



# Introducing Kooth

(AIM:KOO)

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**Tim Barker**  
Chief Executive Officer



**Sanjay Jawa**  
Chief Financial Officer



# Mental health is the defining public health crisis of our time

**1-in-5** of the population have a diagnosable mental health condition every year

**75%** of lifetime mental health problems are established by age 24

The global cost of mental health will reach **\$6trn by 2030<sup>1</sup>** (Now: **\$467bn<sup>2</sup> US, £118bn<sup>3</sup> UK**)

To address this, healthcare systems need to **move “upstream”**, and **focus on youth**

## Downstream-focused

Demand for treatment outstrips supply <sup>4</sup>

Reactive treatment

Condition-centric

Expensive



## Upstream-focused

Tackle issues before they escalate

Proactive, early and responsive help

Person-centric

Economic

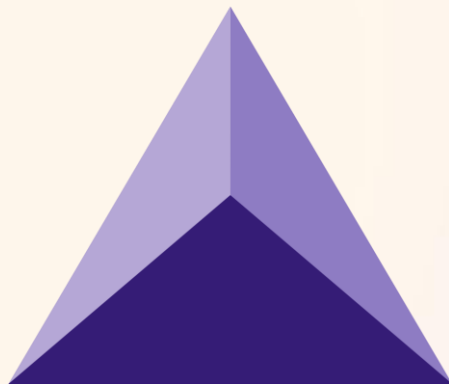
# Kooth was founded in 2001 to digitally transform mental health care

## Grow access

Youth-focused

No barriers

Health equity



## Early intervention & responsive support

Self-determination

Person-centric

Strengths-focused

## Innovation in outcomes

Therapeutic, social, and economic outcomes

## Key Stats


Over 1 million hours professional support

460+ employees

50+ peer-reviewed research papers

Forecast 2023 group revenues of no less than £34m (2022: £20.1m)

