



Half Year Results 2025

connect.kooth.com

23 September 2025

Kooth Plc

(“Kooth”, the “Company”
or the “Group”)

Unaudited Half Year Results

*User growth continuing at pace
with key financial metrics
increasing on a constant
currency basis*

*Implementation of strategy to
solidify successes of recent,
transformational period in
Kooth’s history*

Kooth (AIM: KOO), a global leader
in youth digital mental wellbeing,
announces unaudited half year
results for the six months ended
30 June 2025 (H1 2025). All
figures relate to this period unless
otherwise stated.

Contents

3	Business highlights
4	Financial highlights
5	Strategic update
6	CEO statement
7	Financial headlines
8	Chief Executive’s review
11	Key performance indicators
13	Chief Financial Officer’s review
16	Condensed consolidated statement of comprehensive income
17	Condensed consolidated balance sheet
18	Condensed consolidated statement of changes in equity
19	Condensed consolidated statement of cash flows
20	Notes to the half year financial statements



Business highlights

- Investment in key growth drivers, including marketing to users in California to drive long-term sustainable usage, led to a planned increase in costs in H1 2025. This additional investment is now largely complete and, coupled with a strengthened executive leadership team, Kooth is in a strong position to benefit going forward.
- Significant progress in California with successful delivery, impressive traction and over 130,000 users registering with Soluna since launch. Kooth is on track to exceed Department of Health Care Services (DHCS) targets for 2025.
- Continued momentum and robust strength of the business demonstrated by underlying growth in annual recurring revenue (ARR), cash position and number of users YoY, solidifying the transformational performance achieved in 2024.
- Maintained position as the UK's largest digital mental health providers for under 18s, with policy tailwinds setting a favourable course toward sustainable growth.
- Evolution of our strategy, looking to solidify and build on successes of a transformational period in Kooth's history.
- Successful launch and delivery of contract in New Jersey.



Financial highlights

Total revenue

On a constant currency basis¹, revenue increased 1.3 % over the prior period.

Reported revenue fell marginally by £0.4m to £32.1m (2024: £32.5m). This was due to the impact of a £0.8m negative foreign exchange (FX) movement together with contract changes, largely in the UK, that reduced revenue by £0.6m, offset by a £0.6m New Jersey contract win and £0.4m of additional revenue recognition in California.

£m

2025 **£32.1m**

2024 **£32.5m**

Annual Recurring Revenue

Reported ARR fell £2.5m to £61.7m (2024: £64.2m), due to the impact of a £3.2m negative FX movement.

On a constant currency basis² ARR grew £0.7m through a £1.1m expansion in New Jersey, offset by UK contract changes.

£m

2025 **£61.7m**

2024 **£64.2m**

Gross margin

Gross margin decreased by 19.6ppt to 62.8% (2024: 82.4% FY 2024: 77.9%), reflecting the significant front-loaded investment in direct service user marketing expenditure in California. Intentionally weighted towards H1 2025, this is expected to moderate in H2 2025.

%

2025 **62.8%**

2024 **82.4%**

Adjusted EBITDA

Adjusted EBITDA of £1.6m (2024: £7.8m) decreased in line with the accelerated investment in key areas of focus including user marketing in California as noted above.

£m

2025 **£1.6m**

2024 **£7.8m**

Loss after tax

Loss after tax of £1.3m (2024: £3.9m profit).

£1.3m 2025

£m

2024 **£3.9m**

Net cash

Share buyback of £1.5m completed in period.

Robust balance sheet with net cash of £15.3m (2024: £14.9m) to support Kooth's long-term growth.

£m

2025 **£15.3m**

2024 **£14.9m**

¹ For H1 2024, the constant currency rate was 1.2604 for US Dollar. The H1 2025 average rate is 1.3068

² The H1 2024 constant currency rate for ARR is the 30 June 2024 rate of 1.2646 for US Dollar. The H1 2025 end rate is 1.3661.



Strategic update – laying the foundations for sustainable growth

We've built our market leading position by widening access to support, connecting users with self-guided, peer and professional support when they need it. Soluna now offers youth access to a range of services beyond mental health support, acting as a 'digital front door' connecting users and an ever-increasing range of public services.

To evolve and grow, we need to take this further by expanding the services we offer within our platform, allowing us to access funding from a more diverse range of customers.

Central to this will be further development of our clinical, operational and product capabilities, harnessing our investment in Soluna to allow for tech-led personalisation of care.

This evolution, which builds on our unrivalled experience in the UK and successful US entry, will underpin a refreshed go-to-market approach and will use State funding to build the 'digital front door'. We will also work with other public and private payers to offer more intensive or personalised solutions to their populations, whether that's high schools or health plans.

Outlook

We have an active US pipeline, with proposal processes aligned with State budget cycles, reflecting increasing demand for highly accessible and scalable youth mental health solutions as part of State-level policy platforms.

Our UK market position remains strong, with one previously-lost contract regained, and an increasingly diverse pipeline reflecting the evolution of our strategy to target new customers. The strength of our local system partnerships has ensured that the impact of NHS reorganisation has been minimised.

Soluna is on track to launch in the UK in 2026, with work to ensure compliance with regulatory, safety and efficacy frameworks now well underway.

