner, higher-margin B2C core: the dilutive B2B channel has been wound down, while other assets (Baubau and Coccar's "Ramo Farmacia") have been monetised to fund the transition. In parallel, to realign a cost base sized for a larger business, the Group has executed a restructuring effort across headcount, marketing and overhead worth ~€2.3mn in annualised savings, possibly rising to ~€2.9mn from 2027E.

With such slimmer profile the company seems well positioned to profit from optionality that might become more foreseeable in the short term such as the development of additional revenue streams and possible soon-to-come changes in the regulation of online access to prescription medicines.

2026E-28E Estimates Revision

On 16th June 2026, COSMO's BoD approved its 2026-30 Business Plan, targeting €1.3mn-€1.7mn EBITDA 2026, positive cash generation from 2027 and double-digit growth (VoP to €75-77mn by 2030, ~17% CAGR). Our FY26E sits at the low end of 2026 guidance, with the full step-up to target and the swing into Net Cash falling into 2029-2030, beyond our 2028E horizon. Hence, by FY28E we now expect Farmacosmo to reach: 1) VoP at ca. €53.1mn; 2) €2.3mn EBITDA; 3) €1.3mn Net Debt. The above mentioned optionality are not included in our forecasts yet.

FV unchanged at €0.83 p/s

We maintain unchanged our **Fair Equity Value** at **€0.83 p/s**, taking into consideration the current intrinsic value of the company, (assessed at €0.63 p/s), and the above mentioned optionality not included in our forecasts yet, and that we might conservatively assess for the difference, i.e. ca. €0.20 p/s (ca. 25% of total value).

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FAIR VALUE (€) **0.83**

MARKET PRICE (€) **0.62**

MARKET CAP (€mn) **24.1**

KEY FINANCIALS	FY25	FY26E	FY27E
VALUE OF PRODUCTION	56.3	40.7	47.0
EBITDA	0.0	1.3	1.7
EBIT	-5.7	-1.1	-0.1
NET PROFIT	-4.4	-2.2	-1.1
EQUITY	5.3	3.1	2.0
NET FIN. POS.	-2.2	-4.2	-2.5
EPSADJ. (€)	-0.11	-0.06	-0.03
DPS (€)	0.00	0.00	0.00

Source: Farmacosmo (historical figures), Value Track (estimates)

RATIOS AND MULTIPLES	FY25	FY26E	FY27E
EBITDA MARGIN (%)	-0.1	3.1	3.6
EBIT MARGIN (%)	-10.1	-2.7	-0.2
NET DEBT / EBITDA (x)	nm	3.3	1.5
NET DEBT / EQUITY (x)	0.4	1.4	1.3
EV/SALES (x)	0.35	0.59	0.50
EV/EBITDA (x)	nm	18.9	14.1
EV/EBIT (x)	nm	nm	nm
P/E ADJ. (x)	nm	nm	nm

Source: Farmacosmo (historical figures), Value Track (estimates)

STOCK DATA	
MARKET PRICE (€)	0.62
SHS. OUT. (m)	38.9
MARKET CAP. (€m)	24.1
ENTERPRISE VALUE (€m)	24.2
FREE FLOAT (%)	26.5
AVG. -20D VOL. ('000)	33,873
RIC / BBG	COSMO.MI / COSMO.IM
52 WK RANGE	0.38-0.74

Source: Stock Market Data

Description

Farmacosmo is an e-retailer for OTC and SOP pharmaceuticals (“over the counter”, i.e. that do not need prescriptions) and BPC products (“beauty and personal care”, such as cosmetics) in Italy.

Thanks to a wide catalogue, long shelf-life products selling at discount vs. physical stores and end-to-end customer-centric approach, Farmacosmo is generating ever improving KPIs.

Financial Highlights

KEY FINANCIALS (IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Value of Production	56.3	40.7	47.0	53.1
YoY (%)	-15.6%	-27.7%	15.5%	12.9%
EBITDA	0.0	1.3	1.7	2.3
EBITDA Margin (%)	-0.1%	3.1%	3.6%	4.3%
EBIT	-5.7	-1.1	-0.1	0.8
EBIT Margin (%)	-10.1%	-2.7%	-0.2%	1.5%
Net Profit	-4.4	-2.2	-1.1	-0.3
YoY (%)	nm	-25.7%	-48.8%	-76.0%
Adj. Net Profit	-4.4	-2.2	-1.1	-0.3
YoY (%)	nm	-25.7%	-48.8%	-76.0%
Net Fin. Pos. [Net Debt (-) / Cash(+)]	-2.2	-4.2	-2.5	-1.3
Net. Fin. Pos. / EBITDA (x)	nm	3.3	1.5	0.6
Capex	-2.0	-0.4	-0.4	-0.4
OpFCF b.t.	4.6	-0.8	1.6	2.2
OpFCF b.t. / EBITDA (%)	nm	-63.0%	96.7%	94.9%

Source: Farmacosmo, Value Track Analysis

Investment Case

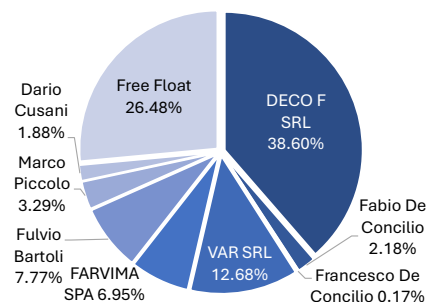
Strengths / Opportunities

- Very high flexibility to demand thanks to “sell and buy” approach and almost non-existent inventory risk due to the “zero warehouse” policy;
- All-around value proposition in the Health, Beauty & Pharma, with online portals and digital health services;
- End-to-end customer centric approach resulting in high conversion rate and above competition average order value (AOV).

Weaknesses / Risks

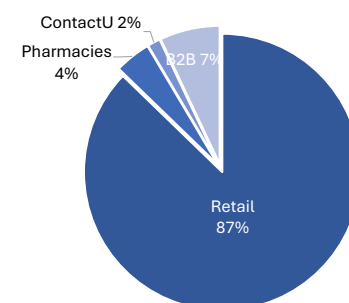
- Increasing price competition trying to exploit current low online penetration;
- Risk of potential changes in current legal and regulatory framework;
- Few financial resources to devote to marketing expenditure could make it impossible to exploit growth opportunities.

SHAREHOLDERS' STRUCTURE



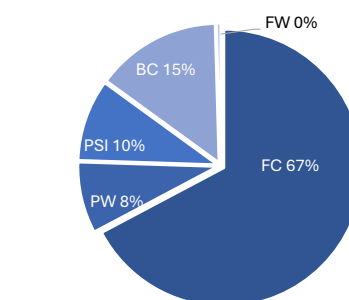
Source: Farmacosmo

REVENUES FROM SALES BY BUSINESS LINE



Source: Farmacosmo, FY25

RETAIL REVENUES BY PORTAL



Source: Farmacosmo, FY25

STOCK MULTIPLES @ FV	FY26E	FY27E
EV / SALES (x)	0.79	0.67
EV / EBITDA (x)	25.3	18.9
EV / EBIT (x)	nm	Nm
EV / CAP. EMPLOYED	4.5	7.2
OpFCF Yield (%)	nm	6.2
P / E (x)	nm	Nm
P / BV (x)	9.9	15.3
Dividend Yield (%)	0.0	0.0

Source: Value Track Analysis

FY25 Results

Key Financials & Messages

Farmacosmo's FY25 P&L results reflect the ongoing wind-down of B2B activities (from 56% of revenues at IPO to 7% in FY25), which drove a significant top-line contraction not yet fully offset by cost reductions, resulting in a marginal operating loss at Reported EBITDA level.