65%+ gross margin, focused on growth

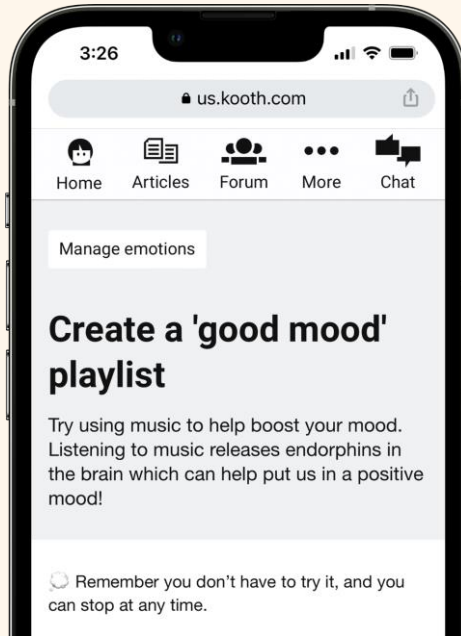
  
Providing NHS services

 | Accredited Service

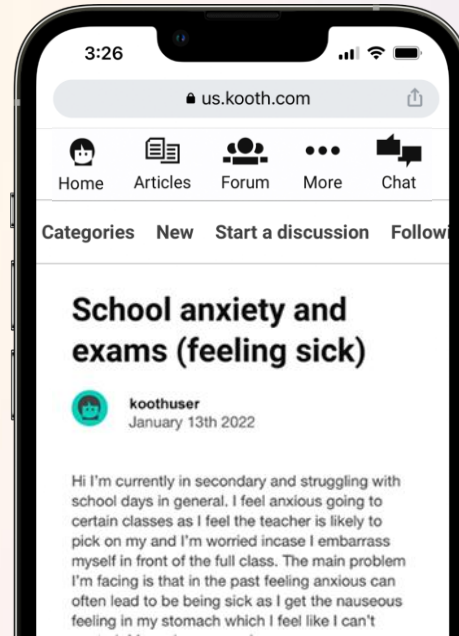
 kooth

# Kooth provides an integrated platform for personalised mental health care (for healthcare systems)

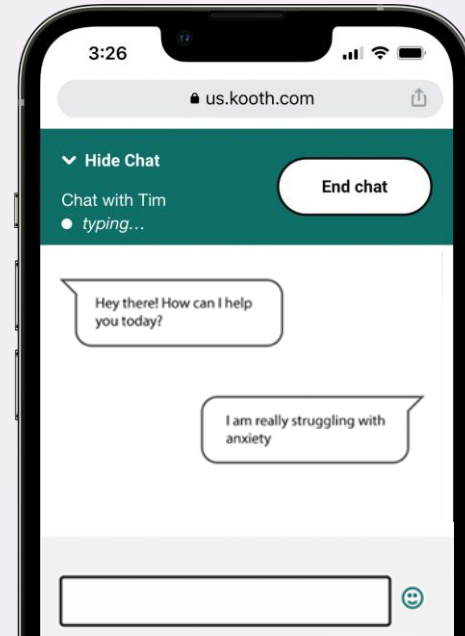
## Self-therapy content & activities



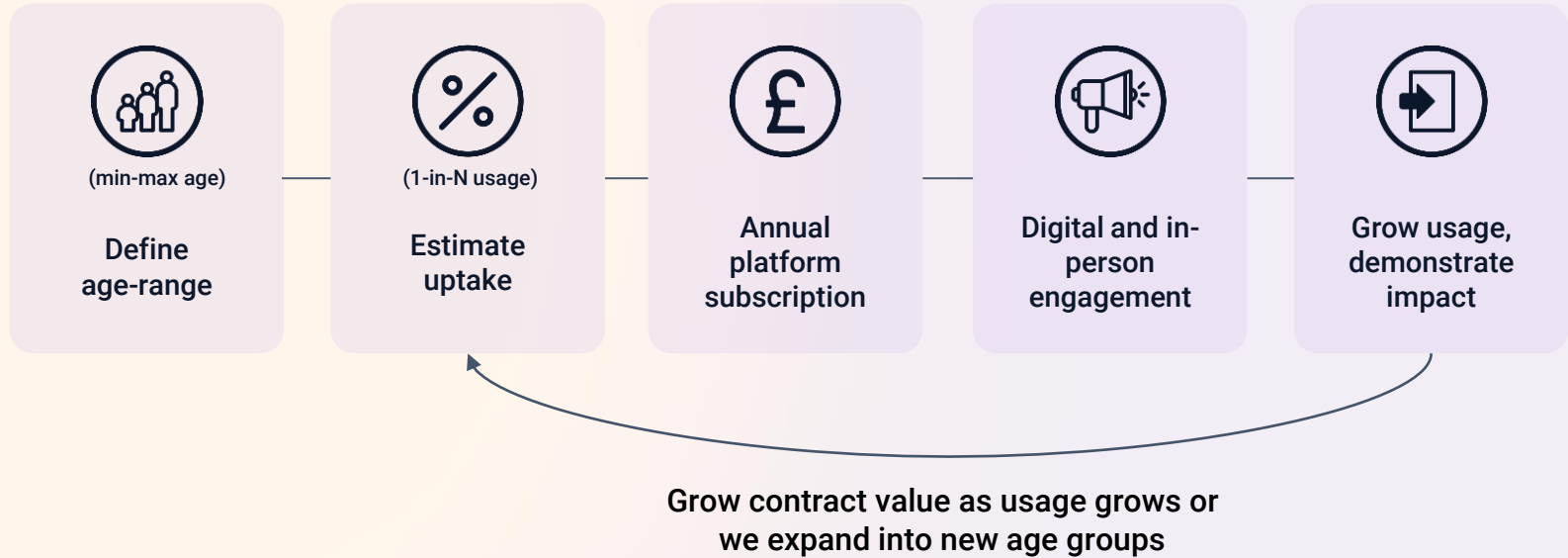
## Peer-support community



## Professional Support



# B2B2C subscription model



# Kooth is the UK's largest digital youth mental health service. Expanding rapidly into the US

UK



#1 UK youth provider

+60% population has free access

1-in-40 average usage

Sept '22: PA



\$3m contract to pilot Kooth  
with ~100k school students

July '23: CA



\$188m 4-year contract to  
provide Kooth to every 13-25  
year old in the State

# US federal and state governments have invested over \$7 billion in last 2 years to address the crisis in youth mental health

22% of high school students seriously considered suicide in the past year

10% attempted suicide one or more times

57% of teen girls feel "persistently sad or hopeless"