Critically, the policy environment is moving in our direction. In the US, payors are prioritising cost-effective early intervention, including moves to standardise reimbursement for digital mental health technologies. In the UK, the Government's 10-year plan (Fit for the Future) sets a clear course for digital access at the earliest moment of need and for contracting models that recognise prevention and outcomes.

Financial outlook

The Group expects to deliver revenue and adjusted EBITDA in line with expectations for the year before accounting for the potential impact of foreign exchange movements. At current rates the expected impact would be to reduce full year consensus median revenue of £66.8m by c.2-3% and consensus median adjusted EBITDA of £10.2m by c.6-8%.

We have a robust balance sheet and an undrawn \$9.5m working capital facility to enable long-term investment to meet demand for Kooth's services.



Kate Newhouse, Chief Executive Officer of Kooth, said:

“The first half of 2025 has been a period of significant investment, including ramping up engagement with our services in the US and the ongoing product development of Soluna to provide a robust platform for future success. We are already seeing the benefits from this front-weighted investment, which will decrease in H2 2025. Alongside our newly strengthened executive leadership team and evolved strategy, we are in a strong place to be able to deliver our vital services to more people in need.

Following our exceptional and transformative set of results in 2024, we have continued to deliver on key metrics including annual recurring revenue and user registrations. Alongside our strong cash position, we have solidified our position of market leadership, sustaining progress despite the impact of FX headwinds.

As a company we remain committed to providing our users and their communities with open access to proven mental health support, helping them develop the skills they need tackle life’s challenges. We are proud of the vital role we have played in so many lives.”



Financial headlines

	Six months ended 30 June 2025 £'000	Six months ended 30 June 2024 £'000	Change
Revenue			
Total revenue	32,088	32,494	-1.2%
Annual Recurring Revenue	61,712	64,240	-3.9%
Gross profit	20,154	26,767	-24.7%
Gross margin	62.8%	82.4%	-19.6ppt
Adjusted EBITDA	1,600	7,841	-79.6%
(Loss)/profit after tax for the period	(1,255)	3,920	-132.0%
Cash generation	(6,580)	3,936	-267.2%
Cash position	15,261	14,940	+2.1%
Basic earnings per share (£)	(0.03)	0.11	-127.3%
Diluted earnings per share (£)	(0.03)	0.10	-130.0%



Chief Executive's review



Kate Newhouse

Chief Executive Officer

It has been a privilege to work alongside our strengthened global leadership team, with a number of strategic appointments in marketing, product and operations demonstrating our growing reach and level of ambition.

Overview

I am pleased with the strength of our underlying performance during the period and our execution against strategic priorities following the transformation our business underwent in 2024. This can be seen within our financials on a constant currency basis where notwithstanding the significant strengthening of the pound against the dollar during the period, we continued to deliver underlying growth. We maintained a robust balance sheet to enable long-term investment, and notwithstanding FX movements, expect to deliver revenue and adjusted EBITDA for the full year in line with expectations.

As we look to further solidify our position of market leadership, we took the decision to significantly invest in service user marketing to ensure acceleration of reach and ultimately sustainable usage in California in the period. This investment is now largely complete and the Company expects marketing costs in the second half to be significantly lower. The benefits of this investment will continue to be felt in H2 2025 and beyond and are best highlighted by the significant growth in user numbers in California during the period, well exceeding our user registration targets and now standing at over 130,000 youth in the State. We remain on track to exceed the California Department of Health and Care Services' (DHCS) targets for 2025.

Evolution of our strategy

To sustain our market-leading position and leverage the successes we achieved in 2024, we have taken our unparalleled experience of the sector and the learnings from our material US expansion to further evolve our strategy for the years ahead.

Designed to address and capitalise on the changes we are seeing in the sector, this evolved approach will expand the services we provide within our platform, including access to more targeted tools to help users back into work or education and support users at different stages, opening up new funding opportunities and embedding us further with both our customers and users.

Funders are increasingly looking for solutions that not only increase access, but can also deliver measurable and comparable outcomes, aligned to standardised metrics of clinical, social or economic benefit. With our proven ability to reach populations



at scale, and deliver high-quality care, Kooth is well placed to support this shift and we will continue to evolve Soluna with new tools, guided programmes and more structured touchpoints such as CBT therapy as we look to engage ever more stakeholders and funders as part of our “State alliance” model.

Our market-leading position has been built on providing whole-population access to evidence-based support, connecting users with self-guided, peer and professional support when they need it. In California alone, we have reached over 130,000 youth, in all 58 counties, in just 18 months. By providing a universal, trusted ‘digital front door’, we can connect users to behaviour health services within Soluna and provide a trusted route into other support, whether through their health plan, school district or college.

By embedding Soluna across the state, within public and private sector services, we can deliver value beyond our immediate funders to ensure sustainability for the long-term.

This approach underpins the evolution of our strategy – our ‘State Alliance’ model – which will build on our proven ability to reach whole populations, expanding the scope of our services to more closely align to the requirements of a wider set of customers.

The achievement of this vision, in which Government funding unlocks population-wide access to our core Soluna provision and then other partners can fund more targeted support for the populations they serve, requires the development of a ‘networked continuum of care’, with personalised care journeys embedded into our platform. The development of this ‘care continuum’ will be at the forefront of our in-house work across clinical, product, tech and operational teams as we shift into H2 2025 and beyond.

