



2025

# Annual report

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## Building mentally healthier populations

**“Effective, timely mental health support doesn’t just change individual lives; its benefits ripple outward in ways that are both measurable and profound. Young people stay in school. Adults sustain employment. Communities grow”**

Effective, timely mental health support doesn’t just change individual lives; its benefits ripple outward in ways that are both measurable and profound. Young people stay in school. Adults sustain employment. Communities grow more resilient. The cumulative effect, including reduced pressure on overstretched healthcare systems, greater workforce participation, and the economic productivity of a population able to meet its potential, is both measurable and profound.

For 25 years, Kooth has believed that this future is not an ambition, but an achievable reality, built one interaction at a time, at the scale only digital infrastructure can deliver. We exist to make preventative mental health care the norm rather than the exception, and we invite every partner, commissioner, and investor who shares that belief to help us make it real.



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# 2025 Company Overview

## FINANCIAL PERFORMANCE<sup>1</sup>

<b>£63.3m</b> Revenue	<b>£11.3m</b> Adjusted EBITDA	<b>£21.6m</b> Net cash	<b>73.1%</b> Gross margin	<b>554</b> Employees
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## SCALE AND REACH

<b>25</b> Years of delivering digital mental health support	<b>20 million+</b> People with access to Kooth services across the United Kingdom and United States	<b>~60%</b> Of young people in the United Kingdom can access Kooth through NHS and Local Authority commissioning	<b>3</b> US states contracted
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## CLINICAL EVIDENCE AND OUTCOMES

After one month of using Kooth, independent peer-reviewed research demonstrates<sup>2</sup>:

<b>20%</b> fewer reports of self-harm	<b>11%</b> reduction in psychological distress	<b>9%</b> reduction in thoughts of suicide	<b>£3</b> saved for every £1 spent — independently validated by York Health Economics Consortium <sup>3</sup>
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Early indications from Northwestern University pragmatic trial demonstrate significant and sustained improvements in psychological wellbeing.

## GOVERNANCE AND TRUST

URAC accreditation achieved — United States	BACP accredited — United Kingdom	AI Ethics Committee — fourth year of operation	SOC2 Type II and ISO 27001 certified, subject to annual independent audit
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<sup>1</sup> Definitions of these performance measures along with constant current comparatives are provided in the Key Performance Indicators report on page 24.  
<sup>2</sup> Stevens, M., Farias, J.C., Mindel, C. et al. Pilot evaluation to assess the effectiveness of youth peer community support via the Kooth online mental wellbeing website. BMC Public Health 22, 1903 (2022). <https://doi.org/10.1186/s12889-022-14223-4>  
<sup>3</sup> Coote, et al (2024). An early economic evaluation of Kooth, a web-based mental health platform for children and young people with emerging mental health needs. Internet interventions, 36, 100748. <https://www.sciencedirect.com/science/article/pii/S2214782924000411>

## United States: California

<b>144,000</b> Young people registered on Soluna — 1 in 41 of California's eligible youth, exceeding the agreed target of 1 in 44	<b>50%</b> Of Soluna users had never previously received mental health services	<b>85%</b> Of coaching users met at least one need in a single session
<b>150%</b> Increase in Los Angeles County registrations following the January 2025 wildfires, with average wait times maintained at 2–3 minutes	<b>1,421</b> Community, education, healthcare, and government partners	Los Angeles County Board of Supervisors <ul style="list-style-type: none"> <li>Serving a population of <b>10 million</b></li> <li>Passed a motion directing all youth-serving departments to report on Soluna integration</li> </ul>

## United Kingdom

New Department for Work and Pensions contracts launched across West Midlands, South Yorkshire, and Cambridgeshire and Peterborough.

Partnership with The Diana Award on anti-bullying campaign reaching an estimated combined audience of 645,000.

**8–10%** of NHS Mental Health Services Dataset access figures in commissioned areas — one of the largest individual contributors nationally

## United States: Expansion

- New Jersey contract **renewed**, transitioning successfully between governor's administrations.
- New **Michigan** contract announced January 2026, valued at **\$2.6m** in year one, serving up to 100,000 students aged 13–18.

# Chair's Statement

## DEAR SHAREHOLDERS,

As we celebrate Kooth's 25th anniversary, the need for Kooth's services has never been greater. In every market we serve, the rising tide of mental health issues is stifling individual potential, with the consequences extending far beyond the individuals and families directly affected and driving both social and economic challenges.

The Board and I remain confident that no other provider is better equipped to address this growing need than Kooth, which brings a track record of delivery, meaningful results, clinical rigour, and agility that is crucial in a rapidly changing market.

2025 was a pivotal year for Kooth, with significant progress toward a long-term and sustainable approach to growth.

There is now clear evidence that Soluna, Kooth's digital mental health service for California's youth, is becoming firmly established. The platform is reaching those communities with the greatest needs and crucially, independent data confirms that Soluna is delivering significant and sustained improvements in clinical outcomes.

Promising signs of growth can be seen as Kooth expands in the United States, securing its first US renewal with the State of New Jersey and signing a new contract with the State of Michigan. In the UK, the Company identified new funding opportunities, with commercial partnerships beyond the NHS bolstering stability.

This growth enables Kooth to make a real impact for the 20 million people with access to the Company's services, generating a social and economic dividend that benefits families, workplaces, healthcare systems, and wider communities.

**“The platform is reaching those communities with the greatest needs and crucially, independent data confirms that Soluna is delivering significant and sustained improvements in clinical outcomes”**

Despite these successes, this year Kooth is reporting a decline in revenue from £66.7m in 2024 to £63.3m. While this is due in part to the impact of foreign exchange movements and the wider geopolitical climate's impact on contracting cycles — factors well outside the Company's control — it is nonetheless disappointing given Kooth's momentum and prior year's revenue growth.

The Board supports the Executive Team's strategic vision and shares the view that sustained focus on the success of current contracts is the best path to secure future growth. In 2025, that meant disciplined prioritisation: deepening execution within state-sponsored contracts rather than pursuing parallel opportunities such as school districts, universities, and managed care channels that, while viable, would have stretched finite bandwidth and diverted from the focus required to deliver the credibility and foothold Kooth needs as the foundation for sustainable expansion.



The impact of this focus can be seen in the Company being awarded URAC accreditation and in the growing body of evidence — amassed in partnership with independent researchers — that Soluna is on track to become the gold standard for youth behavioural health platforms. Success in California lays the groundwork for future commercial expansion.

Encouragingly, broader financial performance underscores the increasing discipline and maturity of the business. The adjusted EBITDA of £11.3m — ahead of market expectations — is reflective of a year in which Kooth successfully balanced prudent capital allocation with a significant expansion of US operations, both in terms of user acquisition, system integrations, and clinical hours delivered.

As we look forward, the Board and I are confident that Kooth's strategic direction, leadership, and execution capability is stronger than ever, with a clear vision for the years ahead.

**Peter Whiting**  
Non-Executive Chair  
7 April 2026



# Chief Executive Officer's Statement

## DEAR SHAREHOLDERS,

**As we celebrate Kooth's 25th anniversary, I want to reflect on both our current performance and our long-term trajectory.**

For a quarter of a century, Kooth has existed to solve a problem that traditional mental health systems struggle with: reaching people who need help but can't access it.

The core of what we do is simple.

Through digital-first, population-wide services, we make safe and effective mental health support more accessible to everyone.

By enabling children, young people, and adults to improve their mental health and build the skills they need to tackle life's challenges, we help them meet their personal goals - from staying in school to launching a career - and build healthy relationships with friends, family and their communities.

We do this at scale, serving over 20 million people across the US and UK, and backed by a significant body of research that demonstrates the impact of our unique approach.

Across the world, we are facing a crisis where mental health needs are holding a generation back from developing fulfilling relationships, succeeding in learning and employment, and making plans for their future.

This isn't just a personal tragedy. This growing unmet need is generating immense costs for healthcare systems and stunting economic growth. Traditional, face-to-face care is too expensive and inflexible to solve this at scale, and few emerging technologies are proven to be safe, effective, and accessible at the point of need.

This is what sets Kooth apart.

We remain focused on addressing this crisis by leveraging the reach of digital technology to widen access to support, balanced with a steadfast commitment to clinical safety, evidence, and transparency.

Our vision of a future where safe and effective mental health support is accessible to all — without exception — continues to guide our strategy and the pivotal choices we have made this year.



## Kooth's performance in 2025

This year we are reporting a decline in year-on-year revenue, which reflects the continued impact of foreign exchange movements and lengthy sales cycles and contract cycles.

While I would have preferred to report revenue growth this year, 2025 follows a period of unprecedented growth in which revenue doubled. As such, our focus has been on sustaining the momentum of that expansion, recognising that building a resilient and scalable business is what will ultimately drive long-term impact for the people using our services, and value for our shareholders.

### In our Half-Year Report, we set out our strategic approach: the State Alliance Model.

This requires a focus on securing sustainable, state-wide contracts that generate wider social outcomes. These partnerships enable us to provide support across entire populations, with Kooth platforms embedded in health, education, and other public services.

Subject to complex legislative and budget cycles, these high-profile contracts require front-loading of resources. By their nature, they involve longer lead times and can be sensitive to external macroeconomic factors beyond our immediate control.

Despite their longer development cycles, state contracts provide a launchpad for long-term value. Initial state or regional funding secures universal access, from which we can then layer on more specialised services for other payers, such as health plans, school districts, colleges or employers. This approach effectively diversifies our revenue base, ensuring our growth is both multifaceted and less dependent on a single commissioning partner.

This approach prioritises long-term stability over short-term revenue growth. Our goal is not to be the fastest-growing provider in the market. Instead, we focus on securing the long-term durability of the business, building on a proven record of trust, safety, and evidence of impact.

Against this backdrop, I am pleased to report that we made significant progress in 2025. Our strategic approach is being validated by key contract wins, a maturing evidence base, and the emergence of favourable market tailwinds that support our long-term vision.

### In the US, our footprint is evolving as we shift from market entry to established and impactful social infrastructure.

In line with our vision to become deeply embedded in California's behavioural health ecosystem, we invested significant organisational resources to build awareness and achieve integration across the State, exceeding performance targets and with independent evaluation of Soluna demonstrating truly groundbreaking results (detailed further in Strategic Progress).

As an illustration of our growing impact and the importance of system work, in November the Board of Supervisors for Los Angeles - the State's most populous county with a population of 10 million (exceeding that of 40 other states) - passed a motion directing all youth-serving departments in the county to report on how they are promoting and integrating Soluna as a mental health and wellness resource for county youth.

In October, we were pleased to announce the successful renewal of our partnership with the State of New Jersey, one of the largest and most densely populated states in the US. The successful transition of this service between Governor's administrations, with support from the Department of Children and Families, demonstrates the value of our team's work on the ground.

In January 2026, we secured a new state contract in Michigan. As a state with a population of 10 million spread across nearly 97,000 square miles, Michigan presents exactly the challenge traditional services cannot solve: how to reach young people in rural communities as effectively as those in Detroit or Ann Arbor.

### **Kooth remains a crucial part of the UK's mental health infrastructure**

Kooth's market position remains strong in the UK with 14 new contracts and an increasingly diverse pipeline to target new customers, with new services funded by the Department of Work and Pensions to support young people with mental health needs get back into education, employment or training launching across the West Midlands, South Yorkshire and Cambridgeshire and Peterborough Combined Authorities.

The launch of Soluna in the UK in 2026 will allow for greater economies of scale and cross-market development across the business, building upon recent investment and product evolution to serve US audiences. With engineering and regulatory work now well-advanced, this new platform will facilitate closer alignment with evolving NHS and UK Government priorities and policy to strengthen our position in the UK market.

### **Kooth's future growth is underpinned by robust research, evidence-led innovation and enhancing our capabilities.**

Our evolved strategy encompasses more than our commercial model.

We are also focused on expanding the scope of the services we provide - without compromising the safety and effectiveness of the care we deliver. This evolution drove our acquisition of Kismet Health, a specialised paediatric digital health platform that will better enable us to support children under 12

## **“Kooth's future growth is underpinned by robust research, evidence-led innovation and enhancing our capabilities”**

and their families. Kismet's play-based technology supports even earlier intervention, leveraging digital tools to address mental health issues in partnership with clinicians, parents and caregivers.

While rapid proliferation of unregulated generative AI tools is reshaping the digital mental health market - and mental health itself - the industry is facing growing scrutiny. Trust in our sector is increasingly defined by demonstrable outcomes and safety protocols, a reality that aligns perfectly with Kooth's foundational principles of evidence and clinical integrity.

We welcome this scrutiny, and it is why we continue to invest in robust, independent evaluation of our services, including a research partnership with the world-leading Lab for Scalable Mental Health at Northwestern University, led by Dr Jessica Schleider - which has found significant and sustained improvements in wellbeing across all users. And it is why we formalised our approach to adopting AI across our business and in our services, measuring success in terms of service effectiveness, not simply engagement or growth, and aligning closely and contributing to emerging regulatory frameworks.

Global regulators including the FDA and MHRA have recently stepped up scrutiny of digital mental health tools. In this climate, Kooth's clinical foundation serves as a profound differentiator; our

AI strategy is underpinned not by general-purpose web scraping, but by a hard-to-replicate dataset of over six million safeguarded interactions and 2.5 million clinical case notes. This proprietary data enables us to develop models - such as our risk detection tools that are grounded in real-world clinical pathways.

### **Outlook: building value through impact**

While this report serves to detail our commercial performance, the 'business' of mental health is never abstract. We support people often underserved or overlooked by traditional behavioural or mental health services. Those struggling quietly, waiting too long, or falling between the gaps of fragmented and disjointed healthcare systems.

When these people access the safe, effective care provided through our population-wide services, the outcomes are tangible.

These outcomes drive our work and sustain our business. Services that deliver demonstrable impact become indispensable to the individuals, communities and ecosystems that rely upon them. It is my firm belief - reinforced by Kooth's 25 year heritage - that building these enduring partnerships is the most effective way to secure sustainable, long-term revenue.

In 2025, we had a deliberate focus on discipline and integrity; we strengthened our operational foundations and refined our strategy. This measured approach positions us for continued and significant growth ahead.

This year, we remain laser focused on executing against our State Alliance Model, and are continuing to progress a strong and increasingly diverse pipeline. Meanwhile, we will maintain a high standard of delivery for our existing clients

and progress towards an expected H2 2026 launch of Soluna in the UK which will bring us an enhanced market position in and economies of scale across the business.

We will continue our investment in ethical AI strategy and product development, rooted in clinical best practice, and remain future-focused in seeking opportunities to strengthen service offer and capabilities through strategic partnership or acquisition.

As we maintain our focus on long-term growth, we anticipate that revenue and adjusted EBITDA for 2026 will be in line with current market expectations.

With a robust balance sheet, a strong pipeline, and a quarter-century of evidence and experience at our core, we remain uniquely equipped to break down the barriers to mental wellbeing. The work continues.

**Kate Newhouse**  
Chief Executive Officer  
7 April 2026



## Our Strategy and Markets

Our purpose is to build mentally healthier populations to enable a more sustainable, resilient and productive future. We achieve this by working with government and community partners to widen access to timely, evidence-based support, using technology responsibly and within robust clinical governance frameworks.

Together with our partners, we provide population-wide, open-access mental health services across the United States and United Kingdom, reaching over 20 million people without a waitlist, a referral, or a diagnostic threshold as a prerequisite for care.

### A global mental health challenge

The scale of unmet mental health needs is well-documented and continues to grow. In the UK, more than half a million young people are currently waiting for mental health support, with some facing waits of up to two years; emergency referrals for children in mental health crisis rose 10% between 2023 and 2024 with 59% reporting their mental health getting worse during the wait. In the US, only 20% of adolescents receive any mental health support, despite 40% of high school students reporting persistent feelings of sadness or hopelessness.

The costs of inaction are substantial. Roughly half of all lifetime mental health conditions emerge before the age of 14 and three-quarters by age 24. This creates enormous, avoidable costs: for individuals, for families, for healthcare systems, and for the economies that depend on a healthy, productive, and engaged population.

These are not abstract statistics. Behind every one of these numbers is a young person waiting, falling through the gaps, or never finding their way to support at all with profound consequences for the future. Poor mental health in young people directly correlates with missed school days, reduced employment, weakened family and community bonds, and long term economic burden on health

and social care systems. For governments and commissioners this is a fiscal issue as well as a public health challenge.

While the evidence for early intervention is clear, the architecture of mainstream mental health systems compounds the problem. Services are predominantly structured around diagnosis and referral, oriented towards crisis response rather than prevention, reliant on a fragile clinical workforce, and subject to access barriers that mean those with the greatest need are often the least likely to receive timely support. These structural constraints underpin the demand for the model of care we provide.

### How we operate

Kooth operates a business-to-business-to-consumer model. Our services are provided free to individuals and funded by public healthcare systems, government bodies, and insurers, enabling us to reach people regardless of their economic circumstances. This structure aligns the interests of our commissioners, who require demonstrable population-level impact and value for money, with those of the individuals we serve, who require accessible, high-quality support without financial or administrative barriers.

Contracts are priced on an annual subscription basis, determined by the population a commissioner wishes to serve. With over 25 years of operating experience and more than 25 million data points on

**“Roughly half of all lifetime mental health conditions emerge before the age of 14”**

our platform, we are able to model expected uptake and calibrate the appropriate level of platform access and practitioner support for each contract.

Our pricing follows a seed and grow approach: establishing the service within a geography and growing the contract over time as awareness, usage, and the evidence base develop. Community engagement teams promote our services directly to schools, universities, healthcare providers, and welfare organisations, working alongside digital marketing and public relations programmes to build sustained awareness within local populations.

This model has demonstrated consistent commercial performance. In 2025, over 50% of Kooth’s contracts expanded upon renewal, reflecting commissioners’ confidence in the evidence base and providing a foundation for organic revenue growth within existing geographies.

### Our services: open access to scalable, evidence-based support

For 25 years, Kooth has operated from a consistent premise: that effective mental health support should be available to everyone, not only those who meet a clinical threshold, can navigate a referral pathway, or can afford private care.