As far as the Balance Sheet is concerned, Net Debt improved materially on the back of the disposal of Baubau S.r.l. and of Coccar S.r.l.'s "Ramo Farmacia". Key highlights include:

- **Value of Production** at **€56.3mn**, -12.4% YoY;
- **Reported EBITDA** at **-€45k** vs. €350k in FY24;
- **Net Debt** at **€2.2mn**, down from €3.9mn as of FY24.

Farmacosmo: Key Financials FY23-FY25

(IT GAAP, €mn)	FY23	FY24	FY25	YoY
Value of Production	72.6	64.3	56.3	-12%
EBITDA Reported	-0.3	0.4	0.0	nm
EBITDA Margin (%)	-0.4%	0.5%	-0.1%	nm
Net Profit Reported	-3.2	-3.0	-4.4	nm
Net Debt	-1.2	-3.9	-2.2	nm

Source: Farmacosmo, Value Track Analysis

A year of significant non-recurring activity FY25 was characterized by an unusually **high number of extraordinary events** — disposals, M&A transactions and non-cash write-offs — which materially affect the comparability of reported figures. Specifically, four items warrant adjustment:

- €3.2mn capital gain** from the disposal of **Coccar S.r.l.**'s "Ramo Farmacia", booked above EBITDA in "Other revenues" (€2.6mn net of €622k deferred tax), positively impacting VoP, Revenues and EBITDA;
- €3.4mn capital gain** from the disposal of 50% of **Baubau S.r.l.** to Pet Being S.r.l., recorded in the financial result, positively impacting reported Net Profit;
- €2.9mn non-cash inventory write-off** related to the B2B wind-down, negatively impacting reported EBIT and partially offsetting item (i) at that level;
- At least some **€1.5mn una tantum costs** related to M&A / Restructuring fees and to personnel downsizing costs.

On the balance sheet side, reported Net Debt of €2.2mn is flattered by **€7.1mn of current financial assets** representing disposal proceeds (Baubau and Ramo Farmacia), with adjusted Net Debt standing at a more cautious €9.4mn. On this basis, adjusted figures compare to reported as follows:

Note that at EBIT level reported and adjusted are broadly in line, as the Coccar gain €3.2mn and the inventory write-off -€2.9mn largely net out.

Top Line

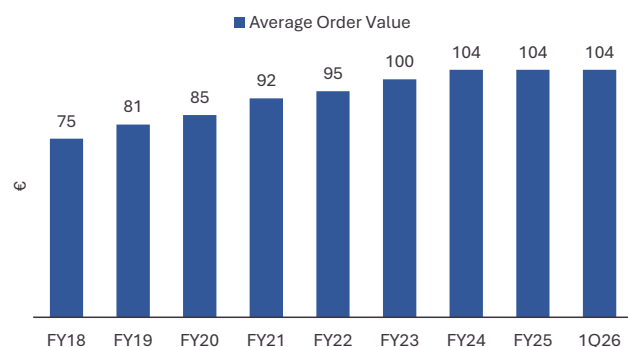
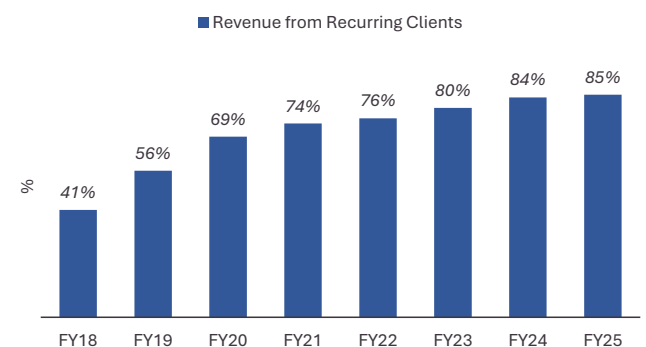
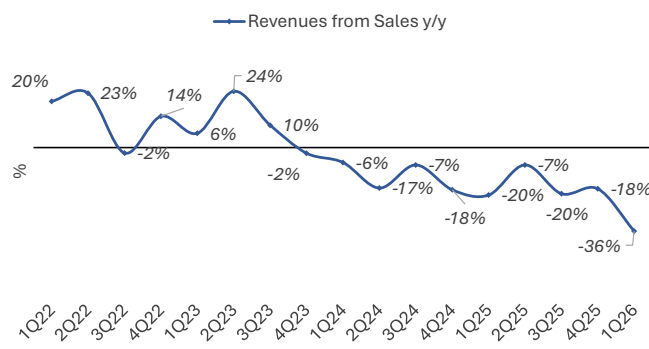
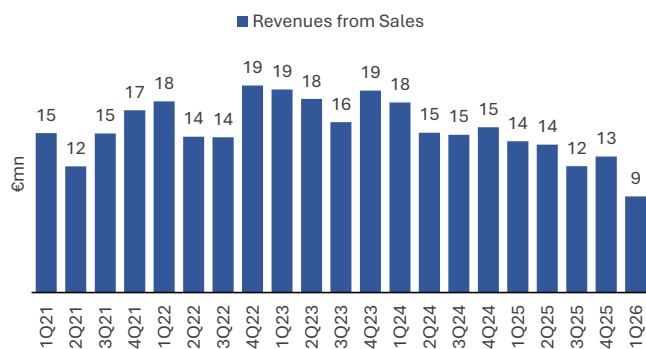
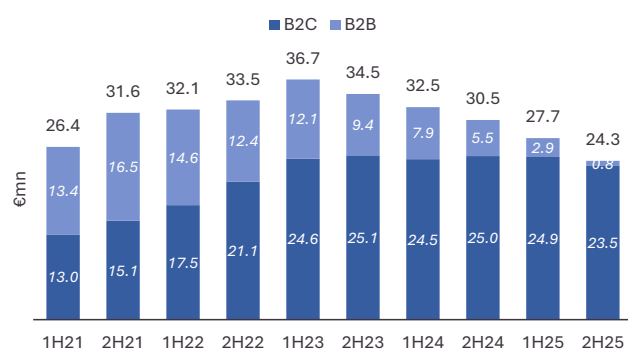
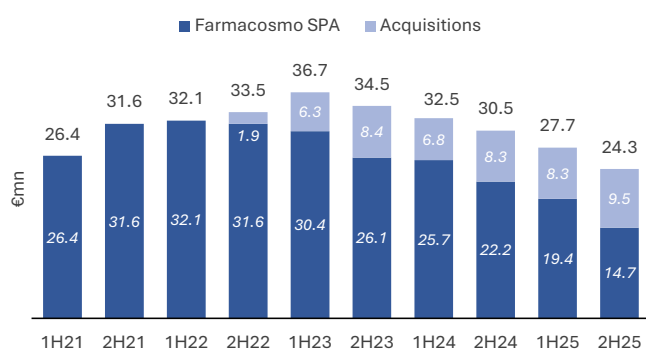
Farmacosmo reported FY25 **Revenue from Sales** at **€52.0mn**, (-17.5% YoY), and FY25 **Value of Production** at **€56.3mn** (-12% YoY) including €3.2mn of capital gain from the disposal of Coccar S.r.l.'s "Farmacia" branch, booked in "Other revenues".

The Top Line decrease is the result of:

- The voluntary strategic **contraction** of the **B2B** channel (€3.6mn, -73% YoY). B2B sales have now declined for several consecutive semesters, representing only 7% of total revenues vs. 56% at IPO;
- The stability of B2C revenues that stood at €48.3mn, -2% YoY, with the 11% YoY **decrease** of **farmacosmo.it** portal revenues (B2C) at €30.5mn partially offset by BauCosmesi +70% YoY growth.