California

Our services continue to reach and support young people in improving their emotional wellbeing and achieving their goals. Our landmark Soluna service in California is making a significant impact in reaching and supporting California youth, and is now well-valued by its users, their communities and State leaders. The DHCS recent **Impact Report** described the programme as ‘reimagining behavioural health care delivery for children and youth’ and emphasised Soluna’s key role in providing timely and effective care.

To ensure sustainable growth, we have made significant investments into our State-wide advocacy, partnerships and integration programme in parallel with focused digital marketing. We have built relationships with nearly 300 key supporters across California’s state, healthcare, education and community-based organisations, activity based on our experience in the UK, where we have demonstrated that local advocates are essential to building trust and embedding services within the populations we serve. This activity supports our shift from digitally-driven growth to more organic reach and local brand recognition over the term of the contract, thereby driving down the cost of user acquisition.

New Jersey

Similarly, we have made strong inroads into advocacy building in New Jersey, resulting in steady growth in user registrations and positive feedback from State leaders, with local advocacy targets exceeded in the first half of 2025.

Examples of this essential work include our partnerships with the Social Emotional Learning Alliance for New Jersey’s Youth Mental Health



Advisory Collaborative and NJ Institute for Community Schools, which enables us to connect to approximately 150 school districts. Our team has also built strong relationships with the New Jersey Statewide Student Support Services network, a state-wide system that connects youth and their parents and caregivers with resources to support their mental health and Soluna is now recommended via the network.

Wider US

State leaders remain concerned about the real-world impact of poor youth mental health, and are seeking solutions to address this nationwide issue. In the context of reduced federal funding for Medicaid, a renewed focus on cost effectiveness has generated greater focus on earlier intervention and digital interventions – evidenced by recent moves to standardise reimbursement codes for digital mental health technologies.

Our evolved strategy, as outlined above and which also takes learnings from our recently concluded one-year partnership with Aetna in Illinois, unparalleled insights from our experience in the UK and US, and significant stakeholder engagement, is designed to ensure we are well-positioned for success in this growing market.

UK

In spite of sustained pressure on public sector spending, we remain the largest provider of digital mental health services to under 18s. As in the US, increased policy focus on the relationship between good mental health and improved social and economic outcomes, and support for digital interventions – as evidenced by the Government's 10-year plan (Fit for the Future) – further reinforces

the need for our services. With Soluna on track to launch in the UK in 2026, we are well-positioned to translate these policy shifts into opportunities for growth.

Looking ahead

After a period of transformational growth, the first half of 2025 has seen significant investment as we focused on solidifying our market position, consolidation of our strengths and embedding ever-deeper connections with our customers. With this investment largely complete, Kooth is well-placed to achieve our objectives for the remainder of 2025 and beyond.

We have a robust balance sheet, an undrawn working-capital facility and clear policy tailwinds in our core markets, and our ability to flex product, partnerships and our go-to-market approach while maintaining clinical quality and outcomes mean we are in a stronger position than ever before.

The need is greater than ever

As ever, I return frequently to the voices of our users, who remind everyone at Kooth of the importance of our mission every day. Research undertaken by our team this year has underlined the essential role that Kooth services have played in supporting our service users to connect with their friends and family, get back to school, re-enter the workforce, and build the skills we all need to live more fulfilling, healthier lives, whether in Newcastle or Newark, San Diego or Sunderland, London or Los Angeles.

Kate Newhouse

Chief Executive Officer



Key performance indicators

Revenue

Revenue is a KPI which reflects the work we are doing and the fees received over a period of time for that work. The £0.4m decrease from 2024 is a £0.8m negative FX impact and the full period impact of 2024 UK contract churn (£0.6m), partially offset by US contract wins (£0.6m) and an uplift in revenue recognised in California (£0.4m).

£m

2025	£32.1m
2024	£32.5m
2023	£11.7m
2022	£9.0m
2021	£8.0m

Annual Recurring Revenue

Annual recurring revenue (ARR) is the annualised revenue of customers engaged or with an agreed contract as at the period end and is an indication of the upcoming annual value of the recurring revenue. This is used by management to monitor the long-term revenue growth of the business. ARR was impacted by a negative FX impact of £3.2m. On a constant currency basis, ARR has grown £0.7m which was driven by expansion in New Jersey (£1.1m), offset by UK churn. The H1 2024 ARR balance has been restated to include an additional £4.2m of product development revenue recognised over the full life of the contract which aligns with revenue recognition.

£m

2025	£61.7m
2024	£64.2m
2023	£21.4m
2022	£18.5m
2021	£16.6m

Gross margin

Gross profit as a percentage of revenue. Direct costs are the costs of our practitioners directly involved in the delivery of our services and direct service user marketing expenditure. The decrease in margin from the prior period is owing to the first half weighted significant investment in direct service user marketing expenditure for the California contract during the period which reduced the gross margin by 19.6ppt.

%

2025	62.8%
2024	82.4%
2023	66.8%
2022	68.4%
2021	69.4%



Adjusted EBITDA

Earnings before interest, tax, depreciation and amortisation in the period, adjusted for share based payments. This metric provides a more comparable indication of the Group's core business performance by removing the impact of non-trading items that are reported separately. The decrease from the prior period is owing to a £7.2m investment in direct marketing to drive engagement with California service users.