Our services — Kooth and Qwell for children, young people and adults in the United Kingdom, and Soluna for young people in the United States — combine clinical rigour with universal reach. Because our services are open-access by design, people can reach support in the moment of need through self-directed tools, peer community, guided self-help, and professional coaching and counselling, available outside normal business hours and free at the point of use.



By removing structural barriers to accessing care, including the challenges of securing a GP appointment, long waiting lists, or falling outside the diagnostic criteria for specialist services, we are able to offer support early, before challenges escalate. Our approach is non-diagnostic: we provide personalised support that does not pathologise symptoms, a position increasingly valued as clinical, policy and public debate focuses on the risks of over-medicalisation in youth mental health.

Our services are supported by an independent body of research demonstrating both clinical effectiveness and return on investment for commissioners. The York Health Economics Consortium independently estimates that for every £1 spent with Kooth, over £3 is saved through reductions in healthcare utilisation, hospitalisation, prescribing, and interactions with the criminal justice system. In the United States, where healthcare costs are substantially higher, Kooth's own research estimates cost savings of up to 12 times the cost of the service.

Reach is as important as effectiveness. Our community engagement and digital marketing programmes are designed to drive uptake among the populations that traditional services most commonly fail to reach, with particular focus on communities facing structural, cultural, or socioeconomic barriers to care.

Kooth also provides commissioners with insights drawn from platform activity, enabling healthcare providers and public bodies to identify where additional resources are needed and to monitor mental health trends and population wellbeing over time.

## AI and the imperative of digital safety

The rapid proliferation of conversational and generative AI tools has introduced a new category of risk in mental health support. General-purpose AI products are being deployed at scale, frequently without clinical oversight, regulatory approval, or

## “For every £1 spent with Kooth, over £3 is saved through reductions in healthcare utilisation”

independent evaluation of safety or effectiveness. The evidence base for harm is growing, encompassing concerns ranging from embedded stigma to the active encouragement of self-harm and suicidal ideation.

The regulatory response is accelerating across both of our markets. In the United States, 44 state attorneys general have formally raised concerns, the American Psychological Association has published a health advisory, the Food and Drug Administration has convened specialist advisory panels, and several states have moved to restrict or ban AI in therapeutic contexts. In the United Kingdom, the AI in Healthcare Commission and the Medicines and Healthcare products Regulatory Agency are advancing regulation of digital mental health technologies, and AI chatbots are now within scope of the Online Safety Act.

This environment creates a structural advantage for Kooth. Our services are purpose-built for mental health support, with clinical governance, safeguarding protocols, and evidence of effectiveness embedded from the outset. Age-gating, content moderation, adherence to clinical best practice, and close alignment with local safeguarding systems protect users from harm and ensure that real-world risks are identified and escalated through appropriate channels. As regulatory scrutiny increases across the digital mental health sector, the value of our clinical foundation and governance maturity strengthens with it.



## Building differentiated capabilities through data and AI

As an early mover in digital mental health, Kooth has accumulated a substantial body of real-world interaction data, built through clinical care pathways rather than general-purpose data collection. This includes over 6.3 million messages exchanged between service users and practitioners, more than 200,000 hours of text-based support, 1.5 million safeguarded journal entries, and 2.5 million clinical case notes.

This dataset forms the foundation on which we are developing AI capabilities grounded in the specific realities of youth mental health. Our aim is to establish Kooth as the leading provider of evidence-based, ethically governed AI for youth mental health: a position that is difficult to replicate and increasingly important as trust in digital mental health tools becomes contingent on demonstrable clinical evidence and safety governance.

## Our growth strategy: the State Alliance Model

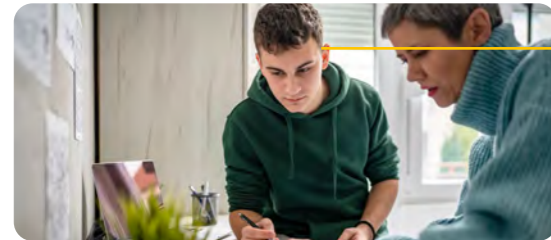
Our experience over 25 years in reaching individuals and communities has shaped a disciplined approach to growth we describe as the State Alliance Model. This framework reflects our view that our services are most effective, and most commercially sustainable, when genuinely embedded in the public infrastructure that communities depend upon: schools, health systems, county services, employers, and community organisations.

Population-wide contracts, secured through government and institutional partnerships, provide the foundation. As those contracts mature and the evidence base strengthens, they create conditions for diversification into health plans, education institutions, and employers within the same ecosystem. This approach reduces customer concentration risk and deepens the institutional relationships that underpin the long-term durability of our contracts.



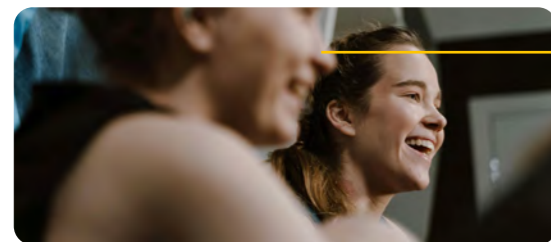
### Public Engagement

Fostering community involvement and public participation.



### Institutions and Community Partners

Engaging with key institutions, organisations and non-profit sectors.



### Health Plans

Developing and integrating comprehensive healthcare strategies.



### State Foundation

Establishing the governmental and legal framework for operations.

## Our markets

### IN THE UNITED STATES

Almost one in five young people in the United States has a mental or emotional disorder, with many more experiencing significant distress that falls below diagnostic thresholds<sup>1</sup>. In a market where access to traditional mental health services

is commonly contingent on diagnosis, insurance coverage, or provider availability, the demand for open-access, scalable alternatives is substantial.

Kooth's strategy in the United States is to pursue state-funded, population-wide contracts consistent with the State Alliance Model described above. California is our proof of concept.

<sup>1</sup> United States Centers for Disease Control and Prevention (2025). Accessed 24 March 2026.

By the end of 2025, Soluna had exceeded its registration targets in California, with 144,000 young people registered, representing 1 in 41 of the state's youth population against a contractual target of 1 in 44<sup>1</sup>. Since launch in January 2024, 51,000 coaching sessions have been completed and 1.6 million messages exchanged across the platform. User feedback is strong: 98% of coaching users report they would recommend Soluna to a friend, and 85% report meeting at least one need in a single coaching session.

California's institutional engagement with the service is deepening. In November 2025, the Los Angeles County Board of Supervisors, serving a population of over 10 million people, passed a motion directing all youth-serving county departments to report on how they are promoting and integrating Soluna into their services. Independent research conducted by Northwestern University is demonstrating significant and sustained improvements in mental health outcomes for California's young people, providing a critical evidence base to support further growth across the United States.

Beyond California, Soluna is now contracted across the States of New Jersey and Michigan. The most recently announced contract with the State of Michigan, valued at \$2.6 million in its first year, will provide digital mental health services to up to 100,000 students aged 13 to 18. The New Jersey contract, first awarded as a pilot in December 2024, has since been renewed. With three major states contracted and an established evidence base, Kooth's US presence is increasingly able to serve as a reference for prospective state partners.

The addressable revenue opportunity from extending Soluna's reach across the United States is estimated at over \$1 billion<sup>2</sup>.

### IN THE UNITED KINGDOM

Almost one in five children and young people aged 8 to 25 in the United Kingdom has a probable mental health disorder<sup>3</sup>. More than half a million are currently on NHS waiting lists<sup>4</sup>, with 59% reporting their condition deteriorating while they wait<sup>5</sup>.

After 25 years of working alongside the NHS and local authorities across England, Scotland and Wales, Kooth is the UK's largest digital mental health provider, with around 60% of 10 to 25 year olds able to access our services through NHS and local authority commissioning<sup>6</sup>.

The UK Government's plan to reform the NHS, which seeks to shift the system from hospital to community, from analogue to digital, and from treatment to prevention, aligns directly with our service model. New services commissioned by the Department for Work and Pensions, a growing pipeline of local authority partnerships including in South Yorkshire and Cambridgeshire and Peterborough, and the planned launch of Soluna in the United Kingdom (planned for Q3 2026) position us to contribute to the next phase of that reform.

The addressable revenue opportunity from extending our services across the UK is estimated at over £400 million<sup>2</sup>.

<sup>1</sup> California Department of Health Care Services (2025). Accessed 24 March 2026.

<sup>2</sup> Company estimates based on internal research

<sup>3</sup> NHS England (2023). Accessed 24 March 2026.

<sup>4</sup> Royal College of Psychiatrists (2026). Accessed 24 March 2026.

<sup>5</sup> Young Minds (2026). Accessed 24 March 2026.

<sup>6</sup> Kooth analysis (2025)

## Strategic Progress

2025 was a year of execution. Having established the strategic frameworks that would guide Kooth's growth across both markets, the focus of the year was on delivering against them: deepening Soluna's presence within California's public health infrastructure, applying the lessons of that work to new state relationships, and maintaining Kooth's position in a United Kingdom market withstanding NHS funding pressure. The results demonstrate that the Company's model translates consistently across different institutional contexts, scales, and funding environments.

### Building the proof of concept in California

When wildfires broke out across Los Angeles and San Diego County on 7 January 2025, Soluna mobilised a rapid response in coordination with the California Department of Health Care Services. In the weeks following the outbreak, weekly new registrations across California more than doubled, rising from 2,125 in the week of 5 January to 5,327 by the week of 31 January, an increase of 150%. Coaching demand increased in parallel, with weekly sessions statewide growing from 578 to 1,000 over the same period, a 73% increase. The surge was most pronounced in Los Angeles County, where weekly registrations rose 151% and weekly coaching sessions increased by 95%, from 204 to 398. Throughout this period, average wait times for on-demand coaching remained at two to three minutes.

In coordination with DHCS, the First Partner's office, and BrightLife Kids, Kooth's teams supported recovery events across Los Angeles County, including at two FEMA Disaster Recovery Centres, the Los Angeles Coliseum, the Central YMCA, and the FireAid events at the Intuit Dome and Kia Forum. More than 5,000 personal care items were donated and distributed to families displaced by the fires. Wildfire-specific resources were deployed through

**“In the weeks following the outbreak, weekly new registrations across California more than doubled, rising from 2,125 in the week of 5 January to 5,327 by the week of 31 January, an increase of 150%”**

Soluna's Care Navigation service, crisis support content was integrated across the platform, and partnerships were expanded with local organisations including California Love, California Strong, and CORE to support longer-term recovery.

The performance of Soluna in California during 2025 reflects the cumulative effect of sustained investment in community relationships, institutional partnerships, and evidence generation. By the end of 2025, 144,000 young people had registered with Soluna, up from 42,000 at the start of 2024, representing 1-in-41 of California's eligible youth population against a contractual target of 1-in-44. That growth was not driven by digital marketing alone. It was built through active engagement with 1,421 partners across the state, comprising 746 K-12 schools, 86 higher education institutions, 224 healthcare partners, 330 community-based organisations, and 35 state and local government agencies.



Outcome data also grew with 50% of Soluna users in California reporting that they hadn't accessed any mental health services before using the platform, reflecting the service's success in reaching young people who would not otherwise receive support. 85% of those who engaged with coaching reported meeting at least one need in a single session. 86% felt less alone in their experience, and 73% reported a clearer understanding of where to seek help when needed.

Institutional confidence in Soluna deepened materially during the year. In November 2025, the Los Angeles County Board of Supervisors, whose jurisdiction covers a population of over 10 million people, passed a motion directing all youth-serving county departments to report on how they are promoting and integrating Soluna into their services. In 2026, Kooth's teams are working alongside the offices of Youth Development, Child and Family Services, Parks and Recreation, Public Social Services, the Office of Education, and the

County Library system to develop programmes that support this at scale. This level of institutional engagement is the practical expression of the Company's longstanding model of embedding in systems: Soluna becoming genuinely enmeshed in the infrastructure communities depend upon, rather than sitting alongside it.

The evidence base is also maturing. Independent research conducted by the Laboratory for Scalable Mental Health at Northwestern University, led by Dr Jessica Schleider, examined Soluna's clinical effectiveness through a pragmatic trial. Early indications demonstrate significant and sustained improvements in psychological wellbeing. The full study is expected for peer-reviewed publication in 2026. Its completion will mark an important milestone: a rigorously independent clinical evidence base will be available to support Kooth's engagement with prospective state partners across the United States.

With respect to funding continuity, the California Department of Health Care Services affirmed their stance that many of the components of the CYBHI are now permanent fixtures in California's behavioural health ecosystem, with DHCS leading their implementation and continuing their stewardship. This includes initiatives like Soluna and Brightlife Kids. The current contract runs to mid-2027, and Kooth is engaged in ongoing dialogue with DHCS regarding future funding pathways.

### Scaling the model: New Jersey and Michigan

The strategic logic of the State Alliance Model is that a credible, evidence-supported presence in one state creates the conditions for expansion into others. That logic is being tested and validated. In New Jersey, Soluna's contract with the Department of Children and Families was renewed during the year, securing continuity into Year Two. The renewal was achieved through a change of governor's administration, requiring Kooth's teams to rebuild relationships with incoming state leadership while maintaining the operational

programme on the ground. That the contract survived and was renewed is itself evidence of the durability of the model.

Performance data from New Jersey's first year reflects patterns consistent with California. Stakeholder engagement has extended from the Department of Children and Families into healthcare and education: a webinar delivered to the New Jersey Chapter of the American Academy of Pediatrics drew 236 registrations and generated more than 40 follow-on requests for materials, and the team reached nearly 1,000 school administrators at the New Jersey Association of School Administrators conference in Atlantic City.

Early engagement with the incoming administration of Governor Sherrill has been positive. Online safety, healthy technology choices, and youth mental health have been identified as priority areas for 2026, and Soluna's model of supplementing existing mental health systems through school and community partnerships has attracted interest from the Governor's team. These conversations are at an early stage.

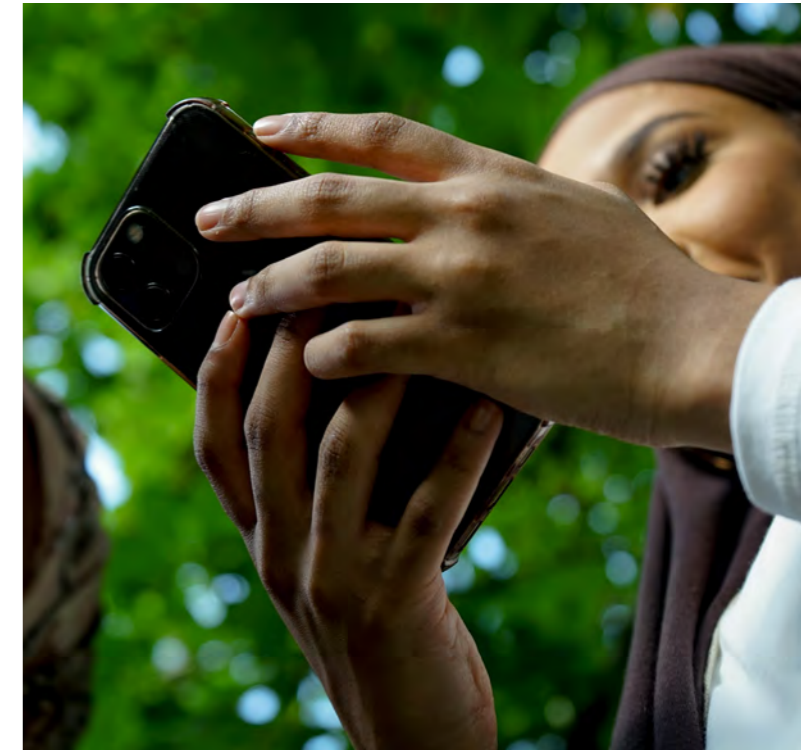


In January 2026, Kooth announced a new state contract in Michigan, with services launching in March. Michigan is a materially different operating environment from California or New Jersey: a population of 10 million spread across nearly 97,000 square miles, combining large urban centres with extensive rural communities where in-person mental health services are limited or unavailable. The contract is valued at \$2.6 million for the first year and provides digital mental health services to up to 100,000 students aged 13 to 18. Michigan is Kooth's first contract in which the platform's ability to reach young people in dispersed, underserved geographies is directly in scope. With three states now contracted, Kooth's United States presence is becoming sufficiently established to serve as a meaningful reference for other prospective state partners.

### Maintaining our position in the United Kingdom

The United Kingdom presented a more challenging operating environment. NHS and local authority budgets faced sustained pressure throughout the year, and Kooth's adult mental health service Qwell experienced contract losses as a result of contraction in discretionary commissioning across Integrated Care Systems. Against that backdrop, overall United Kingdom revenue remained broadly stable, supported by 14 new contracts secured through disciplined pipeline development and a sustained focus on shaping service design in response to evolving government commissioning priorities.

Kooth's scale within the NHS system is reflected in its contribution to the NHS Mental Health Services Dataset, the national data collection for children and young people's mental health, autism, and learning disability services across England. In areas where Kooth services are commissioned, Kooth accounts for 8 to 10% of the dataset's access figures, making it one of the largest individual contributors to the NHS's target to increase access to children and young people's mental health services.



The most significant new development was the award of contracts funded by the Department for Work and Pensions to deliver mental health support for young people, with the objective of helping them return to education, employment or training. Services are launching across the West Midlands, South Yorkshire, and Cambridgeshire and Peterborough Combined Authorities. These contracts are illustrative of the State Alliance Model applied in a United Kingdom context. They were made possible by Kooth's existing population-wide reach and its established relationships with young people and communities across those geographies, providing the institutional foundation on which new services could be built rapidly and cost-effectively.

During Anti-Bullying Week in November 2025, Kooth partnered with The Diana Award, the UK's leading anti-bullying charity, to launch a campaign addressing cyberbullying among young people. The campaign was built on original research, commissioned jointly by Kooth and The Diana Award and conducted by Survation across more than 1,000 young people aged 11 to 18, which

found that 56% of young people in the United Kingdom had experienced bullying, with 39% having avoided telling a parent or carer. The centrepiece of the campaign was a short film, “The Pretender,” produced in-house by Kooth’s team and informed by clinical insight from frontline practitioners. The campaign reached an estimated combined audience of 645,000, was covered by ITV News and First News, which reaches approximately 50% of United Kingdom schools, and supported four national school webinars reaching 2,856 students.