We note that the decrease trend continued into **1Q26**, with **B2C revenues** at **€8.9mn** on a reduced perimeter (Baubau and Ramo Farmacia no longer consolidated), and B2B contributing zero to group revenues.

Farmacosmo Group: Revenue from Sales Evolution and KPIs



Source: Farmacosmo, Value Track Analysis

As far as the other subsidiaries are concerned, we flag that:

- **BauCosmesi** (B2C, disposed of on 29 December 2025 and not considered as a FY26E revenues contributor) continued its strong growth trajectory, reaching **€6.6mn** in FY25 (+70% YoY), supported by the integration of high-margin and recurring products (e.g. supplements, food, and new cosmetic references) that improved the AOV;
- **Physical Pharmacies** at **€2.2mn**, +7% YoY, recovered from the -48% decline recorded in FY24;
- **ContactU** at **€777k**, +28% YoY, which continues to show strong KPIs with over 17,000 hours of therapies provided and a recurring client base. 1Q26 confirms strong momentum with €211k of revenues (+7% YoY) and over 4,500 therapies delivered in the quarter.

Farmacosmo: Value of Production Breakdown

(IT GAAP, €mn)	FY23	FY24	1H25	2H25	FY25	YoY
Retail	45.5	46.9	23.3	22.0	45.3	-3%
<i>Farmacosmo</i>	35.0	34.4	16.5	13.9	30.5	-11%
<i>ProfumeriaWeb</i>	4.1	4.2	1.7	2.0	3.7	-11%
<i>Pharmasi</i>	4.5	3.9	2.3	2.0	4.3	11%
<i>BauCosmesi</i>	1.8	3.9	2.7	3.9	6.6	70%
<i>Farmawow</i>	0.1	0.5	0.1	0.1	0.2	-59%
Physical Pharmacies	4.0	2.1	1.1	1.1	2.2	7%
ContactU	0.2	0.6	0.4	0.4	0.8	28%
B2B	21.5	13.4	2.9	0.8	3.6	-73%
Revenues from Sales	71.2	63.0	27.7	24.3	52.0	-17%
Δ Fixed Assets	0.9	0.7	0.3	0.2	0.5	-31%
Other Revenues	0.5	0.6	0.2	3.6 (*)	3.8	nm
Value of Production	72.6	64.3	28.3	28.0	56.3	-12%

Source: Farmacosmo, Value Track Analysis, (*)Includes €3.2mn gain on disposal of Coccar S.r.l.'s "Farmacia" branch, booked above EBITDA in "Other revenues"

Farmacosmo: Revenues from Sales by Business Line and Retail Revenues by Portal



Source: Farmacosmo, Value Track Analysis

Operating and Net Profitability

Reported operating profitability for the Farmacosmo Group deteriorated in FY25 compared to FY24, primarily due to the Parent Company, Farmacosmo S.p.A., which bore the bulk of costs related to the B2B wind-down and M&A activity.

Indeed, **Farmacosmo S.p.A.** was the main drag on group profitability, as the sharp decline in B2B turnover was not immediately accompanied by a corresponding reduction in the cost base. On the positive side, **BauCosmesi** continued to generate positive EBITDA through FY25, though it exited the consolidation perimeter on 29 December 2025.

As a result, the Group reported a broadly breakeven **EBITDA** of **-€45k** in FY25, vs €350k in FY24.

Farmacosmo: EBITDA Breakdown

(IT GAAP, €mn)	FY23	FY24	1H25	2H25	FY25	YoY
Farmacosmo S.p.A. (B2B+B2C)	0.4	0.3	-1.3	-3.2	-4.5	nm
Vin.Ci. S.r.l. (ProfumeriaWeb)	-0.1	-0.2	-0.1	-0.2	-0.3	nm
Baubau S.r.l. (BauCosmesi)	0.2	0.5	0.6	0.7	1.3	>100%
Farmacia De Leo S.r.l. (Physical Pharmacies)	-0.3	0.2	0.2	3.3 (*)	3.5	nm
Telepsicologia S.r.l. (ContactU)	-0.3	-0.4	-0.2	-0.1	-0.3	nm
FRMC1 S.r.l. (Farmawow)	0.0	-0.1	0.0	0.0	0.0	nm
Farmacosmo Logistics S.r.l.	//	0.1	0.1	0.1	0.2	nm
EBITDA Reported	-0.1	0.3	-0.8	0.8	0.0	0%

Source: Farmacosmo, Value Track Analysis, (*)Includes €3.2mn gain on disposal of Coccar S.r.l.'s "Farmacia" branch, booked above EBITDA in "Other revenues"

Below the EBITDA line we note that:

- **EBIT was negative at -€5.7mn**, a significant deterioration vs. -€2.3mn in FY24, after €2.7mn of D&A and €2.9mn of inventory write-downs. On an adjusted basis, EBIT stood at ~-€6.0mn, as the €3.2mn capital gain from the Coccar disposal (which also flattered Revenues and EBITDA) was largely offset by the €2.9mn non-cash inventory write-off;
- **Net Profit stood at -€4.4mn**, however this is materially flattered by a €3.4mn capital gain on the Baubau disposal booked below the EBIT line as financial income (while financial charges amounted to €1.2mn, up ~4-5% YoY); stripping this out, adjusted Net Loss widens to ~-€7.7mn, a more representative picture of the underlying performance.

However, when adjusting for non-recurring items, the picture is different. Our adjusted P&L strips out: (i) €3.2mn capital gain from the disposal of Coccar S.r.l.'s "Farmacia" branch, booked above EBITDA in "Other revenues" (€2.6mn net of €622k deferred tax); (ii) €3.4mn capital gain from the disposal of 50% of Baubau S.r.l. to Pet Being S.r.l., recorded in the financial result; and (iii) €2.9mn inventory write-off related to the B2B closure; (iv) some €1.5mn una tantum M&A / Restructuring costs.

On this basis we calculate : i) **Adj. EBITDA at €-1.8mn** vs. -€45k reported; ii) **Adj. EBIT at €-4.5mn** vs. -€5.7mn reported; iii) **Adj. Net Profit at €-6.2mn** vs. -€4.4mn reported.

Farmacosmo: P&L FY23-FY25

(IT GAAP, €mn)	FY23	FY24	FY25	YoY
Value of Production	72.6	64.3	56.3	-12%
Raw Materials (incl. Δ Inventory)	-56.5	-47.4	-38.4	-19%
Costs of Services	-11.5	-12.1	-13.4	10%
Labour Costs	-4.0	-3.6	-3.9	9%
Other Operating Expenses	-0.9	-0.8	-0.7	-19%
EBITDA Reported	-0.3	0.4	0.0	nm
<i>EBITDA Margin (%)</i>	<i>-0.4%</i>	<i>0.6%</i>	<i>-0.1%</i>	<i>-64bps</i>
D&A	-2.9	-2.6	-5.6	114%
EBIT Reported	-3.2	-2.3	-5.7	nm
<i>EBIT Margin (%)</i>	<i>-4.5%</i>	<i>-3.6%</i>	<i>-10.9%</i>	<i>-731bps</i>
Net Financial Charges	-1.0	-0.8	2.1	nm
Taxes	0.2	0.0	-1.1	nm
Minorities	0.7	0.1	0.2	76%
Net Profit Reported	-3.2	-3.0	-4.4	nm

Source: Farmacosmo, Value Track Analysis

Cash Flow Statement and Balance Sheet

FY25 reported cash generation, bringing **Reported Net Debt** down to **€2.2mn**, though this is flattered by €7.1mn of current financial assets (primarily receivables from the disposal of Baubau S.r.l. and the "Ramo Farmacia" of Coccar S.r.l.).

Note that Operating FCF was positive at ~€4.6mn, supported by a €6.6mn NWC contribution including provisions, partly offset by €2.0mn of Capex.