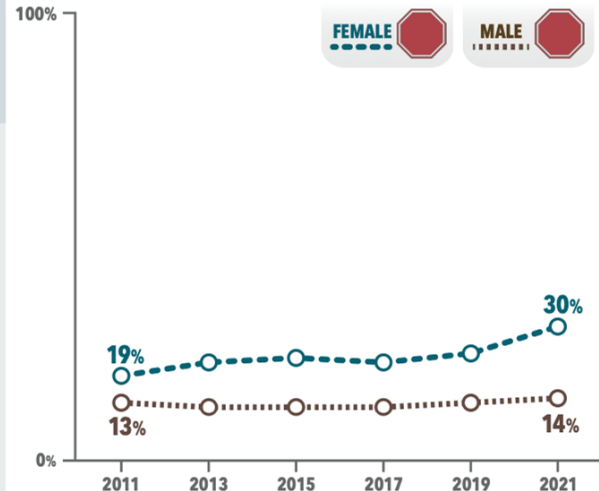
40% parents are very or extremely worried about the mental health of their children

## Trends in the Percentage of High School Students Who

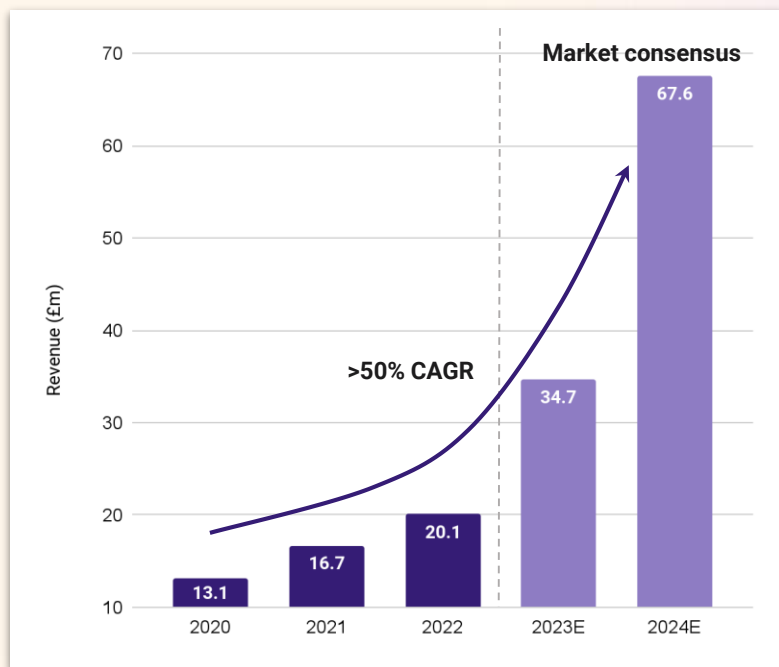
## Seriously Considered Attempting Suicide during the Past Year, United States, YRBS, 2011-2021

### 10-Year Trend Description by Sex

The percentage of female and male students who seriously considered attempting suicide increased from 2011 to 2021.



# Proven ability to execute. Focused on becoming the global leader in youth mental health



Strong revenue growth driven by US expansion into +\$1bn TAM for 0-25 years, and expansion within UK business.

Over 90% of revenue from contracts of 12 months or longer, with 100%+ net revenue retention.

65%+ gross margin through increased efficiency in service delivery and growing adoption of digital-first healthcare.