The planned launch of Soluna in the United Kingdom in 2026 represents the most significant structural development in Kooth’s UK strategy in several years. Product and engineering activity is progressing, and relevant regulatory approvals are being pursued. The introduction of Soluna in the United Kingdom is expected to create greater alignment with NHS and national policy priorities, generate economies of scale across Kooth’s global platform, and improve product agility across both markets.

### **Evidence, accreditation, and governance**

Across both markets, independent validation of clinical standards is an increasingly important commercial and reputational asset. In the United States, Kooth achieved URAC accreditation during the year, providing third-party recognition of the organisation’s clinical model, safeguarding practices, and digital infrastructure against comprehensive standards developed with input from across the health sector. In the United Kingdom, BACP accreditation of the counselling service continues to provide an established marker of professional standards for NHS commissioners.

The pace of regulatory development in digital mental health is accelerating, and Kooth is taking active steps to stay ahead of it. In the United Kingdom, the Company is pursuing MHRA Class IIa medical device certification for its automated risk assessment capability. Class IIa certification is a prerequisite for embedding AI features within Kooth’s digital

platforms, and provides further evidence of clinical credibility and safety which is increasingly sought by commissioners and policymakers.

In October 2025, Kooth made a formal submission to the United States Food and Drug Administration’s Digital Health Advisory Committee, as the FDA convened a panel to examine generative AI-enabled digital mental health devices. In its submission, Kooth urged the Committee to establish clear standards for generative AI dialogue, transparency, and user safety; to clarify the boundary between wellness applications and clinical claims, so that generative AI tools that shape how people think and feel cannot avoid regulatory scrutiny simply by avoiding medical language; and to develop adaptive regulatory frameworks that allow AI models to evolve safely while maintaining accountability and transparency. The submission reflects Kooth’s view that robust regulation is a prerequisite for the long-term credibility of the digital mental health sector, and that organisations



with an established clinical governance track record have a responsibility to contribute actively to shaping it. Kooth’s formal submission to the UK’s AI in Healthcare Commission in January 2026 put forward similar recommendations, highlighting the need for clear and proportionate alignment between regulatory frameworks that govern AI, medtech, and online safety.

Kooth’s AI Ethics Committee, now in its fourth year, provides governance oversight on model drift, fairness, and environmental impact. Deployed AI capabilities include risk detection models for safeguarding, intelligent matching algorithms that pair service users with practitioners, and content recommendation systems. Every AI feature is clinically co-designed, independently bias-checked, and subject to cross-functional sign-off prior to deployment. In 2026, near-term development priorities include live safeguarding automation, personalised after-session care, and AI-guided wayfinding.

**“Deployed AI capabilities include risk detection models for safeguarding, intelligent matching algorithms that pair service users with practitioners with up to 99% service level compliance and content recommendation systems”**



# Key Performance Indicators

We use a balanced set of financial and non-financial key performance indicators (KPIs) to assess delivery against our strategic objectives and to monitor the long-term health of the business.

These KPIs are reviewed regularly by the Board and Executive Team and are aligned to our priorities of sustainable revenue growth, disciplined investment, cash generation and measurable social impact.

Where appropriate, we present certain alternative performance measures (APMs), including Adjusted EBITDA and Annual Recurring Revenue (ARR). These measures are used internally to assess underlying trading performance and are defined and reconciled within the Financial Review. They are not intended to replace statutory measures prepared in accordance with IFRS.

Over the five years to 2025, the Group delivered a compound annual growth rate (CAGR) in revenue of over 30%, reflecting the successful scaling of our

platform and expansion into the US market. In 2025, the focus shifted from rapid expansion to disciplined execution and operational leverage.

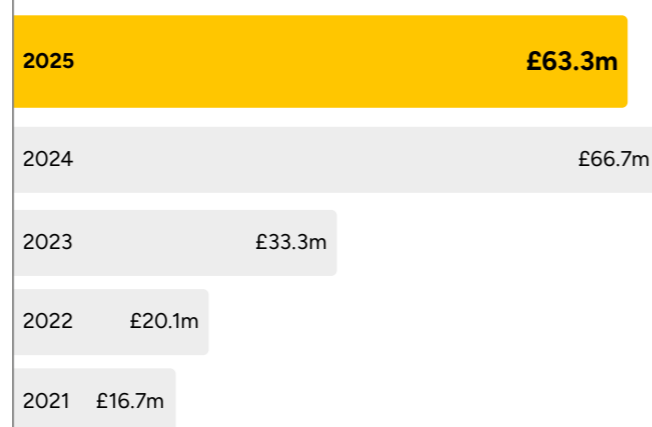
**“These KPIs are reviewed regularly by the Board and Executive Team and are aligned to our priorities of sustainable revenue growth”**

## Revenue

£m

Revenue represents income recognised from the delivery of contracted services during the financial year and is a primary indicator of market demand and contractual scale.

On a constant currency basis<sup>1</sup> revenue decreased 2.7% over the prior year. Reported revenue fell by £3.4m to £63.3m (2024: £66.7m). This was due to the impact of a £1.6m negative foreign exchange movement together with a £2.0m IFRS 15 revenue recognition reduction from the California contract, contract losses and reductions, largely in the UK, that reduced revenue by £0.9m, offset by a £1.1m New Jersey contract win.



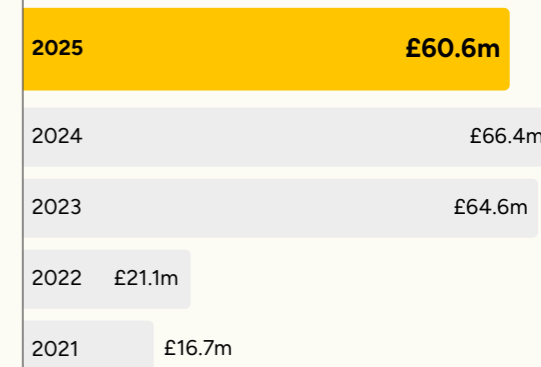
<sup>1</sup>For 2024, the constant currency rate was 1.2754 for US Dollar. The 2025 average rate is 1.3190.

## Annual Recurring Revenue (ARR)

£m

Annual Recurring Revenue (ARR) represents the annualised value of customers engaged or closed at the year-end date (31 December) and provides forward-looking visibility of the revenue base entering the new financial year. This is used by management to monitor the long-term revenue growth of the business.

On a constant currency basis<sup>1</sup> ARR reduced by £2.5m through a £1.7m revenue recognition reduction from the California contract and £0.8m in UK ARR. Reported ARR decreased £5.8m to £60.6m (2024: £66.4m), including a £3.3m adverse FX impact.



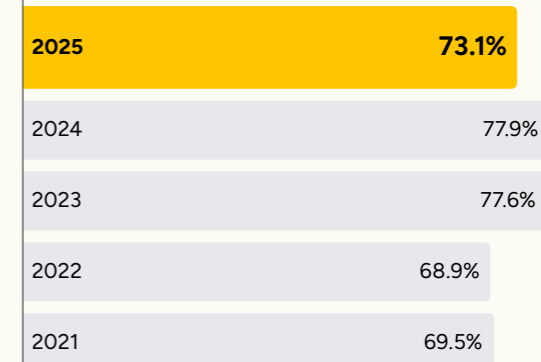
## Gross margin

%

Gross margin represents gross profit as a percentage of revenue. Direct costs comprise practitioner delivery costs and direct service user marketing expenditure.

Gross margin reduced by 4.8 percentage points to 73.1% (2024: 77.9%), reflecting planned investment in direct user marketing in California, partially offset by a modest improvement in the UK margin.

Since 2023, gross margin has benefited by approximately four percentage points from California revenues that include a contribution toward platform development costs. These costs are capitalised in the Statement of financial position and amortised to administrative expenses within the Statement of profit and loss and other comprehensive income.

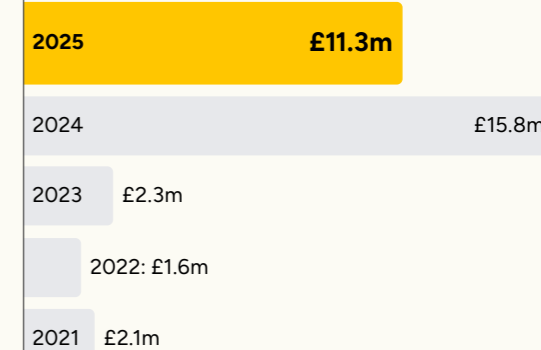


## Adjusted EBITDA

£m

Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation, adjusted for share-based payments and realised foreign exchange movements.

The definition was refined in 2025 to exclude realised foreign exchange differences, reflecting increased GBP:USD volatility which became material in the current year with a loss of £0.6m (2024: £nil). Management believes this adjustment improves comparability of underlying trading performance. Adjusted EBITDA decreased by £4.5m to £11.3m (2024: £15.8m), reflecting lower gross profit and accelerated investment in California user acquisition.



<sup>1</sup>The 2024 constant currency rate for ARR is the 31 December 2024 rate of 1.2530 for US Dollar. The 2025 end rate is 1.3466.

### Cash

Cash and liquidity remain key indicators of financial resilience and strategic flexibility as well as provide comfort to customers from a vendor risk perspective.

On a constant currency basis<sup>1</sup> cash increased £0.6m year on year. In 2025 the Group generated a cash inflow of £0.3m (2024: £10.8m) which was offset by a negative £0.6m foreign exchange movement. The positive cash inflow proves the Group's effective working capital management during a period that included a £1.5m share buy back programme, £1.4m worth of corporation tax payments (2024: £0.6m) due to the Group's pre tax profit in the prior period and continued investment in our platforms. The closing cash balance remains within management forecasts and supports planned investment priorities.

### £m

2025	£21.6m
2024	£21.8m
2023	£11.0m
2022	£8.5m
2021	£7.1m

### 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 year end. Whilst there has been population growth within our existing UK contracts as a result of updated ONS statistics, the drop of 3% on the previous year is attributable to the churn of UK contracts.

### Millions

2025	20.2m
2024	20.8m
2023	17.3m
2022	16.7m
2021	10.9m

### Number of users

The number of users to our Kooth and Soluna platforms, demonstrating that while the overall population coverage has contracted slightly, registrations continue to grow.

### 000s

2025	292k
2024	269k
2023	230k
2022	231k
2021	219k

<sup>1</sup> The 2024 constant currency rate for cash is the 31 December 2024 rate of 1.2530 for US Dollar. The 2025 end rate is 1.3466.



# Chief Financial Officer's Statement

## Delivering disciplined investment and operational resilience

Kooth delivered results broadly in line with market expectations, reflecting a year of disciplined investment and operational focus. Performance was impacted by foreign exchange movements following GBP appreciation against USD and by accelerated investment in direct user marketing in California to support long-term growth.

## Revenue

The Group's revenue remains highly predictable, with 99% recurring revenue (2024: 100%).

While revenue declined modestly year-on-year at £63.3 million (2024: £66.7 million), this follows a period of exceptional expansion, including revenue doubling in 2024 and reflects the continued impact of foreign exchange movements and lengthy sales and contract cycles. On a constant currency basis, revenue decreased 2.7% over the prior year and Annual Recurring Revenue (ARR) decreased 3.7%. Reported ARR decreased by 9% to £60.6 million (2024: £66.4 million), predominantly driven by a £3.3 million negative FX impact.

In 2025, management prioritised building a resilient and scalable business to drive long-term impact for the people using our services, and value for our shareholders.

Geographically, US revenue decreased to £46.1 million (2024: £48.7 million) 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). This decrease was broadly £1.6m of foreign exchange movements and a £2m reduction in California revenue, resulting from lower contractual product development activity

in 2025, offset by £1.1m of revenue generated from a new contract in New Jersey.

UK revenue decreased by 4% to £17.2 million (2024: £18.0 million). Whilst the number of contracts uplifting upon renewal rose to 54% (2024: 45%) these gains were offset by £1.4 million of churn primarily due to a lack of funding to continue pilot contracts and contract reductions following consolidations.

Group net revenue retention (NRR) on a constant currency basis was 96% (2024: 100%). Including FX impact, reported NRR was 91%. Within the UK, there was an increase to 96% (2024: 92%) reflecting a reduction in churn in 2025 (£1.4 million) vs. the prior year (£2 million).

NRR remains a key indicator of contract durability and embedded customer relationships. This is measured by the total value of ongoing ARR at the year end from customers in place at the start of the year as a percentage of the opening ARR from those clients.

## Gross profit

Gross profit reduced by 11% to £46.3 million (2024: £52.0 million) with the gross margin decreasing to 73.1% (2024: 77.9%) due to planned investments made in direct marketing to drive engagement with service users in California. Gross margin continues to benefit from California revenues that included a contribution to platform development. These platform costs are capitalised in the Statement of financial position and amortised within the Statement of profit and loss and other comprehensive income. In 2025 this had a positive impact on gross margin of 4%.

Direct costs are the costs of the practitioners directly involved in the delivery of our services, a total of 241 at the year-end (2024: 268 heads) with reductions reflecting UK customer churn and staff turnover in the US, and direct marketing costs in California in support of raising user awareness and

engagement, including hard to reach communities which were £8.1 million (2024: £3.9 million).

## Foreign currency impact

The US Dollar/GBP exchange rate has had a significant effect on results for the year under review during which the Group had approximately 74% of revenues and 50% of expenses denominated in US Dollars. The Group's exposure to foreign currency risk resulted in a realised foreign currency loss of £0.6 million. In the prior year the effect of foreign exchange movements was immaterial.

## Operating profit

The Group's operating profit for the year was £3.4 million (2024: £9.2 million). The reduction reflects lower gross profit driven by revenue decline and increased California marketing investment, partially offset by lower average headcount and operating efficiencies.

## Administrative expenses

Excluding depreciation, amortisation, share-based payments and realised FX movements, administrative expenses decreased by £1.3 million (3.6%) year-on-year, demonstrating the Group's ability to exercise cost discipline while continuing to invest in growth.

On a constant currency basis, administrative expenses decreased by £0.6 million. This was primarily driven by a strategic shift in the US, where increased investment in direct marketing within direct costs allowed for a reduction in engagement-related personnel overheads. This overall decrease was achieved despite a £0.3 million headwind in the UK resulting from higher employer National Insurance contributions following the rate and threshold changes in April 2025.

## Adjusted EBITDA

Adjusted EBITDA decreased from £15.8 million to £11.3 million, with the £5.7 million decrease in gross profit partly offset by a £1.3 million decrease in administrative expenses (excluding amortisation,

depreciation, share based payments and realised FX movements). The decrease in gross profit is a result of a reduction in revenue and increased investment in direct user marketing costs offset by savings from a lower average headcount in the year.

Adjusted results are prepared to provide a more comparable indication of the Group's core business performance by removing the impact of non-trading items that are reported separately.

Adjusted results exclude items as set out in the consolidated statement of profit and loss and below. In addition, the Group also measures and presents performance in relation to various other non-GAAP measures, such as annual recurring revenue and revenue growth.

Adjusted results are not intended to replace statutory results. These have been presented to provide users with additional information and analysis of the Group's performance, consistent with how the Board monitors results.

£'m	2025	2024
<b>Operating Profit</b>	<b>3.4</b>	<b>9.2</b>
Add Back:		
Depreciation and Amortisation	6.2	5.4
Share based payment expense	1.1	1.2
Foreign exchange	0.6	-
<b>Adjusted EBITDA</b>	<b>11.3</b>	<b>15.8</b>

Share-based payments are adjusted to reflect the underlying performance of the group as the fair value is impacted by market volatility that does not relate directly to trading performance. The total charge for share-based payments in the year was £1.1 million (2024: £1.2 million). Realised foreign

exchange movements are adjusted for the first time in 2025 as they now have a material effect on the numbers reported and do not correlate directly to trading performance.

## Taxation

The Group's corporation tax charge for 2025 was £1.8 million (2024: £1.8 million), primarily driven by taxable profits within our US operations. While the absolute charge remained flat, the effective tax rate (ETR) increased to 40.3% (2024: 18.5%) reflecting two principal factors.

Following the Group's growth, we transitioned from the Small and Medium Enterprise R&D scheme to the Research and Development Expenditure Credit (RDEC). Consequently, R&D incentives are now recognised as other income (£0.3 million) within the statement of profit and loss and other comprehensive income, rather than as a direct reduction to the corporation tax charge as in previous years (2024: £0.5 million) this accounting reclassification accounts for a significant portion of the ETR increase.

Second, a permanent difference arose in respect of share-based payment charges. Tax relief on equity awards is limited to the intrinsic value of awards at the point of vesting; where the share price at vesting is below the grant-date fair value, no deduction is available for the shortfall. Given share price performance during the year, this gave rise to a non-deductible permanent difference equivalent to approximately 10 percentage points of the effective tax rate.

## Cash

The Group continues to operate with a strong balance sheet and disciplined capital allocation framework. Net cash at year end was £21.6 million (2024: £21.8 million, £20.9 million constant currency), and the Group remains debt free. The

\$9.5m working capital facility remains undrawn, providing additional liquidity headroom.

Net cash generated from operating activities was £5.6 million (2024: £17.1 million). Free cash flow, after taking account of capital expenditure was a net inflow of £1.2 million in 2025 (2024: £10.2 million).

Overall, the Group had net cash inflow of £0.3 million (2024: £10.8 million) during the year which included the completion of a £1.5 million share buy back programme, £1.4 million of corporation tax payments (2024: £0.6 million) due to the Group's pre tax profit in the prior period and continued investment in our platforms.

The Group's liquidity position provides flexibility to fund organic growth, product development and selective strategic opportunities.

## Capitalised development costs

The Group continued its investment in product and platform development in 2025 to support the enablement of new features for our service in California, further expansion in the US as well as development of the platform in the UK. Costs are a combination of internal and external spend. Where such work is expected to result in future revenue, costs incurred that meet the definition of software development in accordance with IAS 38, Intangible Assets, are capitalised in the statement of financial position and amortised over three years. During the year the Group capitalised £4.4 million in respect of software development (2024: £6.9 million) with the reduction reflecting the Soluna platform being substantially completed in the prior year. Amortisation of capitalised development costs was £6.0 million (2024: £5.2 million).