Farmacosmo: Cash Flow Statement FY23-FY25

(IT GAAP, €mn)	FY23	FY24	FY25
EBITDA	-0.4	0.4	0.0
Δ Net Working Capital	-4.0	-1.7	6.2
Δ Provisions (& Others)	0.1	0.1	0.4
Capex	-2.2	-1.1	-2.0
OpFCF (b.t.)	-6.6	-2.4	4.6
Cash Taxes	0.2	0.0	-1.1
Capital Injections	0.0	-1.5	0.0
Others (incl. Financial Investments)	0.8	2.4	-0.6
Net Financial Charges	-0.9	-1.2	-1.2
Dividends Paid	0.0	0.0	0.0
Δ Net Financial Position	-6.5	-2.7	1.7

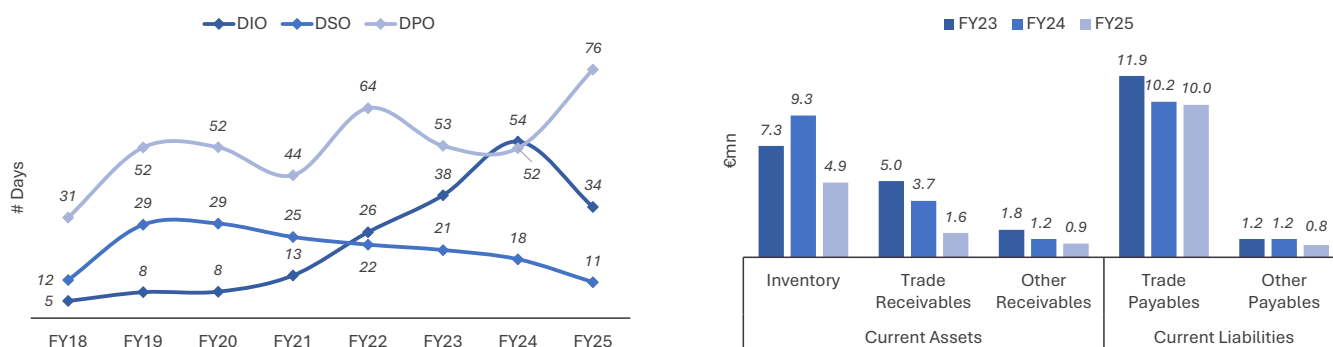
Source: Farmacosmo, Value Track Analysis

Farmacosmo: Balance Sheet FY23-FY25

(IT GAAP, €mn)	FY23	FY24	FY25
Net Fixed Assets	16.3	12.8	12.2
Net Working Capital	1.0	2.7	-3.5
Provisions	0.7	0.8	1.2
Total Capital Employed	16.6	14.7	7.5
Group Net Equity	15.4	10.8	5.3
Net Financial Position [Net Debt (-) / Cash (+)]	-1.2	-3.9	-2.2

Source: Farmacosmo, Value Track Analysis

Farmacosmo: Net Working Capital Evolution



Source: Farmacosmo, Value Track Analysis

Strategy: Navigating a Structural Transition

FY25 marked a **pivotal transition year** for Farmacosmo. The group simultaneously wound down its unprofitable B2B channel, restructured its cost base, relaunched its core digital asset, and monetised a set of businesses to fund the process — all while maintaining a broadly stable balance sheet.

The reported financials reflect the cost of this transition more than its progress, and the true strategic picture only emerges when non-recurring items are stripped out and the underlying trajectory of the B2C core is examined in isolation. With the heaviest lifting now largely behind it, Farmacosmo enters FY26 with a cleaner perimeter, a more focused strategy, and a roadmap for profitability.

In summary:

- **B2B is gone:** the channel has been reduced from 56% of revenues at IPO to zero in 1Q26, removing a structurally dilutive and highly concentrated revenue stream;
- **Cost restructuring is underway:** group-wide efficiency measures across headcount, marketing and overhead are expected to deliver around €2.3/2.9mn in annualised savings, progressively closing the gap between the fixed cost base and the new, leaner revenue profile;
- **High-potential verticals are being nurtured:** ContactU (€777k 1Q26's revenues, +28% YoY, 17,000+ therapy hours) is a vector of future value creation within the restructured perimeter, alongside a recovering ProfumeriaWeb and the newly integrated pharماسi.it;
- **The Balance Sheet has been stabilized:** disposals of Baubau and Ramo Farmacia of Coccar have provided the financial runway to execute the transition. In particular, the €3.4mn receivable related to the disposal of Baubau S.r.l. was collected on January 15, 2026.

The group's strategy is articulated around three core pillars:

- **Pillar 1 — Completing the B2B Exit and Doubling Down on B2C;**
- **Pillar 2 — Restructuring the Cost Base for Sustainable Profitability;**
- **Pillar 3 — Investing in High-Potential Verticals while Maintaining Financial Discipline.**

Across all business lines, the following transversal priorities underpin the entire strategic agenda:

- Full focus on B2C — definitive exit from low-margin B2B exposure;
- Private Label development and expansion of direct sales;
- Push into new product categories;
- Implementation of a Media strategy — monetising high-conversion traffic as an asset;
- Promotion of selected and exclusive products.

Enabling Factors:

- Marketing — optimise investment to reinforce brand awareness on key growth drivers (ContactU and Farmacosmo.it); direct traffic towards own-brand products and direct sales; further develop data analytics and intelligence platform;
- Organisation and ICT — strengthen the team with targeted professionals (media, ICT); continue proprietary portal development including AI; achieve scale efficiencies;
- Group Integration — complete integration of acquired companies (e.g. Pharماسi into Farmacosmo); implement fiscal consolidation to optimise group structure;
- Inventory and Balance Sheet — develop inventory to facilitate the shift to a direct sales model; support the financial solidity of group entities including start-ups.

Pillar 1 — Completing the B2B Exit and Doubling Down on B2C

The wind-down of the B2B channel — from 56% of revenues at IPO to zero in 1Q26 — is now effectively complete. While this has been the single largest drag on reported top-line growth in recent years, it removes a structurally dilutive, highly concentrated revenue stream and clears the path for a cleaner, higher-quality B2C-focused business.

Going forward, management's strategic priority is to accelerate growth in the B2C core, with Farmacosmo.it as the primary engine. The B2C channel has demonstrated resilience through the transition, and with the B2B drag now removed, the underlying growth dynamics should become more visible in reported numbers from FY26E onwards.

Relaunch of Farmacosmo.it

The July 2025 relaunch of the portal featured a completely redesigned UI/UX, AI-assisted customer care, enhanced product sheets, and improved technological infrastructure. The initiative is intended to drive higher conversion rates, improved AOV, and stronger customer retention — and represents the key operational catalyst of the B2C recovery.

Strategic B2C Growth Initiatives

Four initiatives directly reinforce this growth agenda:

- **Premium Catalogue Expansion** introduces higher-margin product lines in the perfumery and cosmetics segments, targeting a structural improvement in AOV across the B2C core;
- **AI-driven Personalisation** deploys integrated AI algorithms across the e-commerce platforms to optimise conversion rates and strengthen customer retention via predictive marketing campaigns, with an estimated economic impact of around €800k;
- **Farmapet** — launched in March 2026 — enters the premium pet care segment with products characterised by above-average margins, consistent with the group's broader strategy of improving revenue quality; the initiative targets a high-growth, low-saturation niche that extends the B2C addressable market without requiring significant incremental infrastructure;
- **Pharmasi.it** should also be read as a pure B2C e-commerce asset following the exit from the pharmacy branch, allowing the group to focus the brand on online pharma demand and to extract logistics and platform synergies from its integration into the parent.