£m

2025 **£1.6m**

2024 £7.8m

2023 £0.0m

2022 £0.5m

2021 £1.1m

Cash

Cash is a key metric as it provides assurance on our ability to invest to grow the business, as well as provide comfort to customers from a vendor risk perspective. The increase from H1 2024 derives from working capital management and cash generated from operations of £8.7m over the last twelve months, offset by investment in our platforms (£4.7m), tax payments on prior year profits (£1.5m), adverse FX movements (£0.6m) on the translation of USD balances and the share buyback programme which completed during the current period (£1.5m).

£m

2025 **£15.3m**

2024 £14.9m

2023 £5.9m

2022 £8.3m

2021 £8.8m

Population coverage

The total number of people who have access to the Kooth service is a good indicator of our accessibility. This is determined as the population within the contracted age range of each of our contracts that are live at the period end. The drop in the current period is driven by reductions in a small number of UK adult contracts.

Millions

2025 **18.5m**

2024 19.9m

2023 16.7m

2022 15.1m

2021 9.5m

Number of users

The number of users to our Kooth and Soluna platforms, demonstrating the increasing uptake of our service.

000s

2025 **309k**

2024 242k

2023 196k

2022 228k

2021 202k

Chief Financial Officer's review



Sanjay Jawa

Chief Financial Officer

Kooth delivered a set of results in line with expectations for the half year, with revenue growth from our new contract in New Jersey offset by an FX impact of £0.8m reflecting the appreciation of GBP against USD compared to the prior period in 2024. In line with our plans we made significant investment during the half year in direct user marketing expenditure in California, impacting both gross profit and adjusted EBITDA.

Revenue

On a constant currency basis, revenue increased 1.3% over the prior period and Annual Recurring Revenue (ARR) increased 1.1%. Reported revenue decreased £0.4m to £32.1m (H1 2024: £32.5m) and ARR decreased by 4% to £61.7m (H1 2024: £64.2m), predominantly driven by a £3.2m negative FX impact, offset by an expansion in New Jersey (£1.1m).

US Revenue in H1 2025 was \$30.6m/£23.4m (H1 2024: \$29.3m/£23.3m), all of which was recurring revenue (comprising income invoiced for services that are repeatable, consumed and delivered on a monthly basis over the term of a customer contract) with the increase coming from New Jersey and California.

UK revenue decreased by 6% to £8.7m (H1 2024: £9.2m) reflecting churn in our English contracts (predominantly adult contracts) under budgetary pressure. Overall, UK churn for the previous 12 months was 6% (£1.1m) giving net revenue retention, measured by the total value of on-going ARR at the period-end from clients in place 12 months earlier as a percentage of the opening ARR from those clients, for the period to 30 June 2025 of 97% (H1 2024: 92%). UK churn is reduced from 13% (£2.4m) for the 12 month period to 30 June 2024.

Gross Profit

Gross Profit reduced by 25% from £26.8m to £20.2m with gross margin decreasing to 62.8% (H1 2024: 82.4%) due to planned investments made in direct marketing to drive engagement with service users in California. In the future we forecast a reduction in marketing spend with the cost per user acquisition falling as we become more embedded in local systems and see organic growth in new and returning users returning gross margin to more historic levels of 70%+.

Direct costs are both the costs of the practitioners directly involved in the delivery of our services, a total of 253 at the period-end (H1 2024: 303 heads) with reductions reflecting UK customer churn and rightsizing in the US, and the commencement of



promotion and marketing costs in California in support of raising user awareness and engagement, including hard to reach communities which were £7.2m.

The UK gross margin saw a slight increase, driven by a shift toward greater usage of self-help tools in place of direct practitioner support.

Foreign currency impact

The US Dollar/GBP exchange rate has had a significant effect on results for the period under review during which the Group had approximately 73% of revenues and 55% of expenses denominated in US Dollars. The Group's exposure to foreign currency risk resulted in a booked foreign currency loss of £1.0m (H1 2024: £0.1m gain). Post period

end we have seen sterling remain strong against the US dollar which is expected to continue to have an impact on revenue and adjusted EBITDA in the second half of the year as previously quantified.

Adjusted EBITDA

Adjusted EBITDA in the period decreased from £7.8m to £1.6m, with the £6.6m decrease in gross profit marginally offset by a £0.4m decrease in administrative expenses (excluding amortisation, depreciation and share based payments). The decrease in gross profit is driven by planned investment made in California direct marketing to raise user awareness and engagement including hard to reach communities. This has been offset by cost reductions in practitioner costs and engagement related employee costs.



The total charge for share based payments in the period was £0.6m (H1 2024: £0.5m) with the slight rise reflecting a higher number of participants as we increased our headcount in the US in 2024. Within administrative expenses, depreciation and amortisation increased to £3.1m (H1 2024: £2.6m) as capital expenditure investment in the US platform continued in H2 2024 and H1 2025.

Adjusted EBITDA for the full year is expected to be in line with expectations before accounting for the impact of FX. At current rates the anticipated impact would be to reduce for the full year expected adjusted EBITDA by c6%-8%.

Taxation

The overall tax credit for the period was £0.5m (H1 2024: £1.1m charge) due predominantly to taxable losses and expected Research and Development expenditure credits in the UK.

Profit after tax

The Group loss after tax for the period was £1.3m (H1 2024: £3.9m profit). Basic earnings per share were negative 3p (H1 2024: 11p positive). Diluted earnings per share were negative 3p (H1 2024: 10p positive).