Investment in product and development continues to be significant to the Group and we expect capitalisation levels to increase modestly in 2026 as the UK Soluna rollout progresses.

## Capital expenditure

Software and product development costs aside, the Group's ongoing capital expenditure requirements remain modest at £0.1 million (2024: £0.1 million).

## Capital and reserves

The strength of the Group's balance sheet with net assets of £31.6 million (2024: £29.8 million), high levels of recurring revenue and positive cash generation from operating activities provide the Group with resilience and capacity to execute its strategic priorities, including US expansion, AI-enabled product development and continued clinical investment.

## Dividend policy

As outlined in previous reports, 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 a dividend in respect of the year ended 31 December 2025 (2024: £nil) but may do so in future years.

**Sanjay Jawa**  
Chief Financial Officer  
7 April 2026

**“Investment in product and development continues to be significant to the Group and we expect capitalisation levels to increase modestly in 2026”**



# Environmental, Social and Governance (ESG) Report

At Kooth, our ESG strategy is intertwined with our mission to build healthier populations. In 2025, we shifted from laying foundations to delivering results against key metrics, maturing our reporting and operational impact.

This includes:

- **Environmental:** Completed first Energy Savings Opportunity Scheme action plan, reduced total reported year-on-year emissions, and reduced travel-related emissions by 53%
- **Social:** Reduced year-on-year gender pay gap, maintained gender-balanced Board, and addressed health inequalities by reaching youth otherwise under-served by traditional mental healthcare.
- **Governance:** Achieved US URAC accreditation, renewed UK BACP accreditation for further five years, and maintained other key compliance standards.

## Environmental sustainability and path to Net Zero

Environmental sustainability is core to our long-term resilience and the Company’s impact on the environment is an important consideration in decision-making. We aim to align with the NHS target of Net Zero by 2040.

## Streamlined Energy and Carbon Reporting (SECR)

We apply the “Operational Control” approach, with data validated by independent consultancy EightVersa. Along with absolute emissions (tCO<sub>2</sub>e), we report two ‘intensity’ metrics:

- tCO<sub>2</sub>e per £1,000 of turnover (using reported revenue for the year); and
- tCO<sub>2</sub>e per service user

As a digital provider, our Scope 3 emissions remain our largest footprint, primarily driven by cloud hosting and digital marketing activity essential for scaling Soluna in California.

While our absolute emissions decreased, our intensity per £1,000 turnover saw a slight reported increase due to foreign exchange volatility. On a constant currency basis, our intensity remained stable.

Emissions Source	2025 (tCO <sub>2</sub> e)	2024 (tCO <sub>2</sub> e)	YoY Change
Scope 1 (Direct)	1.5	1.9	-21%
Scope 2 (Indirect - Electric)	8.5	10.5	-19%
Scope 3 (Value Chain)	3,525.5	3,621.8	-2.6%
<b>Total Absolute Emissions</b>	<b>3,535.5</b>	<b>3,634.2</b>	<b>-2.7%</b>
<i>Total UK Energy Use (kWh)</i>	<i>31,573</i>	<i>38,749</i>	<i>-18.5%</i>

## Intensity metrics

- tCO<sub>2</sub>e / £1,000 Turnover: 0.06 (2024: 0.05)
- tCO<sub>2</sub>e / Service User: 0.012 (2024: 0.014)

## Social impact and equity

As a provider, we tackle health inequities by embedding digital care within local communities.

- Targeting under-served groups: In California, our Soluna Ambassador Programme reached 42% male representation, surpassing DHCS goals and addressing the historical under-representation of men in behavioural health.

- **Crisis Response:** During the January 2025 LA wildfires, our team supported community events across LA County, distributed 2,500+ care items and deployed trained Youth Ambassadors onsite. Digitally, we launched in-app crisis content to ensure immediate access to care for displaced families.
- **UK Community Partnerships:** Among many others, we collaborated with Q:Alliance (LGBTQI+ support) and local mosques to create bespoke mental health content for underserved populations.
- **Reaching diverse communities:** In 2025, 50% of US users and 20% of UK users identify as ethnic minorities.

As an employer, we aim to lead by example, with equitable representation throughout our business. Our workforce is 75% female, with 71% of management roles held by women. Our Board maintains a 50/50 gender balance.

Our pay-gaps are narrowing but remain influenced by the high proportion of women in frontline clinical roles. We ensure equal pay for equivalent work through regular review and robust governance.

We remain committed to understanding and addressing our gender and ethnicity pay gaps by increasing focus on diversity and inclusion efforts across the business. We do this in the following ways:

- All employees are paid the same regardless of gender and ethnicity; this is also true of our management team.
- We share salaries and salary ranges in all job adverts in the UK and US regardless of whether it is required by the local jurisdiction
- We try to understand our gender and ethnicity pay gaps to analyse and assess where more focus is required
- We promote a structured hiring process that includes partaking in blind recruitment of our practitioners and our recruitment process includes panel interviews to ensure a more inclusive approach to hiring
- We develop competency-based job descriptions and job adverts and define qualifications carefully to not arbitrarily exclude individuals with non-traditional education or lived experience that would add value to a position

## Governance: ethics and oversight

Effective governance facilitates our mission. The Board provides oversight to ensure long-term success for shareholders while preserving the interests of service users, staff, and communities.

Metric	2025 Mean	2024 Mean	2025 Median	2024 Median
Gender Pay Gap	27.1%	32.7%	31.8%	40.3%
Ethnicity Pay Gap	5.2%	11.0%	-11.3%	-4.7%

## Board committees

The Board operates through three key committees to ensure rigorous oversight:

- **Audit Committee:** (Chaired by Peter Whiting) Monitors financial integrity and internal risk controls.
- **Remuneration Committee:** (Chaired by Simon Philips) Aligns executive pay with long-term strategy and QCA guidelines.
- **Clinical & Safeguarding Committee:** (Chaired by Dame Susan Bailey) Meets six times annually to oversee clinical safety and service quality.

## Business ethics and compliance

- **UN Global Compact:** We remain a participant, aligning with the Ten Principles on human rights and anti-corruption.
- **Information Security:** We maintain **SOC 2 Type II** and **ISO 27001** standards, with annual mandatory cyber security training for all staff.
- **Modern Slavery:** Our zero-tolerance position is published on our website and integrated into our new-starter induction process.
- **Bribery and Corruption:** Our zero-tolerance position is set out in our policy, which applies to all employees who work for Kooth.

## Accreditations

Our commitment to safety and quality is verified by third-party experts:

- **DTAC (UK):** Fully compliant with NHS Digital Technology Assessment Criteria.
- **BACP (UK):** Successfully renewed accreditation for a further five years.
- **URAC (US):** Achieved accreditation for the Soluna platform, validating our clinical model and safeguarding in the United States.

## Information security

Kooth's Data Protection Office, led by the Data Protection Officer and Head of Information Security, monitors our compliance with international data, security and privacy standards such as SOC 2 and ISO 27001, with annual audits on both standards. Kooth has successfully renewed the Cyber Essentials certification.

Management carries out due diligence to ensure that third party suppliers are maintaining good standards of security and carries out privacy impact assessments to ensure security of our data.

Kooth continues to ensure that all members of staff receive annual mandatory cyber security training. Kooth takes the threat of a cyber incident very seriously and endeavours to mitigate the risk wherever possible, although it is recognised by the Board and management that it will never be possible to fully mitigate cyber risk.



# Non-financial and Sustainability Report

In this report, we present Kooth's second formal disclosure aligned to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines. The TCFD was established in 2015 and is based on a set of 11 recommendations from the UK Financial Stability Board (FSB) detailing how organisations should disclose their climate-related financial risks and opportunities in a clear and consistent way.

This report outlines Kooth's efforts to adopt, measure, manage and mitigate its climate and sustainability-related impacts. Our process and the actions outlined below refer to Kooth's approach as of 31 December 2025.

## Overview

Our ability to manage any potential climate-related impacts on our business and strategic direction is integral to our long-term success.

While our impact on the environment is minimal due to the size, scale and nature of our operations (see "Strategy"), we are committed to mitigating any long-term climate-related risks in line with emerging climate science as our business continues to expand. To achieve this, we focus on managing energy consumption across our operations, reducing business travel, optimising employee commuting, and managing third-party deliveries.

We also measure our ESG-related performance and have embedded effective procedures and processes within our risk management framework to ensure we are taking appropriate action.

## Governance

Our Board of Directors is tasked with risk identification and with implementing procedures and strategies for risk mitigation and management. This is discussed during periodic meetings to identify any key or emerging risks facing Kooth.

The Board utilises its risk management framework to guide our overall strategy, business planning, corporate policies, actions, and objectives. These are implemented by our management team with oversight and advice from the Board. This process includes monitoring any emerging or ongoing climate or environmental-related risks. More information on the roles and responsibilities of the Board, including detail on our risk management framework can be found on pages 50 to 54 of the Annual Report.

The responsibility of managing, reviewing and monitoring ESG issues on an ongoing basis sits with the Board of Directors. This process includes assessing and overseeing Kooth's climate-related risks and opportunities, as well as considering how these should inform business planning and strategic focus into the future.



## Strategy

To identify physical and transitional climate-related risks that may impact our business, Kooth conducts detailed analysis to guide our strategic approach.

Based on current assessment, we do not expect climate-related physical or transition risks to be material to the Group over the next 12–24 months. We will continue to reassess this as our operations, regulatory expectations and climate science evolve. Looking further ahead, we will continue to conduct broad-based risk assessments, and we will monitor the following climate-related risk areas, and their potential financial impacts identified through our risk management on an ongoing basis (for their short, medium and long-term risk):

- **Transitional and market risks:** Associated with higher operating costs due to the introduction of carbon pricing/taxation schemes or other supply-chain cost increases

- **Physical and market risks:** Associated with supply chain or operational disruption leading to increased costs from the increased severity of extreme weather events, or long-term changes to weather patterns
- **Transitional and reputational risks:** Associated with any potential impacts to reputation if Kooth falls short of stakeholder expectations regarding climate-related performance or impact management
- **Transitional and legal and reputational risks:** Associated with the increased cost of compliance/non-compliance with new climate regulations and reporting

As we look to the future, we will continue to monitor any climate-related risks and opportunities that may impact our operations. This may include performing a scenario analysis when our operations are sufficiently advanced for longer-term strategic planning.



We have not currently identified climate-related opportunities that are expected to be material to the business model in the medium term; however, we continue to monitor opportunities to reduce energy use and improve efficiency:

- **Market opportunities:** Associated with reducing operating costs through energy-efficient improvements
- **Transitional and reputational opportunities:** Associated with being early-adopters of enhanced disclosure measures or low-carbon technologies

## Risk management

While climate-related risks are not currently identified as a principal risk for Kooth, we will continue to monitor our climate-related risk profile as internal and external circumstances change.

Risks are formally identified by the Board and appropriate processes are in place to monitor and mitigate them on an ongoing basis (see

“Governance”). Our Board of Directors considers climate-related risks and strategic priorities on an annual basis, or more regularly, as the need arises. We are committed to introducing climate risk tools and processes that identify, manage and act on any material climate-related risk.

As part of our climate-related monitoring programme, Kooth employs an external consultant, EightVersa, to audit and report on our climate-related metrics, namely Streamlined Energy and Carbon Reporting (SECR), which are more fully discussed in our 2025 ESG Report on page 32.

These findings inform the Board of Director’s climate risk analysis strategy to identify and act on any physical and transition risks considered material to the Company. All employees are encouraged to provide their suggestions for how to address identified areas of risk, including climate-related risk, by discussing with their line manager.

## Metrics and targets

We report our Scope 1 and 2 emissions as required under the Companies Act 2006 (Strategic Report and Directors’ Reports) Regulations 2018 and the Streamlined Energy and Carbon Reporting (SECR) guidelines. We also report our Scope 3 emissions.

An operational control approach is used to define our organisational boundary. This is the basis for determining emissions.

The emissions sources that constitute our boundary include:

- **Scope 1:** natural gas combustion within in our premises;
- **Scope 2:** purchased electricity for our own use; and
- **Scope 3:** business travel, employee commuting, and third-party deliveries.

Our current emissions profile, as well as other environmental-related measures adopted, can be found in our 2025 ESG Report on page 32. Kooth considers whether additional environmental metrics should be developed and reported on throughout the year.

In 2024, with the aid of EightVersa, Kooth prepared its first energy assessment under the Energy Savings Opportunities Scheme (amendment) Regulations 2023 (ESOS). These assessments are audits of the energy used by Kooth’s buildings, industrial processes and transportation. The ESOS assessment is designed to identify tailored and cost-effective measures to allow participating businesses to save energy and achieve carbon and cost savings. The 2024 assessment highlighted that Kooth is a low climate risk business with minimal savings opportunities present. The outcome of this assessment remains true in 2025.

During the current year, Kooth created an action plan that addressed the 2024 energy assessment findings and began its annual progress reporting procedures to adhere to ESOS regulatory requirements.

## “In 2024, with the aid of EightVersa, Kooth prepared its first energy assessment under the Energy Savings Opportunities Scheme (amendment) Regulations 2023 (ESOS)”

Given (a) the nature of our industry, business operations and mission, (b) that Kooth is a digital mental health care provider with minimal current supply chain emissions, and (c) we have not identified any material climate-related risks to our business, Kooth has not yet set any emissions-related targets. Our priority is to improve Scope 3 data quality and develop an approach to targets that is proportionate and aligned to recognised standards. We will look to introduce climate-related targets when our operations have sufficiently advanced.

## Next steps

We remain committed to operating as a good corporate citizen, and to managing the climate-related impacts of our operations and environmental matters. As we grow and our operations advance on a global scale we intend to (1) enhance climate-related risks and opportunities management, (2) identify and address areas of improvement year-on-year, and (3) set GHG emissions targets and measure performance and progress annually.



## Section 172 Statement

The Directors consider that they have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

In doing so, the Board has had regard to the stakeholders and matters set out in Section 172(1)(a-f) of the Companies Act 2006, namely the consequences of any decision in the long-term; the interests of the Company's employees; the need to foster the Company's business relationships with suppliers, customers and others; the impact of operations on the community and environment; desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

Our decision-making is further guided by our mission to build mentally healthier populations, with nobody left behind.

### Listening to our key stakeholders

Regular and meaningful engagement with Kooth's key stakeholder groups is crucial to our achievement of this mission and understanding the impact of our decisions.

### Our workforce

The Board recognises that supporting our team to perform at their best is integral to our long-term success. Following a period of significant growth and geographic expansion, our team has grown significantly over recent years, with 554 team members working in the field, remotely, and on-site in our offices across the US and UK.

- During the year, Kooth launched its first company-wide staff survey to benchmark sentiment. As a result of this survey, subsequent focus groups and analysis of other sources of data, the Company has implemented a number

of new initiatives to create a greater sense of belonging and enhance communication across the business.

- This included the initiation of Executive Leadership Forum sessions and a Board-led Panel and Q&A event, giving employees direct access to the Board and approach to decision-making. These insights directly informed our decision to prioritise the launch of Soluna in the UK in 2026, ensuring cross-functional alignment to support a unified global platform.
- These activities are supplemented by regular internal communications, including newsletters and company-wide All Hands meetings, which showcase the work taking place across our teams.

We remain committed to making Kooth a rewarding place to work, with regular review of employee compensation and benefits. All staff employed at the year-end received a cash bonus reflecting Kooth's performance in 2025. All employees are also awarded long term nominal share cost options on an annual basis, ensuring that our workforce can benefit financially from our shared success.

### Our customers and partners

We foster long-term relationships and collaborative partnerships with government funders, healthcare providers and education settings, the NHS, local authorities, and community and third sector partners that share our mission.

- In addition to gathering regular feedback from our commissioners in the NHS and local authorities, Kooth plays an active role in key industry and sector networks that ensure the priorities of customers and community partners are reflected in our strategic plans, such as our membership of NHS Confederation and the Children and Young People's Mental Health Coalition.
- Their insights have been fundamental in shaping Kooth's strategic direction and product

development priorities. For instance, we are prioritising the development and evaluation of more targeted support for high priority populations, such as those underserved by traditional services or at risk of unemployment. Likewise, we are prioritising the collection of data that better demonstrates local system integration and person-level outcomes.

### Our service users, their families and communities

Maintaining the trust of our service users, their families and communities, and ensuring that they receive the high quality care and service they expect, is crucial to our long-term success and wider reputation.

As such, we engage deeply with service users and their communities to understand their needs, with evidence that we are meeting their needs a key indicator of the Company's success. For instance:

- We hold focus groups to shape the content on our platforms and undertake detailed user experience research and analysis of platform data to understand how and why people use Kooth's services. This includes analysis of both feedback scores and user journey data.

- User voice data is further supplemented by rigorous research and evaluation of our services, considering clinical and functional outcomes. This requirement has underpinned our partnership with Northwestern University and other leading researchers to provide independent validation that Kooth's services deliver benefits for our service users.

### Investors

We are committed to delivering long-term value and capital growth through transparent engagement with our shareholders.

- The CEO and CFO maintain a regular dialogue with institutional investors and analysts, with regular updates available via the Kooth investors microsite (<https://investors.kooth.com>).
- In 2025, we expanded our reach to retail shareholders through the Edison TV platform.
- Shareholder feedback on capital allocation informed our decision to execute a £1.5m share buyback programme, returning value while maintaining a robust cash position of £21.6m. We prioritised reporting Adjusted EBITDA (£11.3m) as a key metric to demonstrate the underlying profitability and operational discipline of the Group.



## Environment and high standards of conduct

As described in the ESG section and elsewhere in this report, the Board believes that maintaining a reputation for integrity and ethical innovation - with due regard to our environmental impact - is a prerequisite for long-term success, with clear benefits for all of our stakeholders. For instance, in 2025, we have ensured that this commitment is embedded within operational activity and strategic priorities by ensuring oversight of:

- **AI Ethics:** In its fourth year, Kooth's AI Ethics Committee provides critical oversight on the responsible use of AI across Kooth. This ensures our AI strategy is informed not only by clinical safety and commercial objectives, but also the impact on the environment, communities and society and how best to mitigate issues.
- **Accreditation:** To uphold high standards of conduct, Kooth prioritised the achievement of URAC accreditation in the US and maintained BACP accreditation in the UK. These independent validations, alongside active engagement in the evolving regulatory landscape for digital mental health services and AI, are central to our competitive advantage and the trust placed in us by commissioners.
- **ESG & Sustainability:** We published our second TCFD-aligned disclosure, reflecting our commitment to environmental responsibility. While our physical footprint is minimal, we focus on managing Scope 3 emissions, including employee commuting and third-party deliveries, ensuring Kooth grows as a responsible corporate citizen.