Pillar 2 — Restructuring the Cost Base for Sustainable Profitability

Completing the rightsizing of the cost structure is a precondition for any meaningful recovery in profitability. The mismatch between a fixed cost base dimensioned for a larger business and a structurally lower revenue base has been the primary driver of EBITDA weakness, and this gap needs to close before margin recovery can materialise.

Initiatives underway include a broad programme of cost rationalisation and operational efficiency across the group. As disclosed by Farmacosmo, cost reductions implemented from March 2025 onwards — covering headcount, marketing and overhead — are expected to generate annualised savings of around €1.8mn at the parent company level, with a further €430k from subsidiaries (Farmacosmo Logistics: €237k; Vin.Ci.: €143k; FRCM1: €50k), bringing total group-level one-off/savings to around €2.3mn on an annualised basis.

Logistics efficiency is a further structural lever: ongoing investment in delivery times and shipping cost optimisation, leveraging the synergies arising from the progressive integration of group subsidiaries under the Nola Interporto hub, is expected to generate compounding operational savings across the perimeter. The planned relocation of Coccar S.r.l.'s activities to Nola Interporto — anticipated between 2026 and 2027 — would unlock a further ~€607k in annualised savings, bringing total group savings to around €2.9mn on a fully-run-rate basis from 2027E onwards.

Pillar 3 — Investing in High-Potential Verticals while Maintaining Financial Discipline

Within the restructured group perimeter, two assets stand out as the vectors of future value creation:

- **ContactU** continues to demonstrate strong growth momentum — €777k in FY25 revenues (+28% YoY), 17,000+ therapy hours delivered, a recurring client base, and an expanding B2B corporate welfare offering. Market penetration in digital mental health remains very low, and the platform's asset-light model means incremental revenue growth translates efficiently into margin improvement. The group's roadmap for ContactU includes the development of new platform functionalities to enhance the therapist-patient interaction, as well as cross-selling initiatives targeting Farmacosmo's existing health and wellness customer base — creating an integrated personal wellbeing ecosystem;
- **ProfumeriaWeb**, following the cost restructuring already underway, is expected to contribute positively to group profitability as savings materialise through FY26E. The integration of Coccar S.r.l. (pharmasi.it) — now fully owned and in the process of being incorporated into the parent — is expected to generate meaningful operational and logistics synergies.

Further Organic Growth Opportunities

The following organic growth opportunities have been identified as additional upside levers. They require incremental capital and dedicated management focus, and are therefore not included in the base case financial projections.

In-House Logistics

- Development of an internal logistics fleet with a CapEx-light model to serve traffic in key cities, including Milan;
- Breakeven achievable at only 250,000 orders — a relatively low threshold given current group volumes.

Media Strategy Deployment

- Development of a media offering leveraging co-marketing spaces to access large companies' media budgets;
- Monetisation of the website's high-conversion traffic as a standalone revenue stream;
- Positions Farmacosmo as a media platform for health and wellness brands, not just a retailer.

Accelerated Digital Health

- Doubling of marketing spend and acceleration of therapist onboarding to expand telepsychology;
- Entry into the broader telemedicine market beyond mental health;
- Leveraging institutional investor capital to fast-track ContactU's scale-up.

Full Gross Margin Lever Potential

- Deployment of additional capital to increase investment in distributor own-brand (private label) marketing;
- Build-up of inventory to further promote the direct purchasing approach;
- Both levers are expected to structurally improve gross margins beyond the base case trajectory.

Forecasts FY26E-28E

Resetting the Base: Adjusted Pro-Forma 2025

Reported FY25 is not a usable base for forecasting, so we anchor our estimates on a normalised, new-perimeter 2025. Starting from reported, we first strip the year's one-offs — the €3.4mn Baubau gain, the €3.2mn Coccar gain, the €2.9mn inventory write-off and ~€1.5mn of restructuring costs — to reach an adjusted EBITDA of -€1.8mn. We then remove the full-year contribution of the exited perimeter (BauCosmesi, residual B2B and the "Ramo Farmacia"), which takes VoP to a pro-forma €41.5mn and EBITDA to -€2.5mn, and finally layer in the ~€2.3mn of actioned cost savings (Pillar 2) to land at a breakeven -€0.2mn EBITDA. This €41.5mn VoP / breakeven base is our "corrected 2025", on which the 2026E estimates are built.

Farmacosmo: Adjusted P&L – FY25A-FY26E Bridge

Profit & Loss (€mn)	2025 Reported	Baubau deal	Coccar deal	Inventory Write-off	Restr. Costs	2025 Adj.	2025 BauBau	B2B	2025 Phys. Pharm	2025 Adj. Ex disposals	Costs Sav.	2025 Adj. PF post Costs Sav.	Δ	FY26
Value of Prod.	56.3	//	-3.2	//	//	53.0	-6.9	-3.6	-1.0	41.5	//	41.5	-0.8	40.7
COGS	-38.4	//	//	//	//	-38.4	1.1	4.0	0.6	-32.6	//	-32.6	2.3	-30.3
Gross Profit	17.9	//	-3.2	//	//	14.6	-5.7	0.4	-0.4	8.9	//	8.9	1.5	10.4
Costs of Services	-13.4	//	//	//	1.1	-12.3	4.3	0.4	0.1	-7.6	0.9	-6.7	0.0	-6.7
Costs of Rent	-0.4	//	//	//	//	-0.4	0.0	0.0	0.1	-0.2	0.0	-0.2	0.0	-0.2
G&A	-0.3	//	//	//	0.0	-0.3	0.0	0.0	0.0	-0.3	0.1	-0.2	0.0	-0.2
Labour Costs	-3.9	//	//	//	0.4	-3.5	0.1	0.0	0.1	-3.3	1.3	-2.0	0.0	-2.0
EBITDA	0.0	//	-3.2	//	1.5	-1.8	-1.3	0.7	-0.1	-2.5	2.3	-0.2	1.5	1.3
D&A	-5.6	0.0	0.0	2.9	0.0	-2.7	0.1	0.0	0.0	-2.7	0.0	-2.7	0.3	-2.4
EBIT	-5.7	//	-3.2	2.9	1.5	-4.5	-1.3	0.7	0.0	-5.1	2.3	-2.8	1.7	-1.1
Net Fin. Charges	-1.2	//	//	//	0.0	-1.2	//	0.0	//	-1.2	//	-1.2	0.1	-1.1
Pre-Tax Profit	-3.5	-3.4	-3.2	2.9	1.5	-5.7	-1.1	0.7	0.0	-6.1	2.3	-3.9	1.7	-2.2
Taxes	-1.1	0.0	0.6	0.0	0.0	-0.4	0.3	0.0	0.0	-0.1	//	-0.1	0.1	0.0
Group Net Profit	-4.6	-3.4	-2.6	2.9	1.5	-6.2	-0.8	0.7	0.0	-6.3	2.3	-4.0	1.8	-2.2

Source: Value Track Analysis

Estimates Revision

We are revising our estimates and extending our explicit horizon to 2028E (from 2027E previously), to reflect the reshaped perimeter and strategic pivot. The main drivers are:

- the full exit from B2B, now down to a negligible residual contribution (vs. 56% of revenue at IPO);
- the deconsolidation of BauCosmesi and of the Coccar "Ramo Farmacia" which, together with the B2B exit, reshape the revenue base as captured in our corrected 2025;
- a deliberate margin-over-volume stance at the farmacosmo.it portal, implying lower revenue as the company steps back from price competition (average basket already above €100);
- ContactU as the fastest-growing asset, scaling from €0.7mn in 2025 to ~€1.3mn in 2026E and a plan target above €4.3mn by 2030, on selective marketing spend;
- a lower Group cost base (personnel and marketing) from the efficiency programme detailed in Pillar 2.