Balance Sheet

The strength of the Group's balance sheet with net assets of £27.4m (30 June 2024: £25.3m), and high levels of recurring revenue provide the Group with financial strength to execute on its investment strategy which is focused on US business development and driving user engagement.

Cash flow and financing

Cash outflow during the six months was £5.7m (H1 2024: £3.9m inflow). The reduced US product platform investment gave rise to capital expenditure of £2.0m (H1 2024: £3.9m), adverse FX movements of £0.8m and cash outflows from operating activities of £4.1m give a net cash position at 30 June 2025 of £15.3m (H1 2024: £14.9m). The Group remains debt free and maintains an undrawn \$9.5m working capital credit facility.

Forward-looking statements

Certain statements in this half year report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements.

Dividends

The Group's intention in the short to medium term is to invest in order to deliver capital growth for shareholders. The Board has not recommended an interim dividend payment in respect of the six months ended 30 June 2025 (2024: £nil) but may do so in future years.

Sanjay Jawa

Chief Financial Officer



Condensed consolidated statement of comprehensive income

For the six months ended 30 June 2025

	Note	Six months ended 30 June 2025 Unaudited £'000	Six months ended 30 June 2024 Unaudited £'000	Year ended 31 December 2024 Audited £'000
Revenue	8	32,088	32,494	66,744
Cost of sales	9	(11,934)	(5,727)	(14,757)
Gross profit		20,154	26,767	51,987
Administrative expenses	9	(22,223)	(22,078)	(42,831)
Operating (loss)/profit		(2,069)	4,689	9,156
Analysed as:				
Adjusted EBITDA		1,600	7,841	15,754
Depreciation and amortisation		(3,069)	(2,607)	(5,376)
Share based payment expense		(600)	(545)	(1,222)
Operating (loss)/profit		(2,069)	4,689	9,156
Interest income		344	301	702
(Loss)/profit before tax		(1,725)	4,990	9,858
Tax	10	470	(1,070)	(1,824)
(Loss)/profit after tax		(1,255)	3,920	8,034
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences		(129)	72	244
Total comprehensive (loss)/ profit for the period		(1,384)	3,992	8,278
(Loss)/profit per share - basic (£)	11	(0.03)	0.11	0.22
(Loss)/profit per share - diluted (£)	11	(0.03)	0.10	0.21



Condensed consolidated balance sheet

As at 30 June 2025

	Note	30 June 2025 Unaudited £'000	30 June 2024 Unaudited £'000	31 December 2024 Audited £'000
Assets				
Non-current assets				
Goodwill		511	511	511
Development costs	12	9,100	10,179	10,124
Right of use asset		0	31	20
Property, plant and equipment		219	302	266
Deferred tax		1,679	1,537	1,244
Total non-current assets		11,509	12,560	12,165
Current assets				
Trade and other receivables	13	7,654	6,234	8,733
Contract assets		783	2,157	292
Cash and cash equivalents		15,261	14,940	21,841
Total current assets		23,698	23,331	30,866
Total assets		35,207	35,891	43,031
Liabilities				
Current liabilities				
Trade payables		(1,595)	(1,001)	(2,683)
Contract liabilities		(1,255)	(5,738)	(3,781)
Lease liability		0	(34)	(23)
Accruals and other creditors		(3,838)	(3,551)	(5,264)
Tax liabilities		(1,116)	(312)	(1,526)
Total current liabilities		(7,804)	(10,636)	(13,277)
Net current assets		15,894	12,694	17,589
Net assets		27,403	25,255	29,754
Equity				
Share capital		1,835	1,831	1,834
Treasury shares		(1,500)	0	(17)
Share premium account		23,444	23,444	23,444
Retained earnings		4,721	1,627	5,955
Share-based payment reserve		2,938	2,431	2,444
Capital redemption reserve		115	115	115
Merger reserve		(4,104)	(4,104)	(4,104)
Translation reserve		(46)	(89)	83
Total equity		27,403	25,255	29,754



Condensed consolidated statement of changes in equity

For the six months ended 30 June 2025

	Share capital	Treasury shares	Share premium	Share Based Payment reserve	Retained earnings	Capital Redemption reserve	Merger reserve	Translation reserve	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024	1,825	-	23,444	2,142	(2,503)	115	(4,104)	(161)	20,758
Comprehensive income for the period	-	-	-	-	3,920	-	-	-	3,920
Other comprehensive income	-	-	-	-	-	-	-	72	72
Total comprehensive income	1,825	-	23,444	2,142	1,417	115	(4,104)	(89)	24,750
Transactions with owners:									
Share options exercised	6	-	-	(210)	210	-	-	-	6
Share based payment charge	-	-	-	499	-	-	-	-	499
As at 30 June 2024	1,831	-	23,444	2,431	1,627	115	(4,104)	(89)	25,255
Balance at 1 July 2024	1,831	-	23,444	2,431	1,627	115	(4,104)	(89)	25,255
Comprehensive income for the period	-	-	-	-	4,114	-	-	-	4,114
Other comprehensive income	-	-	-	-	-	-	-	172	172
Total comprehensive income	1,831	-	23,444	2,431	5,741	115	(4,104)	83	29,541
Transactions with owners:									
Share options exercised	3	-	-	(214)	214	-	-	-	3
Share based payment charge	-	-	-	643	-	-	-	-	643
Treasure shares purchased	-	(17)	-	-	-	-	-	-	- 17
Deferred tax	-	-	-	(416)	-	-	-	-	- 416
As at 31 December 2024	1,834	(17)	23,444	2,444	5,955	115	(4,104)	83	29,754
Balance at 1 January 2025	1,834	(17)	23,444	2,444	5,955	115	(4,104)	83	29,754
Comprehensive income for the period	-	-	-	-	(1,255)	-	-	-	(1,255)
Other comprehensive income	-	-	-	-	-	-	-	(129)	(129)
Total comprehensive income	1,834	(17)	23,444	2,444	4,700	115	(4,104)	(46)	28,370
Transactions with owners:									
Share options exercised	1	-	-	(21)	21	-	-	-	1
Share based payments charge	-	-	-	515	-	-	-	-	515
Treasury shares purchased	-	(1,483)	-	-	-	-	-	-	(1,483)
As at 30 June 2025	1,835	(1,500)	23,444	2,938	4,721	115	(4,104)	(46)	27,403