## Key decisions made by the Board

As outlined above, the Board is committed to active engagement with all Kooth stakeholders, which is crucial to ensuring that the long-term consequences of decisions can be fully understood. These insights informed the key strategic decisions made by the Board, including:

- Approval of revised strategy to secure growth, with execution of State Alliance Model and success in California emphasised above pursuit of more fragmented opportunities. This decision prioritised long-term stability and embedding of 'social infrastructure' status over short-term revenue growth.
- Enhancing the capability of the Group's Executive Leadership Team, by supporting internal promotion of key talent where appropriate, and external hiring to fill crucial vacancies. The composition of this team now reflects the strategic vision to drive growth in the US, with greater experience of this market now represented, while evidencing talent succession and career development for Kooth employees.
- Acquisition of Kismet Health, to enable the Company to expand reach to children under 12 and support a more diverse pipeline for US growth. This decision reflects a critical 'unmet need' identified by customers and partners for earlier intervention.
- Continued investment into research and evaluation, with a particular focus on the independent research underway with Dr Jessica Schleider at Northwestern University. This was a key decision to provide the "gold standard" evidence required to win and retain high-stakes state contracts in the US and bolster the trust of our service users, their families and communities.



## Principal Risks and Uncertainties

Kooth is exposed to a variety of risks and actively manages them through risk management procedures overseen by Kooth's Legal and Risk team. While risk cannot be eliminated altogether, actions are taken to mitigate risk wherever possible.

Kooth will use risk management to add value. It will aim to achieve a balance between under-managing risks (i.e. being unaware of risks and therefore having little or no control over them), and over-managing them (i.e. an obsessive level of management and control which could stifle innovation and creativity).

Appropriately managed and controlled risk-taking and innovation will be encouraged where it is in furtherance of Kooth's objectives.

Risk management will not focus upon risk avoidance, but on the identification and management of an acceptable level of risk.

It is Kooth's aim to proactively identify, understand and manage the risks inherent in our services and associated with our plans, policies and strategies, so as to support responsible, informed risk taking and as a consequence, aim to improve organisational performance.

Kooth will not support reckless risk taking and will seek to avoid clinical and safeguarding risks. Details of Kooth's financial risk management objectives and policies, and exposure to foreign exchange risk, market risk, credit risk and liquidity risk are given in note 23 to the consolidated financial statements.

The material business and operational risks that the Directors consider Kooth to be exposed to include, but are not limited to, the following:

### Safeguarding

Kooth is not a crisis service; however, the core component of our business is providing counselling and coaching services to children and young people and to adults, some of whom are vulnerable. Given the nature of Kooth's activities, it is necessary to have significant procedures in place to ensure that our most vulnerable users are prioritised and supported appropriately, and to mitigate any potential reputational damage or adverse litigation in the event of a serious safeguarding incident.

Kooth's clinical governance infrastructure is embedded across its platforms and operating model. An AI Ethics Committee, now in its fourth year, provides governance oversight of all AI-

enabled features deployed across the platform, including risk detection models for safeguarding and intelligent matching algorithms that pair service users with practitioners. Every AI feature is clinically co-designed, independently bias-checked, and subject to cross-functional sign-off prior to deployment. Kooth holds BACP accreditation in the United Kingdom and URAC accreditation in the United States, each providing independent third-party validation of its clinical model, safeguarding practices, and service standards. URAC's accreditation process specifically emphasises consumer protection, risk management, performance measurement, and continuous quality improvement. In the United Kingdom, Kooth is pursuing MHRA Class IIa medical device certification for its automated risk assessment capability, which will provide further regulatory validation of its clinical infrastructure. These governance structures are designed to ensure that safeguarding risks are identified, escalated, and managed through appropriate clinical and organisational channels, and that Kooth's services meet the standards expected by NHS commissioners, United States state government partners, and independent accreditation bodies.

### System stability

Kooth requires stable and robust systems and hosting services to enable its services to function. The accessibility of Kooth's platforms, the ease with which users can navigate them, and the breadth of functionality available are key features that affect the attractiveness of Kooth's services to both commissioners and service users. Any disruption could result in compromised service user experience and reputational damage. To prevent this, Kooth conducts regular testing on its systems in addition to active monitoring and maintains a specific recovery plan.

The resilience of Kooth's infrastructure was demonstrated under real-world conditions during the Los Angeles wildfires in January 2025, when Soluna experienced a significant and sudden

increase in demand. Weekly registrations in California more than doubled between the week of 5 January and the week of 31 January, while weekly coaching sessions increased by 73% statewide. In Los Angeles County, weekly registrations rose 151% and coaching sessions increased by 95%. Throughout this period of unplanned demand, average wait times for on-demand coaching remained at two to three minutes. The Board considers this real-world stress test to be evidence of the robustness of Kooth's systems and its ability to scale capacity in response to unexpected surges in demand without compromising service quality.

### Changes in laws and regulations

Kooth's business and its practitioners are subject to regulation across both its markets, and changes in government legislation, guidelines or regulations may have a material adverse effect on its business operations and financial condition. It is not always possible to predict future changes to laws and regulations, and any such changes could cause Kooth to incur significant costs in implementing necessary changes and may restrict aspects of its business, with potential impact on revenue and financial condition.

The regulatory environment for digital mental health, and for AI-enabled services in particular, is evolving rapidly. In the United States, 44 state attorneys general have raised formal concerns about AI in mental health contexts, the American Psychological Association has issued a health advisory, and the Food and Drug Administration has convened specialist advisory panels on generative AI-enabled digital mental health devices. In the United Kingdom, AI chatbots are now within the scope of the Online Safety Act, and both the AI in Healthcare Commission and the Medicines and Healthcare products Regulatory Agency are advancing regulation of digital mental health technologies. Kooth's legal, clinical and policy teams monitor changes to legislation and regulations across both markets, with oversight assured by the Legal team and led by relevant functional departments.



Kooth views the accelerating pace of regulation as consistent with, and supportive of, its existing clinical governance model. Following the publication of updated guidance relating to the classification of Software as a Medical Device in the United Kingdom in 2025, Kooth prioritised demonstrating compliance with the relevant regulations. In October 2025, Kooth made a formal submission to the FDA's Digital Health Advisory Committee, urging the establishment of clear standards for generative AI dialogue, transparency, and user safety; clarification of the boundary between wellness applications and clinical claims; and the development of adaptive regulatory frameworks that enable responsible innovation. The Board considers Kooth's clinical governance infrastructure, accreditations, and proactive regulatory engagement to represent a meaningful competitive advantage in an environment of increasing scrutiny.

## Cyber security and data protection

Kooth must ensure ongoing compliance with various data protection laws, including UK GDPR, the Data Protection Act 2018, and the retained Privacy and Electronic Communications Regulations 2003. As Kooth expands its footprint in the United States, it ensures continued compliance with key federal privacy and security laws, including the Health Insurance Portability and Accountability Act 1996, in addition to applicable state laws in California, New Jersey, and Michigan. There is an inherent risk that data could be processed in breach of relevant data protection legislation, the consequence of which could include a significant financial penalty and reputational damage. No financial information is collected from service users, and all data is encrypted in compliance with NHS data standards in the United Kingdom.

Kooth maintains SOC2 Type II compliance and ISO 27001 certification, both subject to annual independent audit, to ensure it has sufficient controls over data management and meets international standards for information security.

Kooth holds a Data Protection Officer and Head of Information Security in the United Kingdom and a senior Privacy and Compliance Director in the United States, operating through Kooth's Data Protection Office, which draws together relevant expertise across the organisation. The Board considers that Kooth has adequate procedures in place to ensure compliance with applicable data protection legislation and to maintain the security of data collected across both markets.

## People

It is critical to Kooth's ongoing success that it retains and attracts a skilled, engaged and motivated workforce across both the United Kingdom and United States. Failure to do so may negatively impact Kooth's ability to deliver on performance targets and strategic priorities. Software development and clinical practice are areas of strong competition for talent, and both are subject to cost inflation. The regulatory requirement for practitioner accreditation in the United Kingdom creates additional constraints on the speed at which clinical capacity can be scaled.

Kooth is committed to being a leading employer that cares for its people, providing an environment in which employees can perform at their best. The People team manages a range of policies, procedures and practices designed to support all employees, spanning Diversity, Equity and Inclusion, Gender Pay, Ethnicity Pay, Physical and Mental Health, and Recognition and Feedback. Competition for talent is reviewed and monitored on an ongoing basis, and the Board considers the retention of clinical, technical and leadership capability to be a strategic priority.

## Public discourse and political environment

As an organisation operating at the intersection of healthcare, technology and public policy, Kooth is exposed to reputational risk arising from shifts in political and media discourse around digital mental health and AI. The rapid proliferation

of general-purpose AI tools in mental health contexts, frequently without clinical oversight or independent evaluation of safety, has intensified public and regulatory scrutiny of the digital mental health sector as a whole. Kooth's services are purpose-built for mental health support, with clinical governance, safeguarding, and evidence of effectiveness embedded from the outset, and the Board considers this distinction to be increasingly important in the context of heightened scrutiny.

Kooth actively monitors emerging narratives across media and political channels in its core markets and invests in proactive communications, independent research, and clinical validation to support the integrity of its public positioning. The independent evidence base underpinning Kooth's services includes peer-reviewed clinical research demonstrating meaningful improvements in psychological distress, self-harm, and suicidal ideation after one month of platform use; an independently validated health economic model showing a return of over £3 for every £1 spent in the United Kingdom; and a growing body of independent research in the United States, including a pragmatic trial underway at Northwestern University. Accreditations including BACP and URAC provide additional independent validation of Kooth's clinical standards. The Board considers this evidence base, alongside Kooth's proactive engagement with regulatory and policy processes in both markets, to be central to its ability to maintain the trust of commissioners, partners, and the public.

## Economic environment

Despite continued global macroeconomic uncertainty, the Directors anticipate no material change to customer demand or funding availability in Kooth's primary markets.

In the United Kingdom, while public sector spending remains constrained, the Government is prioritising investment in tackling economic inactivity and the rising number of young people not in education, employment or training due to mental health

challenges. Funding remains accessible for services that can demonstrate measurable impact on these outcomes, as evidenced by the award of Department for Work and Pensions contracts to Kooth during 2025, launching across the West Midlands, South Yorkshire, and Cambridgeshire and Peterborough Combined Authorities. In the National Health Service, improving youth mental health access remains a core target, and the shift towards multi-year funding settlements for local systems provides a more stable environment for negotiating and managing longer-term contracts. Kooth is one of the largest individual contributors to the NHS Mental Health Services Dataset in areas where its services are commissioned, accounting for 8 to 10% of reported access figures in those geographies.

In the United States, the macroeconomic environment remains favourable and funding stability is expected across Kooth's operational states. The California Department of Health Care Services has affirmed Soluna's status as part of California's behavioural health infrastructure, with the current contract running to mid-2027. Kooth is engaged in ongoing dialogue with DHCS regarding the future funding pathway. Recognising the significance of the California contract to Group revenue, Kooth is actively mitigating concentration risk through geographic expansion, entering 2026 with contracts across three United States states, an established and growing evidence base, and a strengthened pipeline of prospective state partnerships.

The Strategic Report has been approved by the Board of Directors and signed on its behalf.

**Kate Newhouse**  
Chief Executive Officer  
7 April 2026

# Corporate Governance

## Chair's Introduction to Governance

### DEAR SHAREHOLDER,

As Chair of the Board of Directors of Kooth plc, I am pleased to present this year's Corporate Governance Statement. As Chair, it is my responsibility to ensure that the Company has both sound corporate governance and an effective Board. Since the Company listed on AIM, it has chosen to adopt the Quoted Companies Alliance's Corporate Governance Code for Small and Mid-Size Quoted Companies (the "QCA Code").

During the year, the Board has constructively and proactively challenged management on Company strategies, proposals, operating performance and key decisions, as part of its ongoing work to assess and safeguard the position and prospects of the Company. Board discussions are conducted openly and transparently, which creates an environment for rigorous and robust debate.

The Directors of Kooth recognise the value of good corporate governance in every part of the business. The Board considers that compliance with the QCA Code enables us to serve the interests of all our key stakeholders, including our shareholders, and promotes the maintenance and creation of long-term value in the Company. This report describes our approach to governance, including information on relevant policies, practices and the operation of the Board and its Committees.

Further details of the Company's compliance with the QCA Code can be found on pages 56 to 63 of the Annual Report and the Company website at [investors.kooth.com/investors/corporate-governance](https://investors.kooth.com/investors/corporate-governance)

**Peter Whiting**  
Non-Executive Chair  
7 April 2026



# The Board

## Peter Whiting



**Independent Non-Executive Chair**  
Appointed September 2020

- Committee Memberships:**
- Audit Committee (Chair)
  - Remuneration Committee

Peter had a twenty-five year career as an investment analyst in equity capital markets and has spent the past thirteen years as a non-executive director on the boards of several public and private companies (currently including companies such as Aurigo International plc and Celebrus Technologies plc). He has experience in a broad range of sectors, but has focused on technology, and on software in particular.

## Kate Newhouse



**Chief Executive Officer**  
Appointed January 2022

Combining entrepreneurial drive with a managerial capability and analytical consulting skill set, Kate is CEO and a former member of the Government’s Healthtech Advisory Board. Kate was CEO at leading venture builder Blenheim Chalcot and at Doctor Care Anywhere, taking it from digital health concept to global business, serving over 140 corporate clients at the time of leaving.

## Sanjay Jawa



**Chief Financial Officer**  
Appointed August 2020

Before joining Kooth from Scaleup Capital, where he was an Operating Partner, Sanjay previously held senior finance positions at public and private equity backed technology and services businesses, including QualiTest, Barclays and FTI Consulting. Sanjay qualified as a Chartered Accountant and was an audit manager at PwC.

## Dame Susan Bailey



**Independent Non-Executive Director**  
Appointed September 2020

- Committee Memberships:**
- Audit Committee
  - Remuneration Committee

Dame Susan Bailey OBE DBE worked as a Child and Adolescent Psychiatrist for over 30 years. Susan’s national health policy work and research centres on how to improve healthcare delivery and training of all health practitioners to enable them to best meet the needs of any patient in the context of the unique circumstances of the individual’s life.

## Simon Phillips



**Non-Executive Director**  
Appointed September 2020

- Committee Memberships:**
- Audit Committee
  - Remuneration Committee (Chair)

Simon is Chief Executive of Scaleup Capital, a specialist investor that provides growth capital and expertise to scale-up stage businesses with revenues in the range of £1 million to £20 million in the technology, digital, business services and information sectors.

## Sherry Husa



**Independent Non-Executive Director**  
Appointed April 2024

- Committee Memberships:**
- Audit Committee
  - Remuneration Committee

Sherry’s career in managed healthcare spans more than 36 years, and she has extensive experience in all aspects of the industry. Prior to her retirement from Centene, Sherry was the president and CEO of Meridian Health Plan of Illinois, Inc. She has also held executive positions at other US based health insurers and managed care companies including Great-West HealthCare, National Imaging Associates (NIA), CIGNA Healthcare and Humana.

## The Board

As at the date of this report the Board comprises the Independent Non-Executive Chair, three Non-Executive Directors and two Executive Directors. Short biographical details are set out on the previous page.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all its contractual, statutory and any other obligations, as well as the requirements of any regulatory body.

The Board has the ultimate responsibility for the successful operations of the Company and meets at least eight times per year to set the overall direction and strategy of the Company.

## Board meetings

The Board meets on a regular basis throughout the financial year and as required on an ad hoc basis.

Its mandate is to consider strategy, operational and financial performance, and internal controls. In advance of each meeting, the Chair of the Board sets the agenda, with the assistance of the Company Secretary. Directors are provided with appropriate and timely information, including board papers distributed in advance of the meetings. Those papers include reports from the executive team and other operational heads.

Almond CS is the Company Secretary and attends all Board meetings as well as advising on corporate governance matters. The Company Secretary produces full minutes of each meeting, including a log of actions to be taken. The Chair of the Board then follows up on each action at the next meeting, or before if appropriate.

## Board and committee attendance

The attendance of the Board and the Committees is as follows:

Director	Position	Board Meeting		Audit Committee		Remuneration Committee		Independent? (Y/N)
		Max Possible Attendance	Meetings attended	Max Possible Attendance	Meetings attended	Max Possible Attendance	Meetings attended	
<b>Tim Barker</b>	Co-Chief Executive Officer*	5	5	-	-	-	-	N
<b>Sanjay Jawa</b>	Chief Financial Officer	10	10	-	-	-	-	N
<b>Kate Newhouse</b>	Chief Executive Officer	10	10	-	-	-	-	N
<b>Peter Whiting</b>	Independent Non-Executive Chairman	10	10	4	4	3	3	Y
<b>Susan Bailey</b>	Independent Non-Executive Director	10	9	4	4	3	1	Y
<b>Simon Philips</b>	Non-Executive Director	10	9	4	4	3	3	N
<b>Sherry Husa</b>	Independent Non-Executive Director	10	10	4	4	3	3	Y

\*Tim Barker left in June 2025

## Audit Committee

The Audit Committee comprises four Non-Executive Directors, namely, Peter Whiting (Committee Chair), Susan Bailey (INED), Sherry Husa (INED) and Simon Philips (NED), three of whom are independent. At the discretion of the Committee Chair, Executive Directors were invited to attend meetings of the Audit Committee during the year.

The Audit Committee is responsible for the annual and half-yearly reports to shareholders, other public announcements of a financial nature, reviewing the likelihood of any fraud risks, reviewing the effectiveness of the Company's financial risk management systems and internal controls and overseeing the relationship with the external auditors.

The Audit Committee also reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Audit Committee met four times during the year. In the meetings the Committee considers key risk areas for the financial statements such as revenue recognition, capitalised development costs, going concern and internal controls.