The result of this pivot is a smaller but more profitable Farmacosmo: we cut Top Line estimates materially, while EBITDA turns positive in 2026E (€1.3mn) and builds to €2.3mn by 2028E (4.3% margin), driven by the cost savings and a higher-margin mix rather than by any single business line.

On Net Debt, our estimates show the position peaking at €4.2mn in 2026E before deleveraging to €1.3mn by 2028E, as disposal proceeds and the EBITDA recovery outweigh capex plan (~€2mn) and the buy-out of the Farmacia De Leo minorities (now at 100%). We flag as upside — excluded from both our numbers and the plan — a possible cash in from the disposal of the residual 12% BauCosmesi stake.

Farmacosmo: Estimates Old vs. New

Key Financials (IT GAAP, €mn)	FY26E			FY27E			FY28E		
	Old	New	Δ	Old	New	Δ	Old	New	Δ
Value of Production	56.5	40.7	-28%	61.7	47.0	-24%	//	53.1	//
EBITDA	1.3	1.3	-1%	3.0	1.7	-44%	//	2.3	//
EBITDA Margin (%)	2.3%	3.1%	85bps	4.8%	3.6%	-127bps	//	4.3%	//
EBIT	-1.3	-1.1	-18%	1.0	-0.1	-111%	//	0.8	//
EBIT Margin (%)	-2.3%	-2.7%	-34bps	1.6%	-0.2%	-181bps	//	1.5%	//
Net Profit	-3.1	-2.2	-28%	-1.0	-1.1	9%	//	-0.3	//
Net Fin. Pos.	-11.5	-4.2	7.4	-11.3	-2.5	8.8	//	-1.3	//

Source: Value Track Analysis

2026-2030 Business Plan

On 16th June 2026, COSMO's BoD approved its first full **Business Plan (2026-2030)** under the reshaped perimeter, targeting a return to positive EBITDA from end-2026, positive consolidated cash generation from 2027 and sustained double-digit revenue growth, on ~€2.0mn of cumulative capex (guidance and targets summarised below).

On the one overlapping year, our FY26E sits at the conservative end of the company's 2026 guidance — at the low boundary of the guided ranges on both VoP and EBITDA, and mid-range on Net Debt. Our explicit horizon stops at 2028E, so the full step-up to the 2030 target, and the swing into a Net Cash position, falls largely into 2029-2030, the two years beyond our coverage.

Farmacosmo: Business Plan Targets vs VT Estimates

(IT GAAP, €mn)	BP 2026 (guidance)	VT FY26E	BP 2030 (target)	BP CAGR(26E-30E)
Value of Production	40-42	40.7	75-77	~17%
EBITDA	1.3-1.7	1.3	3.5-4.4	~27%
EBITDA Margin (%)	3/4%	3.1%	5/7%	~+200bps
Net Fin. Pos.	-3.8/-4.6	-4.2	5.2/7.5	nm

Source: Farmacosmo (Business Plan 2026-2030), Value Track Analysis

New Estimates FY26E-28E

Key Forecasts & Drivers

By FY28E, we now expect Farmacosmo to reach:

- Value of Production of **~€53.1mn**, recovering from the €40.7mn FY26E trough (the year that fully absorbs the BauCosmesi and "Ramo Farmacia" exits), a -2% CAGR over FY25-28E;
- EBITDA of **€2.3mn** (~4.3% margin), positive again from 2026E (€1.3mn) and widening from 3.1% to 4.3%, driven by the lower cost base and a higher-margin mix;
- Net Debt down to **€1.3mn** from a €4.2mn FY26E peak, as disposal proceeds and the EBITDA recovery fund capex and the De Leo buy-out while still allowing the group to deleverage.

Farmacosmo: Value of Production FY25-28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E	CAGR _{FY25-28E}
Retail	45.3	38.9	44.7	50.1	3%
<i>Farmacosmo</i>	30.5	30.2	34.7	38.9	8%
<i>ProfumeriaWeb</i>	3.8	3.9	4.5	5.1	11%
<i>Pharmasi</i>	4.3	4.5	5.2	5.8	11%
<i>BauCosmesi</i>	6.6	0.0	0.0	0.0	-100%
<i>Farmawow</i>	0.2	0.2	0.2	0.3	10%
Physical Pharmacies	2.2	0.0	0.0	0.0	-100%
ContactU	0.8	1.1	1.6	2.3	44%
B2B	3.6	0.0	0.0	0.0	-100%
Revenues from Sales	52.0	40.0	46.3	52.4	0%
Δ Fixed Assets	0.5	0.3	0.3	0.3	-15%
Other Revenues	3.8	0.4	0.4	0.4	-53%
Value of Production	56.3	40.7	47.0	53.1	-2%

Source: Farmacosmo, Value Track Analysis

Farmacosmo: EBITDA FY25-28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Farmacosmo S.p.A. (B2B+B2C)	-4.5	1.1	1.3	1.6
Vin.Ci. S.r.l. (ProfumeriaWeb)	-0.3	0.0	0.1	0.3
Baubau S.r.l. (BauCosmesi)	1.3	0.0	0.0	0.0
Farmacia De Leo S.r.l. (Pharmacies + Pharmasi)	3.5	0.2	0.3	0.3
Telepsicologia S.r.l. (ContactU)	-0.3	0.0	0.0	0.1
FRMC1 S.r.l. (Farmawow)	0.0	-0.1	0.0	0.0
Farmacosmo Logistics S.r.l.	0.2	0.1	0.1	0.1
EBITDA Reported	0.0	1.3	1.7	2.3

Source: Farmacosmo, Value Track Analysis

Financial Statements FY25-28E
Farmacosmo: P&L FY25-28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E	CAGR _{FY25-28E}
Value of Production	56.3	40.7	47.0	53.1	-2%
Raw Materials (incl. Δ Inventory)	-38.4	-30.3	-35.0	-39.5	1%
Costs of Services	-13.4	-6.7	-7.8	-8.6	-14%
Labour Costs	-3.9	-2.0	-2.1	-2.2	-17%
Other Operating Expenses	-0.7	-0.4	-0.4	-0.5	-11%
EBITDA	0.0	1.3	1.7	2.3	nm
<i>EBITDA Margin (%)</i>	<i>-0.1%</i>	<i>3.1%</i>	<i>3.6%</i>	<i>4.3%</i>	<i>446bps</i>
D&A	-5.6	-2.4	-1.8	-1.5	-35%
EBIT	-5.7	-1.1	-0.1	0.8	nm
<i>EBIT Margin (%)</i>	<i>-10.9%</i>	<i>-2.7%</i>	<i>-0.2%</i>	<i>1.5%</i>	<i>1241bps</i>
Net Financial Charges	2.1	-1.1	-1.0	-1.0	-nm
Taxes	-1.1	0.0	0.0	0.0	nm
Minorities	0.2	0.0	0.0	0.0	nm
Net Profit	-4.4	-2.2	-1.1	-0.3	nm

Source: Farmacosmo, Value Track Analysis

Farmacosmo: Balance Sheet FY25-28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Net Fixed Assets	12.2	10.2	7.7	6.6
Net Working Capital	-3.5	-2.1	-2.4	-2.7
Provisions	1.2	0.9	0.9	0.9
Total Capital Employed	7.5	7.3	4.4	3.0
Group Net Equity	5.3	3.1	2.0	1.7
Net Financial Position	-2.2	-4.2	-2.5	-1.3