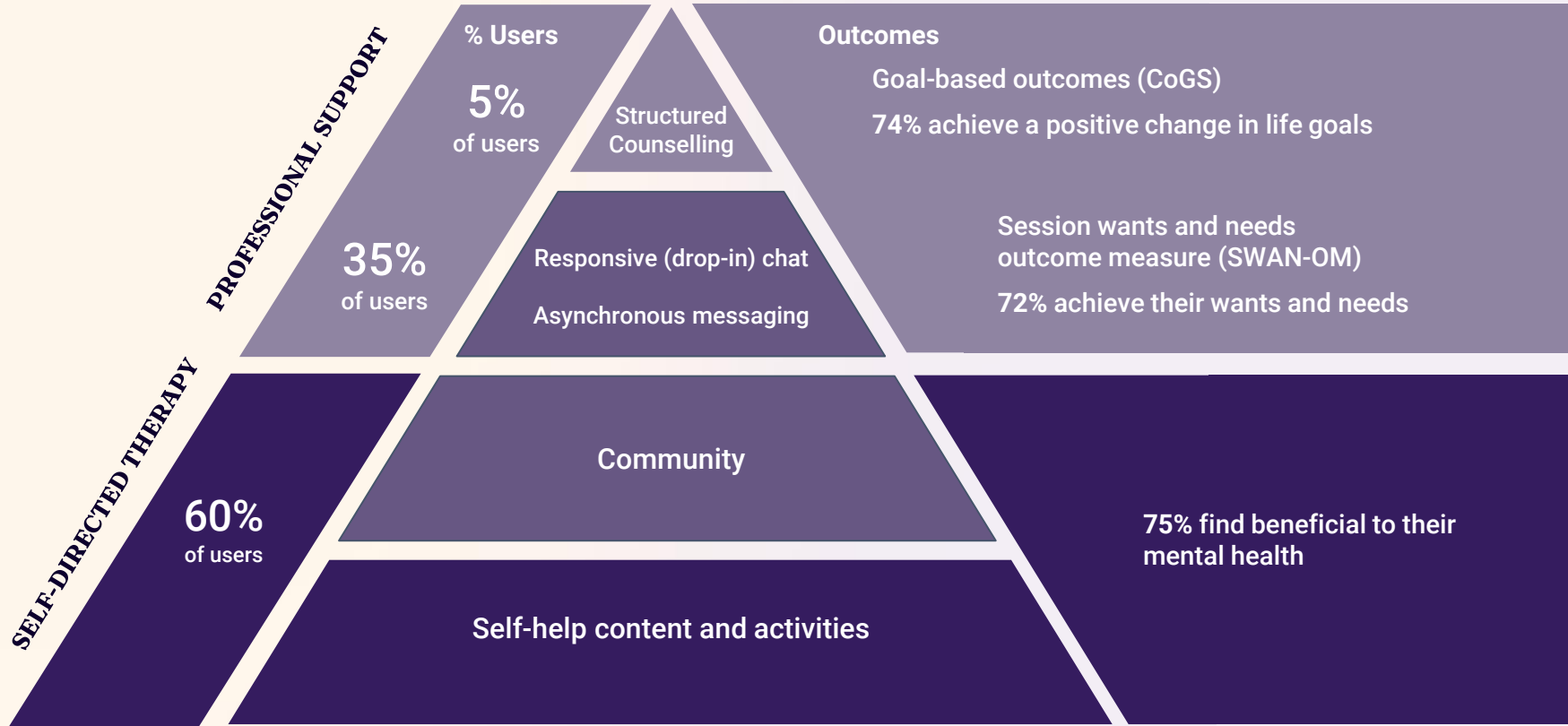
£6m net cash at 30 June 2023, debt-free balance sheet further strengthened with £10m gross fundraise post half-year end.