## Remuneration Committee

The Remuneration Committee comprises Simon Philips (Chair), Susan Bailey (INED), Sherry Husa (INED) and Peter Whiting (INED). Only members of the committee have the right to attend meetings, however other individuals such as the CEO, the Chief Operating Officer and external advisors may be invited to attend at different points during the year at the discretion of the Chair. No individual was present for any discussion on their own remuneration.

The role of the Remuneration Committee includes responsibility for all aspects of the remuneration of Executive Directors, including salary, annual bonus and share-based payments, and an awareness of remuneration within the wider workforce and the administration of all share-based remuneration plans within the organisation.

The Remuneration Committee met three times during the year.

## Relationships with stakeholders

The Board is committed to open and ongoing engagement with the Company's Shareholders. The Board will communicate with Shareholders through:

- The annual report and accounts.
- The interim and full-year results announcements.
- Trading updates (where required or appropriate).
- The annual general meetings.
- The Company's investor relations website (in particular, the "RNS News" and "AIM Rule 26" pages).

Further details on the actions taken to engage with stakeholders and respond to their feedback, as well as the Company's policy on diversity and inclusion, can be found in the s.172 statement on page 40.

The Chief Financial Officer is the primary contact for Shareholders and there is a dedicated email address ([investorrelations@kooth.com](mailto:investorrelations@kooth.com)) for shareholder questions and comments. Regular meetings are held between the Chief Executive Officer, Chief Financial Officer and institutional investors and analysts to ensure that the Company's strategy, financials and business developments are communicated effectively. The Board intends to engage with any shareholders who do not vote in favour of resolutions at annual general meetings to understand their motivation.

The Chairs of the Board and Committees are available to meet with shareholders if requested.

## Matters reserved for the Board

Matters reserved for the decision of the Board include, but are not limited to:

- Approving Kooth's strategic aims and objectives;
- Reviewing performance against Kooth's strategic aims, objectives and business plans;
- Overseeing the Company's operations;
- Approving changes to the Company's capital, corporate, management or control structures;
- Approving results announcements and the annual report and financial statements;
- Approving the dividend policy;
- Declaring the interim dividend and recommending the final dividend and any special dividend;
- Approving any significant changes in accounting policies;
- Approving the treasury policy;
- Approving the Company's risk appetite and principal risk statements;
- Reviewing the effectiveness of the Company's risk and control processes;
- Approving major capital projects and material contracts or arrangements;
- Approving all circulars, prospectuses and admission documents;
- Ensuring a satisfactory dialogue with shareholders;
- Establishing Board committees and approving their terms of reference;
- Approving delegated levels of authority;
- Approving changes to the Board and its committees;
- Determining the remuneration policy for the Directors and other senior executives; and
- Providing a robust review of the Company's corporate governance arrangements.

## Board evaluation

In September 2025, the Board undertook a comprehensive, independent effectiveness review facilitated by Personal Performance Coaching to evaluate our ways of working and inform practices under our new CEO. The methodology involved one-to-one interviews with all Board and Executive Leadership Team members, utilising both qualitative questions and quantitative Likert-scale assessments.

The review concluded that the Board demonstrates strong governance, strategic thinking, and a culture of openness and constructive challenge. Key strengths identified included high levels of professionalism, effective financial oversight, and a positive, collaborative relationship with the executive team that respects operational autonomy. While the Board was found to be composed of members with complementary expertise, the review highlighted opportunities to further enhance effectiveness by formalising Board development and succession planning, as well as considering additional US-based representation to align with our strategic growth.

We are committed to acting on these insights, specifically focusing on clarifying the Board's role in navigating the balance between our mission-led and profit-led objectives to ensure long-term value for all stakeholders.

The evaluation was designed to give an overview of the Board's performance based on its alignment with the QCA Code and served to support the Board in identifying challenges and implementing change.

## Risk management and internal controls

The Board acknowledges its responsibility for establishing and maintaining the Company's system of internal controls and will continue to ensure that management keeps these processes under regular review and improves them where appropriate.

The Board's financial risk management objectives involve safeguarding Kooth's assets by identifying, managing, monitoring and reporting the critical risks across the business. As part of the admission to AIM, the Company set up a risk register which identifies, monitors and reports on the critical risks of the business. The risk register covers commercial, financial, operational, competitive, technological and other risks.

Reviews of the Board's risk management and internal control processes are supported by the Audit Committee, who work alongside the Head of Information Security and the Head of Legal and Risk to regularly review and update financial risks and ensure that they are being addressed.

A review of the effectiveness of these systems is included in the Board's informal Board evaluation process.

## Election and re-election of the Directors

In accordance with the Company's Articles of Association and the provisions of the QCA Code, each of the Directors will retire and stand for re-election at the forthcoming AGM.



## QCA Code Compliance

The Chairman's role is to lead the Board of Directors and to be responsible for ensuring that the Company adheres to and applies the standards of corporate governance. The Board and Committees meet regularly as described in the Corporate Governance Report on page 51. The executive team is directed to the day-to-day management and are accountable to the rest of the Board. The Directors support a high standard of corporate governance and have decided to comply with the QCA Corporate Governance Code 2023 ("QCA Code"). The Directors believe that the QCA Code provides the Company with the framework to help embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders.

A summary of how the Company currently complies with the QCA Code is set out below and is updated at least annually in the manner recommended by the QCA Code.

**“The Directors believe that the QCA Code provides the Company with the framework”**



### **Principle 1:**

**Establish a purpose, strategy and business model which promotes long-term value for shareholders**

Kooth's platform and growth strategy is focused around four key pillars that represent a £2 billion+ international addressable market and £400 million UK addressable market, with a platform and operating model that can scale into all markets to tackle the global mental health challenge. The four pillars are US Youth, UK Children and Young People, Adults, and International.

Full disclosure of our Company purpose, strategy and business model can be found in pages 8 to 23 of the Annual Report which is also available on the Company's website. The Directors intend to subject the purpose and strategy to ongoing review and will provide an update on it from time to time in the strategic report that forms part of the Annual Report.

Details of the key challenges faced in executing the Company's purpose, strategy and business model can be found in pages 8 to 23.

### **Principle 2:**

**Promote a corporate culture that is based on ethical values and behaviours**

The Board places significant importance on the promotion of ethical values and good behaviour within the Company and takes ultimate responsibility for ensuring these are promoted and maintained throughout the organisation.

The Company's culture and values, which are highlighted on pages 32 to 33 of the Annual Report, reflect the Board's dedication to promote an ethical culture.

In addition, the Company has documented procedures with respect to its responsibilities regarding ethical behaviour, specifically whistleblowing, social media, anti-bribery and corruption, communication, and general conduct of employees. These procedures are reviewed annually by the Board to ensure they remain relevant, up to date and aligned to the Company's purpose, strategy and business model.

### Principle 3:

#### Seek to understand and meet shareholder needs and expectations

The Board is committed to an open and ongoing engagement with its shareholders. The main methods of communication with shareholders are the Annual Report and Accounts, the annual and half-year results announcements, capital markets day, trading updates, and the Annual General Meeting.

The 'Investor Hub' section of Company's website is also an avenue which the Company uses to communicate directly with shareholders. This can be found at <https://investors.kooth.com>

In addition, the Chief Executive Officer and Chief Financial Officer meet regularly with institutional investors and analysts to ensure that objectives and any business developments are clearly communicated, and that they are available to respond to any enquiries following Company announcements, together with other Company advisers and the Non-Executive Directors. In the last year the Company has presented through Edison TV to reach a wider shareholder audience.

Details of the quantitative and qualitative metrics surrounding the Company's environmental and social matters can be found in the ESG report on pages 32 to 33 of this report.

The Annual General Meeting of the Company gives the Directors the opportunity to meet with shareholders and the ability to give an update on the Company's performance. It also provides the shareholders the opportunity to ask questions of the Directors, either in advance of or during the meeting.

### Principle 4:

#### Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Company takes ESG very seriously and the Board is conscious of the impact that the Company's business activities may have in these areas. The Board recognises that its long-term success will necessitate the maintenance of effective working relationships across a wide range of stakeholders as well as its shareholders; being primarily its workforce, customers and partners and service users.

A detailed report on how the Company has taken into account wider stakeholders and the various environmental & social issues surrounding them, including the figures outlining the Company's greenhouse gas emissions, can be found in the ESG report, Non-Financial and Sustainability report and s172 statement in the Annual Report on pages 32 to 42.

The associated KPIs for these matters can be found on pages 32 to 33 of the Annual Report.

### Principle 5:

#### Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board has ultimate responsibility for the Company's system of internal controls and for reviewing its effectiveness. Such systems are designed to manage risk of failure to achieve the business' stated purpose and strategy. The Board meets frequently during the year during which business and other risks are assessed. The Directors have identified the risks and uncertainties which they consider to be the most significant for investors, which are summarised on pages 44 to 47 of the Annual Report alongside disclosure of the Company's appetite for risk and its risk identification, assessment and management systems.

The Board is also supported in its risk management practices by the Audit Committee. Details of the Committee's approach to financial risk management, as well as how they monitor auditor independence and assist the Board throughout the reporting cycle can be found in the Audit Committee Report on page 64 of the Annual Report.

## Principle 6:

**Establish and maintain the board as a well-functioning, balanced team led by the Chair**

The Board comprises six Directors: the Independent Chairman, three Non-Executive Directors and two Executive Directors.

Further details of the Directors, their experience, independence, diversity and time commitments are set out on page 50 of the Annual Report and the AIM 26 section of the website.

The Board meets regularly with processes in place to ensure that each Director is always provided with such information as is necessary to discharge their duties, as well as having the appropriate mix of skills, experience and capabilities.

The Board is also supported by the Committees (Audit and Remuneration) each with specific remits. The detail of the number of meetings and attendance by Directors is noted on page 51. Details on the performance-related remuneration of the Directors can be found on page 68.



## Principle 7:

**Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities**

The Company Secretary works closely with the Chair and the Chairs of the Board Committees to ensure that Board procedures, including setting agendas and the timely distribution of papers, are complied with and that there are good communication flows between the Board and its Committees, and between senior management and Non-Executive Directors.

There is a formal agenda at each Board Meeting, which includes commercial and operational updates from the Chief Executive Officer and financial and risk updates from the Chief Financial Officer. All reports cover different areas within the Company and cover new business opportunities. Board papers are circulated to the Directors in advance of meetings to enable proper consideration of the content of the papers.

During the course of the year, other matters considered by the Board include annual and half-year results announcements, principal risks and uncertainties, ESG, AGM resolutions, shareholder communications and management incentivisation.

The Chair maintains regular contact with the Non-Executive Directors outside of formal Board meetings and works with the Company secretary to provide regular training materials to keep the Directors' skill sets up-to-date.

All Directors have access to the support and advice of the Company Secretary as required.

The roles, terms of reference and matters reserved for each Committee can be found on page 52 of the Annual Report. The Board has also established a sub-committee for the approval of share issuances concerning their long-term incentive plan.

Further details of the specific responsibilities of each Director and how these have evolved can be found on page 50 of the Annual Report and the AIM Rule 26 section of the website.

**Principle 8:**

**Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

In September 2025, the Board undertook a comprehensive, independent effectiveness review facilitated by Personal Performance Coaching to evaluate our ways of working and inform practices under our new CEO. The methodology involved one-to-one interviews with all Board and Global Leadership Team members, utilising both qualitative questions and quantitative Likert-scale assessments.

The review concluded that the Board demonstrates strong governance, strategic thinking, and a culture of openness and constructive challenge. Key strengths identified included high levels of professionalism, effective financial oversight, and a positive, collaborative relationship with the executive team that respects operational autonomy. While the Board was found to be composed of members with complementary expertise, the review highlighted opportunities to further enhance effectiveness by formalising Board development and succession planning, as well as considering additional US-based representation to align with our strategic growth.

We are committed to acting on these insights, specifically focusing on clarifying the Board's role in navigating the balance between our mission-led and profit-led objectives to ensure long-term value for all stakeholders.

The evaluation was designed to give an overview of the Board's performance and served to support the Board in identifying challenges and implementing change.

The last formal Board evaluation prior to this was conducted by Almond CS in March 2023. The purpose of that evaluation was to review the Board's alignment with the provisions of the QCA code. Consequently, the results of these two evaluations are not comparable, as they assessed different matters.

The Directors discuss the use of a formal evaluation process on a regular basis and will disclose the results of the next evaluation with reference to the steps taken to action any previous evaluation points.

Details of the Board's succession planning process can be found on page 51.

**Principle 9:**

**Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture**

The Board is committed to implementing a remuneration structure which rewards management for their work and aligns their vision with the Company's long-term success.

Details of the remuneration structure and how it supports the Company's purpose, business model, strategy and culture can be found in the Remuneration Committee report on page 66.

**Principle 10:**

**Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders**

The Company places a strong emphasis on the standards of good corporate governance and maintaining an effective engagement with its shareholders and key stakeholders, which it considers to be integral to longer-term growth and success.

Details of the challenges faced in the previous year and how they were addressed at the Board level can be found on page 49.

The Company's Annual reports and accounts and its half year report are key communication channels through which stakeholders are informed of how the Company is governed, updates to its strategic targets and how the Company is progressing in meeting its objectives.

Reports on the structures and activities of the Board's committees can be found in the Audit Committee Report on page 64 and the Remuneration Committee Report on page 66.

The 'Investor Hub' section of Company's website is also an avenue which the Company uses to communicate directly with shareholders. This can be found at <https://investors.kooth.com> and contains the outcomes of all votes cast at general meetings.

Approved by order of the Board

**Almond CS Limited**  
Company Secretary  
7 April 2026

# Audit Committee Report

## Committee Chair's introduction

As the Chair of the Audit Committee of Kooth ('the Committee'), I present the Committee Report for the year ended 31 December 2025, which has been prepared by the Committee and approved by the Board.

## Committee meetings and attendance

The Committee's terms of reference require a minimum of three members. The Committee currently comprises Dame Susan Bailey, Sherry Husa, Simon Philips and myself. The Board considers that I have sufficient, relevant financial experience to chair the Committee, given that I have over 25 years' experience as an investment analyst and currently hold three other listed company Board and Audit Committee positions including one other Audit Chair role. During the year ended 31 December 2025, the Committee met four times with attendance noted above. The Committee is required by its Terms of Reference to meet as frequently as the Committee Chair shall require, and also at regular intervals to deal with routine matters and, in any event, at least three times in each financial year.

## Committee activities

The Committee is responsible for reviewing and reporting to the Board on the Company's financial performance, monitoring the integrity of the Company's financial statements (including Annual and Interim Accounts and results announcements), reviewing financial internal controls and risk management, and reviewing/monitoring the performance, independence and effectiveness of the Company's external auditors. The Committee is also responsible for reviewing the presentation of alternative performance measures to ensure that they were not given undue prominence over statutory measures and challenge the nature and amount of adjusting items.

The Committee's primary activities included meeting with the external auditors, considering the audit approach, scope and timetable, and reviewing the key audit matters for the financial year 2025 audit. In addition, the Committee reviewed the audit provided by Grant Thornton UK LLP, Kooth's external auditors for the financial year ended 31 December 2025 which is the sixth consecutive year end for the firm. The Committee has agreed with Grant Thornton UK LLP that they will continue in post for the next financial year.

The Committee concluded that Grant Thornton UK LLP is delivering the necessary audit scrutiny.

Accordingly, the Committee recommended to the Board that Grant Thornton UK LLP be re-appointed for the next financial year.

As part of the year end audit, the Committee:

- Met with the external auditors to review and approve the annual audit plan and receive their findings and report on the annual audit
- Considered the integrity of the published financial information and whether the Annual Report and Accounts taken as a whole are fair, balanced and understandable and provide the information necessary to assess Kooth's position and performance, business model and strategy
- Reviewed and approved the change in the definition of adjusted EBITDA, satisfying itself that such a change enhanced the comparability and clarity of the financial narratives
- Considered significant issues and areas of judgement with the potential to have a material impact on the financial statements
- Reviewed and approved the year end results and accounts
- Considered significant issues and areas of judgement with the potential to have a material impact on the financial statements

## Committee objectives and responsibilities

The Committee's main responsibilities can be summarised as follows:

- To report on and review the Company's financial performance
- To monitor the integrity of the Company's financial statements and any formal announcements relating to Kooth's financial performance
- To review the Company's internal financial controls and risk management systems.
- To review any changes to accounting policies
- To make recommendations to the Board in relation to the appointment of the external auditors
- To make recommendations to the Board concerning the approval of the remuneration and terms of engagement of the external auditors
- To review and monitor the external auditors' independence and objectivity
- To consider any matter specifically referred to the Committee by the Board
- The Terms of Reference are reviewed annually and are available on the Company's website

## Financial reporting

At the request of the Board, the Committee concluded that the Annual Report and Financial Statements, taken as whole, were fair, balanced, and understandable, and provided the information necessary for shareholders to assess the Group's business model, strategy and performance. The Committee considered the budget for 2026 as well as financial projections into 2027 and concluded that the going concern basis is appropriate. The Committee also reviewed the Strategic Report and concluded that it presented a useful, fair, balanced, and understandable review of the business.

## Auditor independence

To ensure auditor independence, consideration is given to their integrity and the objective approach of the audit process. The use of non-audit services is not considered to be significant and amounts paid in respect of these are disclosed in note 22.

I am satisfied that the Committee has satisfactorily discharged its duties in the year in accordance with its terms of reference.

### Peter Whiting

Chair of the Audit Committee  
7 April 2026

# Remuneration Committee Report

## Committee Chair’s introduction

As the Chair of the Remuneration Committee of Kooth (‘the Committee’), I present the Remuneration Committee Report for the year ended 31 December 2025, which has been prepared by the Committee and approved by the Board.

## Committee meetings and attendance

The four members of the Committee are Dame Susan Bailey, Sherry Husa, Peter Whiting and me. The Board considers that I have sufficient relevant experience to chair the Committee, given the number of Board level positions currently and previously held.

During the year ended 31 December 2025 the Committee met three times. The Committee is required by its Terms of Reference to meet as frequently as the Committee Chair shall require and also at regular intervals to deal with routine matters and, in any event, at least three times in each financial year.