Condensed consolidated statement of cash flows

For the six months ended 30 June 2025

	Six months ended 30 June 2025 Unaudited £'000	Six months ended 30 June 2024 Unaudited £'000	Year ended 31 December 2024 Audited £'000
Cash flows from operating activities			
(Loss)/profit for the period	(1,255)	3,920	8,034
Adjusted for:			
Depreciation and amortisation	3,069	2,607	5,692
Income tax paid	(981)	(456)	(624)
Share based payment expense	600	545	1,222
Income tax recognised	(470)	1,070	1,824
Interest income	(344)	(301)	(702)
	619	7,385	15,446
Movements in working capital:			
Decrease/(increase) in trade and other receivables	588	(966)	(1,600)
(Decrease)/increase in trade and other payables	(5,274)	1,240	3,241
Net cashflow from operating activities	(4,067)	7,659	17,087
Cash flows from investing activities			
Purchase of property, plant and equipment	(49)	(77)	(120)
Additions to intangible assets	(1,960)	(3,947)	(6,887)
Interest income	344	301	702
Net cash used in investing activities	(1,665)	(3,723)	(6,305)
Net (decrease)/increase in cash and cash equivalents	(5,732)	3,936	10,782
Exchange adjustments	(848)	-	55
Cash and cash equivalents at the beginning of the period	21,841	11,004	11,004
Cash and cash equivalents at the end of the period	15,261	14,940	21,841



Notes to the half year financial statements

1. General information

The unaudited interim consolidated financial statements for the six months ended 30 June 2025 and the six months ended 30 June 2024 do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2024 were approved by the Board of Directors on 14 April 2025 and delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006.

These condensed half year financial statements were approved for issue by the Board of Directors on 22 September 2025.

2. Basis of preparation

This unaudited condensed consolidated financial information which incorporate the financial information of the Group, have been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting' as contained in UK - adopted International Accounting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 for the year ended 31 December 2024.

Trading for the half year ended 30 June 2025 is aligned with the Board's expectations, albeit adversely affected by a booked £1.0m foreign currency loss. Management's expectations for the full year operating performance remains unchanged, however, the exposure to foreign currency risk is expected to remain similar to that seen in the first half of the year. Further details and quantification are given in the CEO's overview, the operational review and the financial review.

During the period the Group has generated a loss of £1.3m (H1 2024: £3.9m profit) and is in a net asset position of £27.4m as at 30 June 2025 (H1 2024: £25.3m). Management has prepared forecasts up until 12 months from the date of approval of these financial statements which have been approved by the Board, and after enquiry and review of these forecasts and other available financial information, the Directors have formed the conclusion that the Group has adequate resources to continue to operate for the foreseeable future and that it is therefore appropriate



to continue to adopt the going concern basis of accounting in the preparation of these interim condensed consolidated half year financial statements.

The financial information is presented in sterling, which is the functional currency of Kooth plc. All financial information presented has been rounded to the nearest thousand.

3. Accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's annual report and accounts for the year ended 31 December 2024.

Current taxes on income in the half year period are accrued using the tax rates that would be applicable to expected total annual profits. Deferred taxes on income are calculated based on the standard rates that are enacted as at the balance sheet date.

4. Critical accounting judgements and key sources of estimation uncertainty

Any critical accounting judgements and key sources of estimation uncertainty that carry a significant risk of material change to the carrying value of assets and liabilities within the next year are the same as those applied in the 2024 Group Annual Report.

5. Principal risks and uncertainties

The 2024 Group annual report and accounts describes the principal risks and uncertainties that could impact the Group's performance. These risks primarily relate to system outages, safeguarding incidents, changes in laws and regulations, cyber security and data protection, our people, public discourse and political environment and the economic environment. These remain unchanged since the annual report was published and are not expected to change for the remaining six months of the financial year.

The Group actively manages these risks through risk management procedures and actions are taken to mitigate risk wherever possible.

6. Financial risk management

The Group is exposed to financial risks including market risk, foreign currency risk, credit risk and liquidity risk.

These interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements and therefore should be read in conjunction with the 2024 Group annual report and accounts.



7. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions. Accordingly, the CODM determines the Group currently operates under two reporting segments being the UK and US. The measure of performance of those segments that is reported to the CODM is revenue and adjusted EBITDA, as shown below in note 8.