# Kooth supports population health at scale

**95% of people get the help they need without 1:1 structured counselling.**

**3x (UK) 12x (US) Health economics cost saving.**



# Our aspiration: The global leader in youth mental health

## Growing Demand

1-in-5 in need

Growing funding to tackle crisis

## Market position

Proven: UK #1

CA evaluated 450 providers

## Strong recurring revenue model

~70% gross margin

>£34m 2023E revenue

## Clear growth potential

>\$1 billion US TAM

Global opportunity

## Long term advantage

Trust/safety at scale

Data & AI moat

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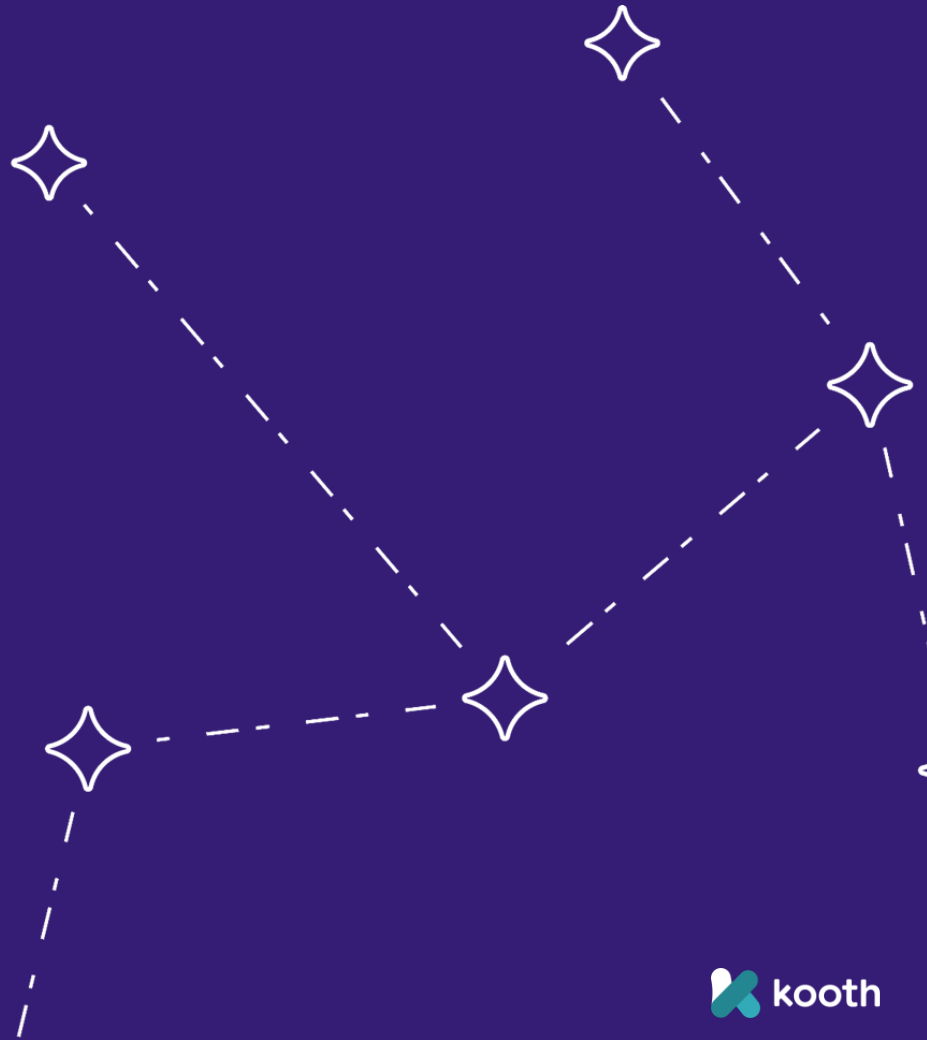
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# Appendix



# H1 2023 Financial highlights

**29% revenue growth** to £11.7m (2022: £9.0m) driven by US

**16% ARR growth** to £21.4m (2022: £18.5m)

**94% of revenue** from contracts of 12+ months

**Gross margin 66.8%** down 1.6ppt with an inflationary increase in UK staff costs and investment in contract performance partially offset by positive mix impact from US revenue ramp up

**£5.9m net cash**, plus successful fundraise of £10 million post period end to support long term growth

Anticipated 2023 group revenues of no less than £34m

## Revenue

**£11.7m | £9.0m**

2023

2022

## Net Cash

**£5.9m | £8.5m**

2023

2022

## Annual recurring revenue

**£21.4m | £18.5m**

2023

2022

## Adjusted EBITDA

**£0.01m | £0.5m**

2023

2022

## Gross margin

**66.8% | 68.4%**

2023

2022

## Adjusted EBITDA margin

**0.1% | 6.0%**

2023

2022

# Capital successfully raised to support further expansion

## Accelerate platform development

Single platform for all US customers  
Rollout new capabilities in UK  
Extend platform for other international markets

£5 million

## Invest in US growth

Partner with more US states  
Pilot Kooth with Medicaid payers  
Explore 0-12 years age group

£4.5 million

# Accelerate platform development for US, UK and international expansion

## Next 18 months

**Single platform  
for all US customers**

CA and PA running on same platform

Shared infrastructure and scale across all contracts: content, clinicians, coaching

**Rollout new capabilities in UK**

Rollout in the UK to grow usage and engagement

1-in-40 of CYP population uses Kooth today.