## Remuneration policy for the year ended 31 December 2025

The Remuneration Committee determines the Company’s policy on the structure of Executive Directors’ and if required, senior management’s remuneration. The objectives of this policy are to:

- Reward Executive Directors and senior management in a manner that ensures that they are properly incentivised and motivated to perform in the best interests of shareholders.
- Provide a level of remuneration required to attract and motivate high-calibre Executive Directors and senior management.
- Encourage value creation through consistent and transparent alignment of incentive arrangements with the agreed company strategy over the long term.

- Ensure the total remuneration packages awarded to Executive Directors, comprising both performance-related and non-performance-related remuneration, is designed to motivate the individual, align interests with shareholders and comply with corporate governance best practice.

## Committee objectives and responsibilities

The Committee’s main responsibilities can be summarised as follows:

- To determine the framework or broad policy for the remuneration of the Chair, the Executive Directors, and such other senior executives as it is requested by the Board to consider. The remuneration of Non-Executive Directors shall be a matter for the Chair and the Executive Directors of the Board. No Director shall be involved in any decisions as to their own remuneration
- To determine such remuneration policy, taking into account all factors which it deems necessary (including relevant legal and regulatory requirements)
- To review the ongoing appropriateness and relevance of the remuneration policy, including policy comparisons with market competitors
- To design and determine targets for any performance related pay schemes operated by the Company and approving any annual payments made under such schemes
- To review the design of, and any changes to, all share incentive plans
- To review the structure, size and composition of the Board, including the skills, knowledge and experience
- To give consideration to succession planning
- To recommend new Board appointments
- To consider any matter specifically referred to the Committee by the Board

## Director’s remuneration: salary

Salaries are normally reviewed annually with effect from 1 January, taking into account inflation, salaries paid to directors of comparable companies as well as Group and personal performance. Salaries of Executive Directors are determined by the Remuneration Committee. The Board as a whole

decides the remuneration of the Chair and Non-Executive Directors. No Director participates in decisions about their own remuneration package.

Salaries and fees for Directors effective from 1 January are as follows:

Name	2026 £'000	2025 £'000
Susan Bailey	70	68
Tim Barker*	-	360
Sanjay Jawa	338	330
Kate Newhouse	387	378
Sherry Husa	70	68
Simon Philips	70	68
Peter Whiting	117	114

\*Tim Barker left in June 2025



## Director's remuneration: long term incentives

The Group adopts a Long Term Incentive Plan with all employees of the Group eligible to receive awards under the share plans.

In line with the terms of the scheme, the awards granted to Directors are subject to performance criteria, with 50% being linked to Earnings Per Share growth and 50% linked to comparative total shareholder return (TSR), with both elements being measured over a three year period. TSR is measured by the aggregate of dividends declared and paid, and average share price over the applicable period. The TSR of the Group is compared to the TSR of companies constituting 101-200 of the FTSE AIM All-share Index. The percentage of shares vesting increases from nil at a TSR below the median of the comparator group and rising to 100% at a TSR in the top quartile of the comparator group. The Remuneration Committee considers that the targets are appropriate and are aligned with shareholder interests.

The fair value of the employee services received in exchange for these grants is recognised as an expense on a straight-line basis over the vesting period. The total amount to be expensed is determined by reference to the fair value of the options or shares determined at the date of grant.

The fair value of the awards was calculated using a Stochastic simulation model for options with Y+TSR performance conditions. Non-market based vesting conditions are included in assumptions about the number of options that are expected to become exercisable or the number of shares that the employee will ultimately receive. This estimate is revised at each balance sheet date to allow for options that are not expected to vest and the difference is credited to the Consolidated Statement of Profit and Loss and Other Comprehensive Income with a corresponding adjustment to reserves.

A breakdown of the Directors' current interests in the long term incentives awards is set out below.

### Long term incentives

Name	Title	No. Of Options	Exercise Price (£)
Kate Newhouse	Chief Executive Officer	296,652	0.05
Sanjay Jawa	Chief Financial Officer	272,824	0.05

## Director's remuneration: interests

According to the register of Directors' interests maintained under the Companies Act, the following interests in shares of Group companies were held by the Directors in office at the year end:

Name	No. of Shares
Susan Bailey	-
Sanjay Jawa	373,981
Kate Newhouse	520,966
Sherry Husa	-
Simon Philips*	9,240,679
Peter Whiting	44,000

\*Simon Philips is one of the beneficial owners of the shares held by Root Capital LP Funds.

## Executive Directors' remuneration: current year

Executive Directors' remuneration for the years ended 31 December 2025 and 31 December 2024 was as follows.

2025	(£'000)						
	Name	Base Salary and Fees	Bonus	Pension	Settlement payments	LTIP	Total
	Tim Barker*	180	150	6	125	94	555
	Sanjay Jawa	330	330	9	-	-	669
	Kate Newhouse	378	378	11	-	-	767
	<b>Total</b>	<b>888</b>	<b>858</b>	<b>26</b>	<b>125</b>	<b>94</b>	<b>1,991</b>

\*Tim Barker left in June 2025

2024	(£'000)						
	Name	Base Salary and Fees	Bonus	Pension	Settlement payments	LTIP payments	Total
	Tim Barker	360	360	11	-	-	731
	Sanjay Jawa	300	300	9	-	-	609
	Kate Newhouse	300	300	9	-	-	609
	<b>Total</b>	<b>960</b>	<b>960</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>1,949</b>

## Implementation of policy in 2026

As a part of the strategic review of our remuneration policy in the previous year a bonus scheme has been implemented for Executive Directors to reward performance against annual targets which support the strategic direction of the Group. Awards are up to 100% of salary, performance measured on both personal objectives linked to the strategic direction of the business (maximum opportunity 50% of annual salary) and revenue and EBITDA achievement (maximum opportunity 50% of annual salary, split equally between revenue and EBITDA) and will normally be paid in cash.

We continue to have in place a long-term incentive plan under which the Remuneration Committee has discretion to make option grants to Executive Directors and other staff, subject to the scheme rules, and to determine appropriate performance conditions as noted above.

## Remuneration policy for Non-Executive Directors

Dame Susan Bailey, Peter Whiting, Sherry Husa and I each receive a fee for our services as Directors, which is approved by the Board, mindful of the time commitment and responsibilities of our roles and of current market rates for comparable organisations and appointments. Non-Executive Director fees for the year commencing 1 January 2026 are noted above.

### Simon Philips

Chair of the Remuneration Committee  
7 April 2026



# Directors' Report

The Directors present their report and the audited financial statements of Kooth plc for the year ended 31 December 2025.

## Principal activity

The principal activity of the Group is the provision of online counselling, coaching and support to children, young people, and adults in need. A description and review of the Group's performance during the financial year and indications of future development are set out within the Strategic Report, and this also incorporates the requirements of the Companies Act 2006.

Further details on how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and other key stakeholders, and their effects on the principal decisions taken by the Company during the year can be found in the s.172 statement on pages 40 to 42.

## Share capital

At the time of this report, the Company's share capital comprises 36,694,683 ordinary shares of £0.05 each. During the reporting period the Company purchased 881,468 ordinary shares to hold in treasury and sold 228,189.

The Company has been notified of the following interests in 3% or more of the issued ordinary share capital of the Company. This is the position as at 31 December 2025 (see below).

There are currently no restrictions on the voting rights or transfer of the Company's AIM securities.

The Directors have the authority to issue shares up to two-thirds of the Company's issued share capital. This authority is given on an annual basis by shareholders at the Company's annual general meeting.

Name	% of Issued Share Capital
Root Capital Fund II LP trading as Scale Up Capital	25.7%
Harwood Capital	10.2%
J O Hambro Capital Management Limited	8.9%
River Global Investors LLP	7.4%
Stancroft Trust Limited	6.7%
BGF	6.4%
Cazenove Capital Management	4.3%
LF Gresham House	3.4%

## Dividends

The Directors do not recommend the payment of a dividend (2024: £nil).

## Employees with disabilities

Applications for employment by individuals with disabilities are always fully considered, bearing in mind the abilities of the applicant concerned. In the event that members of staff experience a short or long-term disability, every effort is made to ensure that their employment with the Group continues, and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of individuals with disabilities should, as far as possible, be identical to that of other employees.

## Directors

The Directors who held office during the year and up to the date of signing these financial statements were as follows:

- **Kate Newhouse**, Chief Executive Officer
- **Tim Barker**, Co-Chief Executive Officer (left June 2025)
- **Sanjay Jawa**, Chief Financial Officer
- **Peter Whiting**, Chair and Non-Executive Director
- **Simon Philips**, Non-Executive Director
- **Susan Bailey**, Independent Non-Executive Director
- **Sherry Husa**, Independent Non-Executive Director

## Political contributions

During the financial year, Kooth USA LLC made cash donations of £14,930 to the California Democratic Party (2024: £nil). All US-based contributions were made in accordance with local laws (including the Federal Election Campaign Act) and were funded entirely by the US subsidiaries' own locally generated resources.

## Directors' insurance

The Group maintains appropriate insurance cover in respect of any legal action against its Directors.

## Payment of suppliers

It is the Group's policy to pay suppliers in accordance with the terms and conditions agreed in advance, providing all trading terms and conditions have been met. All payments are made in the ordinary course of business, and the Group expects to pay all supplier debts as they become due. Our key suppliers are software technology and digital marketing providers and, given the nature of our service, strong relationships with these suppliers are fundamental to its successful delivery.

## Research and development

During the year the Group invested £8.1 million (2024: £9.8 million) in Research and Development. The majority of this balance forms the amount capitalised during the year to development costs within the statement of financial position. The remainder is expensed in the statement of profit and loss and other comprehensive income.

## Financial instruments

The principal financial instruments comprise cash and short-term deposits and trade receivables. Details of the Group's exposure to financial risks are set out in note 23 to the financial statements.

## Anti-bribery

It is our policy to conduct all our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

## Going concern

The Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for the foreseeable

future. For this reason, the going concern basis continues to be adopted in the accounts.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 8 to 23. In addition, note 23 to the financial statements include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposures to credit risk and liquidity risk.

During the 2025 financial year the Group generated a profit of £2.6 million (2024: £8.0 million). Adjusted EBITDA was £11.3 million (2024: £15.8 million). The Group is in a net asset position of £31.6 million (2024: £29.8 million). The Group generated an inflow of £0.3 million in cash in 2025 (2024: £10.8 million) and ended 2025 with a cash balance of £21.6 million (2024: £21.8 million).

Management has performed a going concern assessment for a period up to 31 May 2027, which indicates that the Group will have sufficient funds to trade and settle its liabilities as they fall due. This assessment considers a number of sensitivities, including a downside scenario and a reverse stress test, which models the scenarios that would lead to a default by the Group. Both the downside scenario and reverse stress test reflect lower activity levels than both the Group forecast and 2025 actual results. The key assumption used in the assessment is revenue and Management has analysed the impact of reduced revenue on the Group's performance.

Whilst Management has concluded that the possibility of the downside scenario occurring is remote, the Group would still have adequate resources to be able to trade and settle its liabilities as they fall due in this scenario. Management deemed the combination of factors occurring as set out in the default model to be implausible.

The Directors have considered the impact of the current climate of increased inflation and interest

rates and do not expect this to have a material adverse impact on the Group. Consequently, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

A list of all non-UK based Company subsidiaries can be found on page 122.

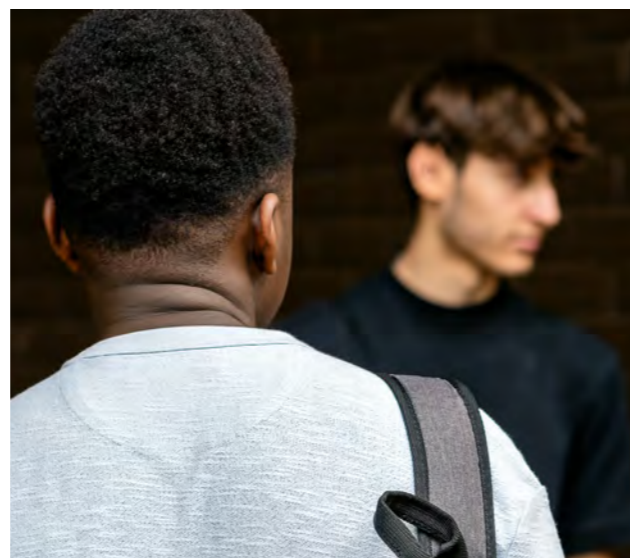
## Employee involvement

The Group continues to attract and retain key talent and places considerable value on the involvement of employees. Employees are regularly consulted regarding matters affecting them through channels such as Company-wide briefings, employee engagement surveys, and email announcements, and their interests are taken into account in making decisions that are likely to affect their interests.

The Group is committed to providing equality of opportunity to all existing and prospective employees without discrimination through channels such as our employee feedback platform across our UK and US workforce.

As a publicly listed business, we can offer our staff long term, annual incentives to reward their hard work, passion and impressive results.

Further details on employee engagement is provided in the Section 172 statement on page 40.



## Environment

The Group adheres to all environmental regulations and has, where possible, utilised environmental-sustaining policies such as recycling and waste reduction. Further details of the Group's Environmental, Social and Governance strategy and SECR disclosures are provided on page 32.

## Future business developments

Details of these are provided in the Strategic Report, and the Chief Executive Officer's Report on pages 8 to 23.

## Notice of Annual General Meeting

Details of business to be conducted at this year's AGM are contained in the Notice of the Annual General Meeting, which will be communicated to shareholders separately. It is the opinion of the Directors that the passing of these resolutions is in the best interest of the shareholders.

In accordance with the Company's articles of association and the provisions of the QCA Code, each of the Directors will retire and stand for re-election at this year's annual general meeting.

Any amendments to the Company's articles must be approved by shareholders at the annual general meeting.

## Significant events after year end

There have been no material events.

## Auditor

Grant Thornton UK LLP was re-appointed as auditor in the year. A resolution to re-appoint Grant Thornton UK LLP as auditor and to authorise the Directors to determine their remuneration will be proposed at the forthcoming AGM.

The Directors' Report was approved by the Board of Directors and signed on its behalf by:

**Sanjay Jawa**  
Chief Financial Officer  
7 April 2026



# Directors' Responsibilities Statement

## In respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have to prepare the group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and group for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- As each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

To the best of our knowledge:

- The group financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

**Sanjay Jawa**

Chief Financial Officer

7 April 2026



# Independent auditor's report to the members of Kooth plc

## Our opinion on the financial statements is unmodified

We have audited the financial statements of Kooth plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025, which comprise Consolidated statement of profit and loss and other comprehensive income, the Consolidated statement of financial position, the Consolidated statement of changes in equity, the Consolidated cash flow statement, the Parent company statement of financial position, the Parent company statement of changes to equity and notes to the financial statements and notes to the Parent company financial statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial

statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Considering the current cash resources of the group, in the context of the forecast cash requirements during the forecast period.

- Challenging the key assumptions in the forecasts and the scope of scenario planning undertaken. Key management assumptions included revenue growth rate, new business wins, contract renewal rate, growth rates in the underlying forecasts, and net working capital structure of the group.
- Assessing the outcome of reverse stress testing and determining if they are plausible, including reperforming calculations and assessing plausibility by corroborating key assumptions and historic trends.
- Evaluating availability and impact of controllable mitigating future actions available to management if downside scenarios were to be realised.
- Assessing management's historical forecasting accuracy by comparison of forecasts made in prior periods to actual results, considering our understanding of the group's operations.
- Assessing the suitability of the models used to forecast cash flows, including testing of the mathematical accuracy.
- Assessing the appropriateness of the disclosures relating to the use of the going concern in the financial statements.

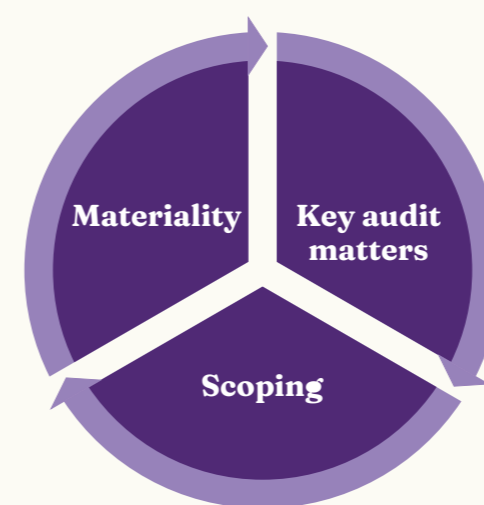
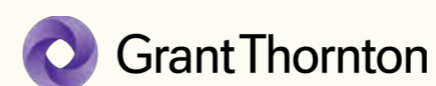
In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflation and the cost of living crises, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually

or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## Overview of our audit approach

### Overall materiality:

Group: £630,000, which represents 1% of the group's total revenue.

Parent company: £390,000, which represents 1.5% of the parent company's total assets.