Source: Farmacosmo, Value Track Analysis

Farmacosmo: Cash Flow Statement FY25-28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
EBITDA	0.0	1.3	1.7	2.3
Δ Net Working Capital (incl. Prov.)	6.6	-1.7	0.3	0.3
Capex	-2.0	-0.4	-0.4	-0.4
OpFCF (b.t.)	4.6	-0.8	1.6	2.2
Cash Taxes	-1.1	0.0	0.0	0.0
Others (incl. Financial Investments)	-0.6	0.0	1.1	0.0
Net Financial Charges	-1.2	-1.1	-1.0	-1.0
Δ Net Financial Position	1.7	-1.9	1.7	1.1

Source: Farmacosmo, Value Track Analysis

Upside not included in our estimates

Our estimates are not taking into account some possible upside drivers related to both company specific and sector related items:

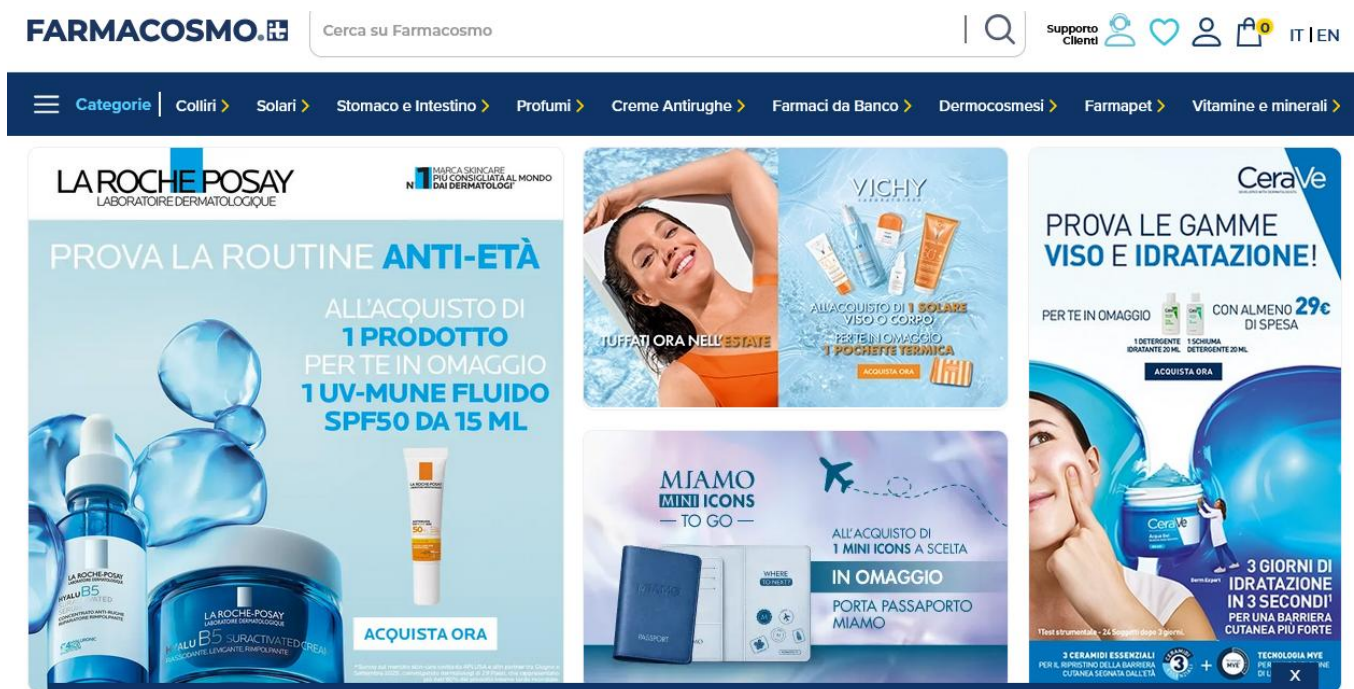
- Company specific upside: Developing additional revenue streams such as Co-marketing ones;
- Sector related: Possible changes in the regulation on online distribution of prescription-only medicines.

Company specific upside: Developing additional revenue streams such as Co-marketing ones

Farmacosmo is testing the possibility of activating some co-marketing collaborations with brands. Already as of now, the website shows some flagship sponsorship banners.

We're not including yet in our model any revenue from this new business as it is in a trial phase. However, we believe that some €500k-€1mn per annum might be feasible and would impact EBITDA at 100% as no material variable cost arises.

Farmacosmo.it : Co-marketing activities



Source: Farmacosmo.it website

Sector related: Possible changes in the regulation on online distribution of prescription-only medicines

In Italy is currently undergoing a parliamentary debate for the complete revision of the regulatory framework of the pharmaceutical sector, the so-called enabling framework bill **DDL S. 1786** that seeks to repeal obsolete regulations and consolidate all pharmaceutical legislation into a new, modern Consolidated Law (Testo Unico).

Such DDL S. 1786 followed a formal legislative process that unfolded between late 2025 and the early months of 2026:

- September 18, 2025: The text received preliminary approval from the Council of Ministers (CdM);

- February 6, 2026: The bill was officially presented to the Senate, signed by the Minister of Health, Orazio Schillaci, and the Minister for Institutional Reforms, Maria Elisabetta Alberti Casellati;

The timeframe established by Article 1 of the text stipulates that the Government must exercise its delegated authority to adopt the implementing legislative decrees by December 31, 2026.

Among the points that such DDL has to address, there might be the possibility of online distribution of prescription-only medicines. To be precise, we note that the base text of the enabling framework bill presented by the Government in February did not contain any explicit openings toward the online distribution of prescription-only medicines, focusing instead on the digitalization and interoperability of healthcare data (Electronic Health Records and the Health Card System).

However, **the issue of online distribution for prescription-only medicines officially became a priority in the latest few weeks** (late May 2026) with the filing of amendments in the 10th Senate Committee.

Indeed, among the approximately 300 amendments presented, several specifically aim to dismantle Italy's ban on the online sale of prescription drugs, which is currently strictly limited to over-the-counter (OTC) medicines.

The debate is split between two opposing fronts:

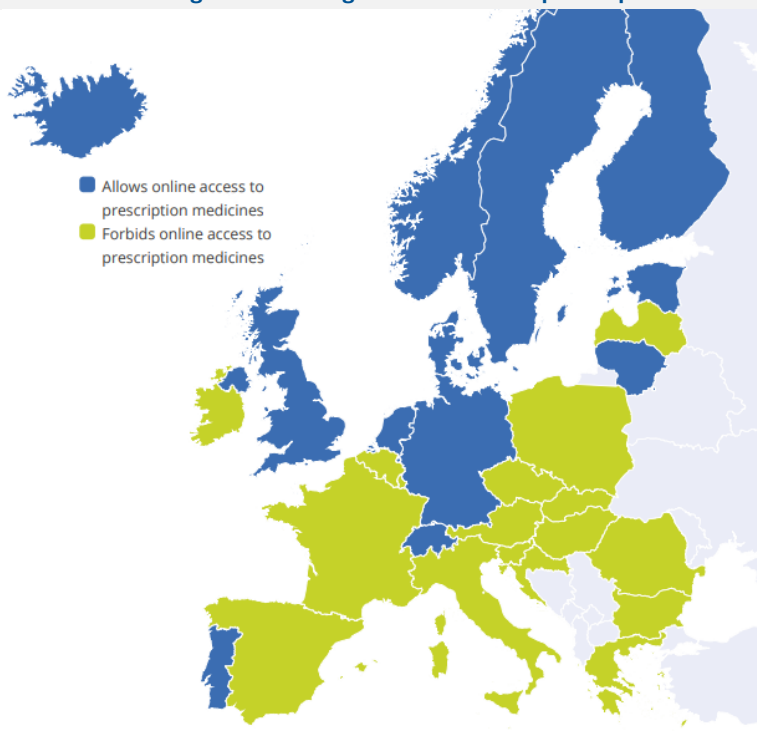
1. The push for digitalization (Lobbies and European trade associations)

Proponents of this opening—including the EAEP (European Association of E-Pharmacies)—are calling for Italy to align with countries like Germany or Sweden, where this practice is already permitted.