Grow usage through providing a more engaging platform

## Long term strategy

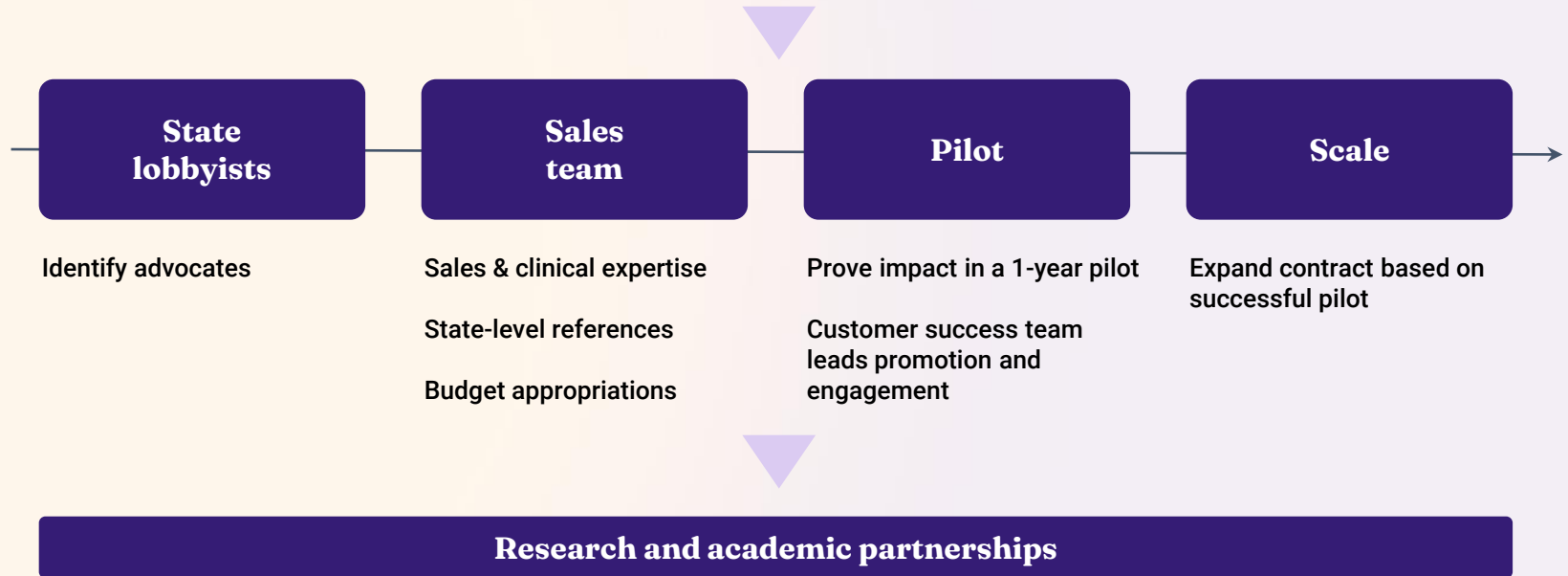
**Extend platform for other international markets**

Platform fully localised to support international markets

SaaS license to health care operators to run Kooth in their country

# Go-to-market model for State Governments

2022/23: Federal and State governments have allocated >\$7bn to address youth mental health

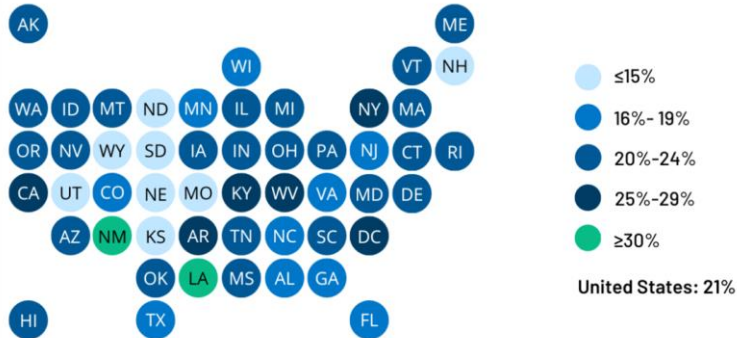


Partner with US Universities to (re)conduct research to demonstrate therapeutic and economic outcomes



# Federal and State governments spend over \$30.2bn annually on Medicaid youth behavioral health care

The Share of People Covered by Medicaid/CHIP Varies by State



21% of US population qualifies for low-income Medicaid healthcare

Market-shift underway to **total-cost value-based healthcare**, driven by retail disruptors including CVS, Amazon, Walmart

Partner with Medicaid managed care plan providers with early intervention support to reduce demand/cost for treatment

**Goal: Strategic partnerships with managed care plan providers to scale state-by-state using existing entitlements/budgets**