8. Revenue and segmental analysis

In accordance with IFRS 8, the Group requires consideration of the Chief Operating Decision Maker (“CODM”) within the Group. In line with the Group’s internal reporting framework and management structure, the key strategic and operating decisions are made by the Executive Directors, who review internal monthly management reports, budgets and forecast information as part of this. Accordingly, the Executive Directors are deemed to be the CODM.

Accordingly, the CODM determines the Group currently operates under two reporting segments being the UK and US. The measure of performance of those segments that is reported to the CODM is revenue and adjusted EBITDA, as shown below. In the prior year the Group operated under one segment only. The roll out of the California contract across 2024 and development of further US contracts has led the Group to diversify its global operations across two regional leadership teams who monitor their cashflows separately.

Segment assets and segment liabilities are reviewed by the CODM in a consolidated statement of financial position. Accordingly, this information is replicated in the Group consolidated statement of financial position. As no measure of assets or liabilities for individual segments is reviewed regularly by the CODM, no disclosure of total assets or liabilities has been made, in accordance with the amendment to paragraph 23 of IFRS 8.

	Six months ended 30 June 2025 Unaudited £'000			Six months ended 30 June 2024 Unaudited £'000			Year ended 31 December 2024 Audited £'000		
	US	UK	Total	US	UK	Total	US	UK	Total
Provision of online counselling contracts	555	8,658	9,213	-	9,243	9,243	101	18,047	18,148
Platform build and behavioural support services contracts	22,875	-	22,875	23,251	-	23,251	48,596	-	48,596
Total revenue	23,430	8,658	32,088	23,251	9,243	32,494	48,697	18,047	66,744
Adjusted EBITDA	501	1,099	1,600	1,136	6,705	7,841	2,466	13,288	15,754
Non current assets	103	9,727	9,830	189	10,834	11,023	175	10,747	10,922



The geographical revenue information above is based on the location of the customer.

Non current assets for this purpose consist of goodwill, intangible assets, right of use assets and property, plant and equipment and excludes deferred tax assets.

9. Operating profit

	Six months ended 30 June 2025 Unaudited	Six months ended 30 June 2024 Unaudited	Year ended 31 December 2024 Audited
	£'000	£'000	£'000
Labour costs	4,619	5,600	10,550
Direct marketing	7,242	-	3,935
Share based payment expense	71	122	261
Travel and subsistence	2	5	11
Total cost of sales	11,934	5,727	14,757
Employee costs	12,999	14,115	27,285
Rent and rates	335	308	666
IT hosting and software	1,225	1,200	2,505
Professional fees	2,179	1,645	4,201
Marketing	820	1,626	1,325
Depreciation and amortisation	3,069	2,607	5,376
Share based payment expense	529	424	961
Foreign exchange	1,007	(100)	(55)
Other costs	60	254	567
Total administrative expenses	22,223	22,078	42,831
Total cost of sales and administrative expenses	34,157	27,805	57,588

Cost of sales represent the costs of our service user facing employees including external contractors and direct service user marketing expenditure.



10. Taxation

The income tax credit recognised of £0.5m (H1 2024: £1.1m charge) reflects management's estimate of the tax credit for the current period. This calculation takes into consideration the estimated taxable losses incurred from operational activities during the period, as well as relief earned under the UK R&D scheme. The assessment utilises the 25% average UK corporation tax rate (2024: 25%), the 21% average US federal tax rate (2024: 21%) and 8.8% average California state tax rate (2024: 8.8%) for the current financial year.

11. Earnings per share (EPS)

The calculation of basic and diluted EPS is based on the following earnings and number of shares:

	Six months ended 30 June 2025 Unaudited £'000	Six months ended 30 June 2024 Unaudited £'000	Year ended 31 December 2024 Audited £'000
Earnings used in calculation of earnings per share:			
On total (losses)/profits attributable to equity holders of the parent	(1,255)	3,920	8,034
Weighted average no. of shares (Basic)	36,236,241	36,537,329	36,574,695
Weighted average no. of shares (Diluted)	38,548,724	38,505,149	38,995,084
Shares in issue			
Ordinary shares in issue	36,694,683	36,593,784	36,677,766
Treasury shares acquired	(890,718)	-	(9,250)
(Loss)/profit per share on total (losses)/profits attributable to equity holders of the parent			
Basic, £	(0.03)	0.11	0.22
Diluted, £	(0.03)	0.10	0.21



12. Development costs

	£'000
Cost	
At 1 January 2024	19,028
Additions	3,947
At 30 June 2024	22,975
Additions	2,940
At 31 December 2024	25,915
Additions	1,960
At 30 June 2025	27,875
Amortisation	
At 1 January 2024	(10,278)
Amortisation	(2,518)
At 30 June 2024	(12,796)
Amortisation	(2,679)
Impairment	(316)
At 31 December 2024	(15,791)
Amortisation	(2,984)
At 30 June 2025	(18,775)
Carrying amount	
At 1 January 2024	8,750
At 30 June 2024	10,179
At 31 December 2024	10,124
At 30 June 2025	9,100

The US Soluna platform has a carrying value of £7.8m, the Kooth Classic UK platform has a carrying value of £1.1m and the Soluna UK platform has a carrying value of £0.2m. All three platforms have a remaining amortisation period between 1 and 3 years.