The proposed amendments currently under consideration envision:

- Controlled digital dispensing: allowing authorized pharmacies to sell prescription-only medicines online as well;
- Mandatory video-consultation: orders could only be confirmed following a remote consultation with the pharmacist to ensure therapeutic adherence and safety;
- Proximity logistics: integration with certified home delivery services for elderly, chronic, or mobility-impaired patients.

Map of European countries allowing / not allowing online access to prescription medicines



Source: European Association of E-Pharmacies

2. The opposition from local pharmacists and the EU framework

On the other side, Federfarma, professional orders (FOFI), and traditional distributors are pushing back, defending the centrality of the physical pharmacy as a healthcare outpost and a bulwark against counterfeiting.

Their position is backed by two strong elements:

- The Ministry of Health's stance: The political line of Government has historically been cautious and oriented toward protecting Italy's capillary network of local pharmacies;
- The European framework: EU directives and recent developments regarding the Pharmaceutical Package at the European Parliament level confirm that regulating the online sale of prescription drugs remains a sovereign competence of individual Member States. Therefore, Europe does not oblige Italy to lift the ban.

What could be the outcome?

At present, in our view, a full liberalization of e-commerce for prescription medicines is unlikely to pass.

A "hybrid" compromise is much more probable: rather than pure, Amazon-style e-commerce, the regulations may introduce framework rules for home delivery managed directly by local pharmacies via apps or regional platforms linked to the Electronic Health Record, keeping the physical pharmacist as the main validator and dispenser of the therapy.

Should this scenario materialize, it would open up a market space for partnerships between physical local pharmacies and certified digital online platforms.

This would create a distinct advantage for players possessing stronger regulatory and procedural expertise, as well as a greater technological aptitude and responsiveness to change. Farmacosmo would be, in our view, well positioned to benefit from it.

Valuation

Fair Equity Value unchanged at €0.83 p/s

We maintain unchanged our **Fair Equity Value at €0.83 p/s**, taking into consideration:

- the current intrinsic value of the company, assessed at €0.63 p/s, reshaped by the ongoing transformation of the business and the disposal of assets, with the consequent revision to our forecasts;
- the above mentioned optionality (e.g. co-marketing and regulatory changes to the online distribution of prescription medicines) not included in our forecasts yet, and that we might conservatively assess for the difference, i.e. ca. €0.20 p/s (ca. 25% of total value).

As far the intrinsic value is concerned, at €0.63, Farmacosmo shares would be priced at **0.59x EV/Sales FY1**, broadly in line with international pure e-retailers active in the e-pharmacy business once the further benefits of BauCosmesi deal are taken into account (earn-out plus possible €3.0mn “excess” cash in from Bau stake disposal in the future).

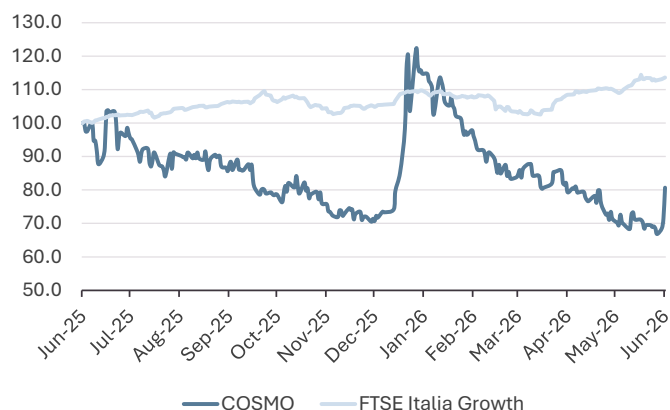
Farmacosmo Intrinsic Value excluding optionality: Multiples Sensitivity at various Stock Price Levels

Fair Equity Value p/s (€)	EV/Sales (x)		
	FY26E	FY27E	FY28E
0.33	0.31	0.25	0.20
0.43	0.40	0.34	0.28
0.53	0.50	0.42	0.35
0.63	0.59	0.50	0.42
0.73	0.69	0.58	0.50
0.83	0.78	0.67	0.57
0.93	0.88	0.75	0.64

Source: Value Track Analysis

Farmacosmo -1y share price evolution vs. FTSE IT Growth and vs. Comparables

Farmacosmo shares vs. FTSE IT Growth



Farmacosmo shares vs. e-pharmacy retailers



Source: FactSet, Value Track Analysis

Sum of the Parts Valuation

Our assessment of the intrinsic value is based on a bottom-up Sum-of-the-Parts (SOTP) model, which captures the heterogeneous risk and growth profiles of Farmacosmo's key businesses:

- **Retail Platforms** (Farmacosmo.it, ProfumeriaWeb, Pharmasi): valued at 0.52x EV/Sales FY26E, in line with comparable B2C peers, as these assets have reached a mature commercial stage;
- **Farmawow**: valued at 1.0x EV/Sales FY26E, reflecting its earlier-stage growth profile relative to the core retail platforms;
- **Farmacia De Leo**: valued at 1.5x EV/Sales FY26E, closer to transactions observed in the physical pharmacy market, which tend to command higher multiples on the back of stable cash flows and earnings visibility;
- **ContactU**: we maintain an Enterprise Value of €6.0mn for 100% of the business (€3.1mn pro-quota on our 51% stake), acknowledging its growth potential in the underpenetrated digital health space. Should KPIs continue to strengthen, we may re-rate the business in line with venture-backed valuations observed in comparable digital health companies;
- **BauCosmesi**: following the disposal of a 50% stake to Pet Being in December 2025 (Farmacosmo retaining 12%), we no longer apply a sales multiple, marking the business at ~€7.9mn for 100%, anchored to the €3.94mn cash consideration received for the 50% stake. We also assume a €1.1mn earn-out (contingent on FY26E EBITDA results) and a €3.0mn “excess” cash in from a possible disposal (end-FY28E) are captured separately in the equity bridge.

We no longer ascribe standalone value to the B2B activity, which has been wound down to a negligible contribution and is therefore excluded from the SOTP.

Farmacosmo: Sum of the Parts Valuation

Fair Equity Value	FC B2C	ProfWeb	Pharmasi	Farmawow	De Leo	BauCosm	ContactU	Group
Fair EV/Sales FY25E (x)	0.52	0.52	0.52	1.00	1.50	//	//	
Enterprise Value (€mn)	15.6	2.0	2.3	0.2	0.0	7.9	6.0	34.1
Stake (%)	100%	100%	100%	51%	67%	12%	51%	
EV Pro-Quota (€mn)	15.6	2.0	2.3	0.1	0.0	0.9	3.1	24.1
Net Debt (€mn)								4.2
Adjustments (*)								-4.1
Fair Equity Value (€mn)								24.0
NOSH								38.9
Fair Equity Value p/s (€)								0.63

Source: Value Track Analysis (*) Earn-out and possible “excess” cash in from BauCosmesi deal

Farmacosmo: Peers Trading Multiples

Peers	EV/Sales (x)			EV/EBITDA (x)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
B2C E-Retailers						
DocMorris Ltd	0.51	0.52	0.51	<0	<0	>30
Redcare Pharmacy N.V.	0.53	0.46	0.41	27.1	17.5	12.6
Average	0.52	0.49	0.46	27.1	17.5	12.6
Farmacosmo	0.59	0.50	0.42	18.9	14.1	9.8

Source: FactSet

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