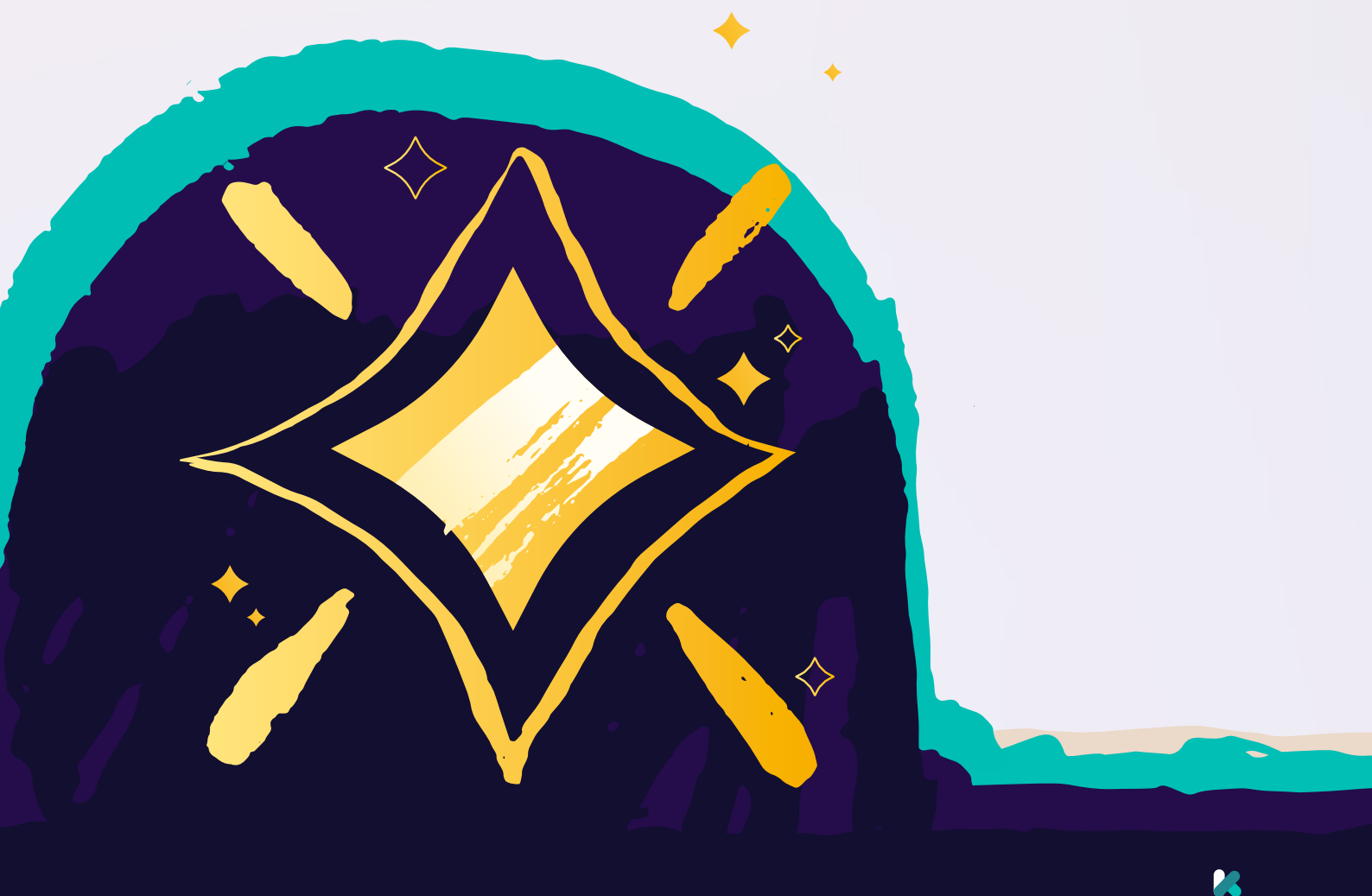
13. Trade and other receivables

	Six months ended 30 June 2025 Unaudited	Six months ended 30 June 2024 Unaudited	Year ended 31 December 2024 Audited
	£'000	£'000	£'000
Trade receivables	5,857	5,128	7,409
Prepayments	1,269	1,049	1,289
Other receivables	528	57	35
	7,654	6,234	8,733

All amounts shown above are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

14. Post balance sheet events

No significant events have taken place after the period end date.



Company secretary

Almond & Co

11 York Street, Manchester
M2 2AW

Nominated advisor and joint broker

Stifel Nicolaus Europe Limited

150 Cheapside, London
EC2V 6ET

Joint broker

Canaccord Genuity Limited

88 Wood Street, London, England
EC2V 7QR

Registrars

Equiniti Limited

Highdown House, Yeoman Way, Worthing, West Sussex
BN99 3HH

Auditors

Grant Thornton UK LLP

8 Finsbury Circus, London
EC2M 7EA

PR advisers

FTI Consulting LLP

200 Aldersgate, Aldersgate Street, London
EC1A 4HD

Legal advisers

Squire Patton Boggs (UK) LLP

60 London Wall, London
EC2M 5TQ





Kooth plc

Company registered office:
5 Merchant Square, London W2 1AY.
Company number: 12526594
W: connect.kooth.com
E: investorrelations@kooth.com