Key audit matters were identified as

- Revenue recognition from significant contract (same as previous year); and
- Accounting for capitalised internal development costs (same as previous year)

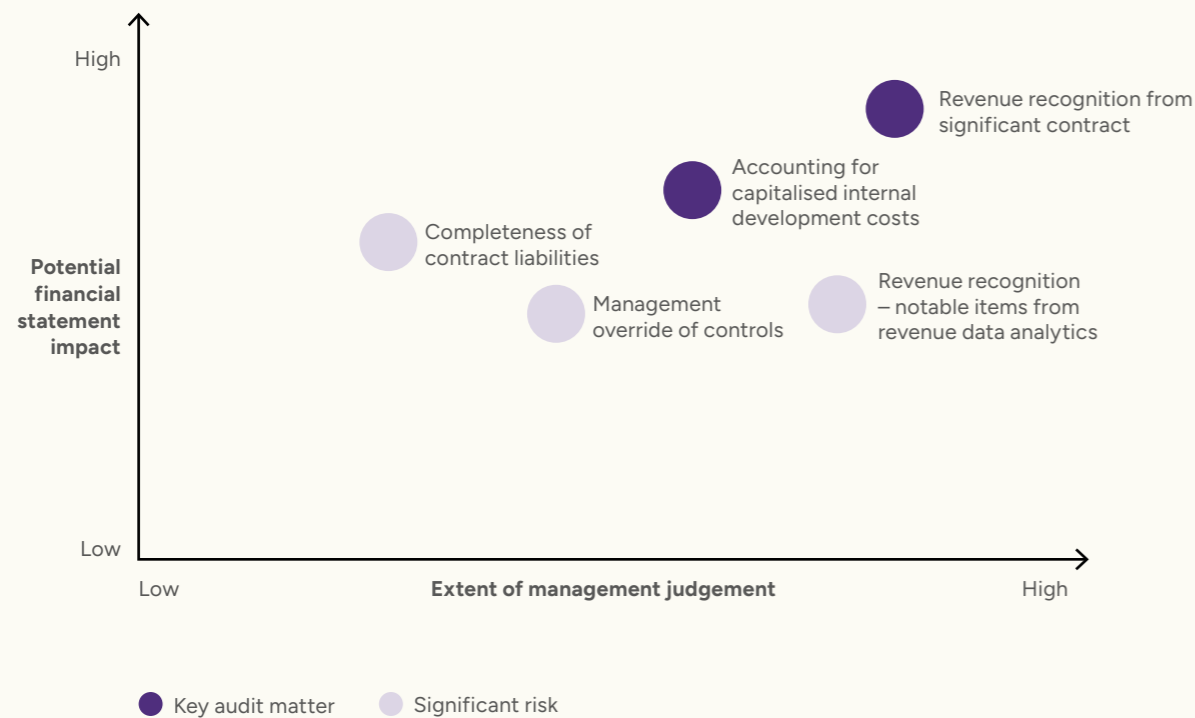
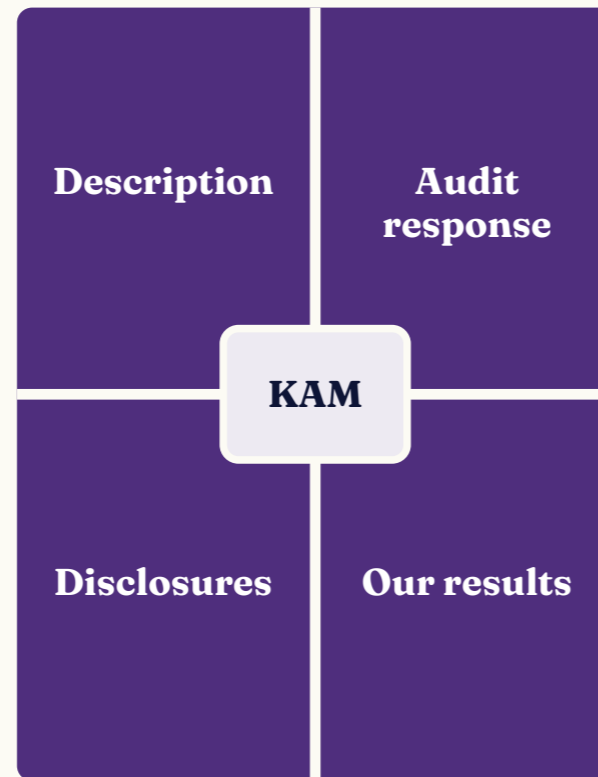
Our auditor's report for the year ended 31 December 2024 included no key audit matters that have not been reported as key audit matters in our current year's report.

We performed an audit of the entire component financial information (full scope audit) on the following components: Kooth USA LLC and Kooth Digital Health Limited using component performance materiality. We performed audits of one or more classes of transactions (specific scope procedures) on Kooth plc and Kooth Group Limited.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.



### Key Audit Matter – Group

#### Revenue recognition from significant contract (2025: £44.9m; 2024: £48.6m)

We identified revenue recognition from the State of California contract as one of the most significant assessed risks of material misstatement due to fraud and error.

The revenue recognition for the State of California contract contained significant judgements and estimates in the application of IFRS 15 'Revenue from Contracts with Customers', particularly in identifying performance obligations and determining the transaction price. This is due to the contract having multiple complex performance obligations, generating complexity in allocating transaction price and therefore revenue recognition. As a result, we identified an opportunity to fraudulently recognise revenue in advance of performance obligation satisfaction which could materially misstate revenue and contract liabilities. The required level of judgement and complexity of estimates also creates an opportunity for material misstatement to occur due to error.

Revenue forms the basis for some of the group's key performance indicators ("KPIs"), both for reporting to external stakeholders and for management incentives. This contract is the largest to date for the group, representing 71% of group revenue in the current year (2024: 73%).

### How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- Assessing the significant judgements and estimates made by management in identifying performance obligations and determining the method of revenue recognition for the contract. This included an assessment of contract terms and mapping them to management's identified performance obligations. We have also considered the pattern of flow of economic benefit to the customer over the life of the contract, with reference to signed contractual terms, to determine the correct method of revenue recognition against the requirements of 'IFRS 15 Revenue from Contracts with Customers'.
- To allocate the transaction price to performance obligations, the cost-plus margin method was utilised for the contract. We obtained an understanding of the year-on-year movement of the forecast costs to complete and compared costs forecasted in the model to the most recent management accounts to assess management's forecasting accuracy. For the actual costs incurred to date in fulfilling the contract, we agreed samples to invoices and bank statements. We challenged management on their accuracy in estimating forecast costs to complete and considered the impact of changes to forecast costs on revenue recognised.
- Assessing whether the performance obligation related to revenue recognition was satisfied, ensuring that all invoiced amounts were billed to the contract and tracing all payments made to bank statements and remittances received.
- The entire US contract asset balance relates to the State of California contract. We evaluated this balance in full by assessing the State of California revenue model, including both revenue recognised during the year and the amounts billed. We reconciled the amount to the corresponding TB balance. We also created an expected contract asset based on the contract terms and compared to actual contract assets recognised at year end.

### Relevant disclosures in the Annual Report

- Financial statements: Note 2.3, Revenue recognition
- Financial statements: Note 3, Significant accounting judgements, estimates and assumptions
- Financial statements: Note 4, Revenue and segmental analysis

### Our results

Based on our audit work, we did not identify any material misstatements in relation to the State of California contract revenue recognised during the year or the related contract assets recognised at year end.

**Key Audit Matter – Group**

**Accounting for capitalised internal development costs (2025: £4.3m; 2024: £6.9m)**

We identified accounting for capitalised internal development costs as one of the most significant assessed risks of material misstatement due to fraud and error.

The group capitalises costs associated with development of their online platforms, which are developed internally and are presented in the Statement of Financial Position at the year end, with an impact on profitability KPIs of the group linked to executive compensation.

Costs must be capitalised when they meet the criteria under 'International Accounting Standards (IAS) 38 Intangible Assets'. This involves management judgement in determining the distinction between research and development costs and costs meeting the capitalisation criteria. Given the existence of management judgement, there is an opportunity and incentive for misapplication of the capitalisation policy, leading to incorrect capitalisation of costs.

**How our scope addressed the matter – Group**

In responding to the key audit matter, we performed the following audit procedures:

- Obtaining and assessing management’s accounting paper documenting their assessment of the level of costs capitalised in each project;
- For a sample of capitalised costs, we corroborated the nature of the work through obtaining an understanding of the nature of the costs, to assess whether any research element had been inappropriately capitalised. For a sample of these capitalised costs, vouched the amounts to supporting documentation such as underlying payroll information or external invoices;
- Where the sample of capitalised costs pertained to capitalised employee costs, in addition to vouching to underlying payroll information, we made enquiries with employees in the development team to gain an understanding of the nature of work they had performed which had been capitalised and the proportion of their time which was spent on qualifying development costs. This included assessing whether the nature of the costs capitalised met the criteria as set out in IAS 38;
- Discussing the overall projects in the year with the Chief Technology Officer. This enabled us to consolidate our understanding of management’s assessment of whether the costs met the criteria for capitalisation was appropriate. We corroborated the capitalisation by assessing the development platform update log made to the projects and traced the level of activity performed; and
- We assessed related accounting policy and disclosures in the financial statements to check these were in line with IAS 38.

**Relevant disclosures in the Annual Report**

- Financial statements: Note 2.3, Intangible assets
- Financial statements: Note 3, Significant accounting judgements, estimates and assumptions
- Financial statements: Note 12, Development costs

**Our results**

Based on our audit work, we did not identify any material misstatements in the accounting for capitalised internal development costs.

We did not identify any key audit matters relating to the audit of the financial statements of the parent company only.

**Our application of materiality**

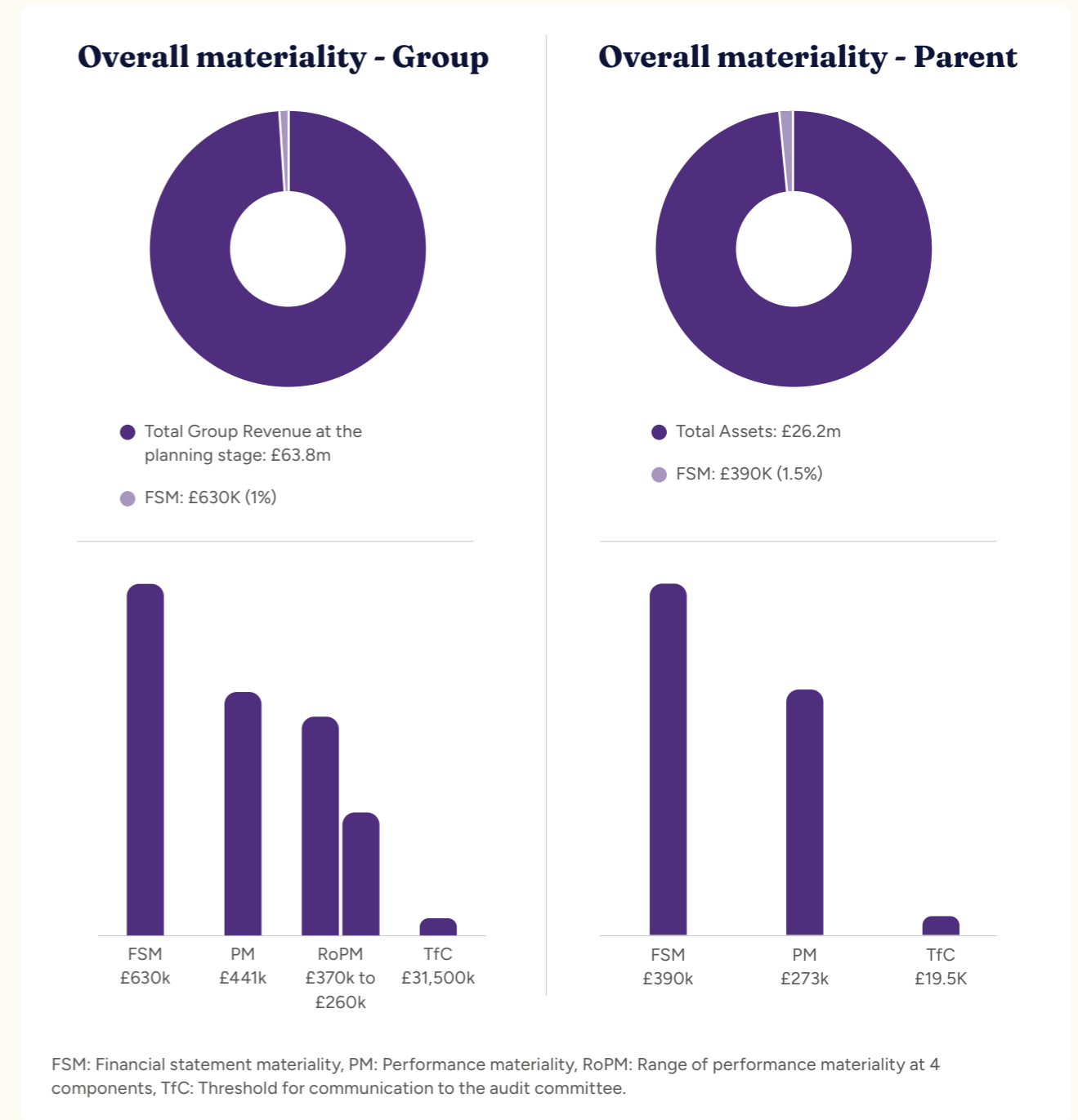
We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor’s report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
<b>Materiality for financial statements as a whole</b>	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£630,000 (2024: £640,000), which represents 1% of revenue.	£390,000 (2024: £377,000), which represents 1.5% of parent company total assets.
Significant judgements made by auditor in determining materiality	<p>In determining materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>• We considered the financial measures which we believed to be most relevant to the shareholders in assessing the performance of the group. Profit before tax is a generally accepted benchmark for a profit orientated business. We concluded that, in isolation, this metric did not appropriately reflect the scale of the group’s ongoing operations or its underlying performance. As a result, revenue was considered the most appropriate metric.</li> <li>• 1% of revenue has been selected which remained consistent from last year. This reflects the consistent reduction of revenue from the significant contract in the US.</li> </ul> <p>Materiality for the current year is lower than the level that we determined for the year ended 31 December 2024 to reflect the decrease in revenue.</p>	<p>In determining materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>• Total assets were considered the most appropriate benchmark because the parent company does not trade and holds material investments in subsidiary companies.</li> <li>• 1.5% of total assets has been selected to reflect the lack of complexity in the transactions it undertakes.</li> </ul> <p>Materiality for the current year is higher than the level that we determined for the year ended 31 December 2024 to reflect increase in total assets held.</p>

Materiality measure	Group	Parent company
<b>Performance materiality used to drive the extent of our testing</b>	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	£441,000 (2024: £448,000), which is 70% (2024: 70%) of financial statement materiality.	£273,000 (2024: £264,000), which is 70% (2024: 70%) of financial statement materiality.
Significant judgements made by auditor in determining performance materiality	<p>In determining performance materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>Our understanding of the entity, updated during the performance of risk assessment procedures,</li> <li>Consideration of the strength of the control environment based on our assessment of the design and implementation of controls; and</li> <li>Consideration of the number and individual magnitude of audit adjustments observed in the previous year.</li> </ul>	<p>In determining performance materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>Our understanding of the entity, updated during the performance of risk assessment procedures,</li> <li>Consideration of the strength of the control environment based on our assessment of the design and implementation of controls; and</li> <li>Consideration of the number and individual magnitude of audit adjustments observed in the previous year.</li> </ul>
<b>Specific materiality</b>	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	<p>We determined a lower level of specific materiality for the following areas:</p> <ul style="list-style-type: none"> <li>Related party (excluding intercompany) transactions</li> </ul>	<p>We determined a lower level of specific materiality for the following areas:</p> <ul style="list-style-type: none"> <li>Related party (excluding intercompany) transactions</li> </ul>
<b>Communication of misstatements to the audit committee</b>	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£31,500 (2024: £32,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£19,400 (2024: £18,850), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality and the range of component performance materiality interacts with our overall materiality and the threshold for communication to the audit committee.



## An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

### Understanding the group, its components, their environments, and its system of internal control including common controls

- We, the group auditor, obtained an understanding of the group and its components, their environment, including common controls, and assessing the risks of material misstatement at the group level.
- In assessing the risk of material misstatement of the group financial statements, we considered the transactions undertaken by each entity and therefore where the focus of our work was required.

### Identifying components at which to perform audit procedures

- We identified components at which to perform audit procedures by considering components which included an individual risk of material misstatement to the group financial statements, this included considering the nature of individual components and circumstances during the year.
- We also considered components which contained a nature and/or size of classes of transactions which were deemed financially significant and whether further procedures were required at other components to obtain sufficient appropriate audit evidence to support the group opinion.

### Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- Full scope audit procedures were performed on the financial information of two components, being Kooth USA LLC and Kooth Digital Health Limited; These procedures included a combination of tests of details, including addressing key audit matters stated above.

- Specified audit procedures were carried out on two components using component performance materiality, being Kooth plc and Kooth Group Limited. These procedures included a combination of tests of details, including addressing key audit matter stated above and analytical procedures were designed to increase coverage of the group's financial statement line items.
- No component auditors were involved in performance of the audit with the group auditor performing all audit procedures.

### Performance of our audit

- For components subject to full scope audit, we evaluated the design and implementation of controls over the financial reporting systems identified as part of our risk assessment and addressed critical accounting matters such as those related to the key audit matters as identified above. With respect to revenue recognition, we evaluated the design and implementation of relevant controls and performed substantive procedures.

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest impact on the group financial statements either due to risk, size or coverage.

The components within the scope of further audit procedures accounted for the following percentages of the group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage total assets	% coverage revenue	% coverage profit before tax (on absolute basis)
Full-scope audit	2 (2024: 2)	28% (2024: 37%)	100% (2024: 100%)	53% (2024: 77%)
Specific scope procedures	2 (2024: 2)	72% (2024: 63%)	0% (2024: 0%)	47% (2024: 23%)
<b>Total</b>	<b>4 (2024:4)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 76, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee

that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the parent company, the group and the industry in which they operate. We determined that the following laws and regulations were most significant: UK-adopted international accounting standards, Financial Reporting Standard 101 'Reduced Disclosure Framework', the Companies Act 2006, the Quoted Companies Alliance Corporate Governance Code, tax compliance regulations in the US and the UK, which are the principal jurisdictions in which the group operates;
- We understood how the parent company and the group are complying with applicable laws and regulations, through discussions with the Audit Committee and we corroborated our understanding through our review of Board minutes, and papers provided to the Audit Committee;
- Based on the results of our risk assessment we designed further audit procedures to identify noncompliance with such laws and regulations identified above. These procedures were performed at all components within the scope of our audit. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business; enquiries of legal counsel and group management at locations where full scope audit procedures and specified audit procedures were performed;

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the industry in which the client operates
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the parent company's and the group's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - the legal and regulatory requirements specific to the entity including:
    - the provisions of the applicable legislation
    - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules
    - the applicable statutory provisions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Lindsay Bergh

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London, UK  
7 April 2026

# Financial statements

## Consolidated statement of profit and loss and other comprehensive income

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Revenue	4	63,286	66,744
Cost of sales	5	(17,004)	(14,757)
<b>Gross profit</b>		<b>46,283</b>	<b>51,987</b>
Administrative expenses	5	(42,891)	(42,831)
<b>Operating profit</b>		<b>3,392</b>	<b>9,156</b>

Analysed as:			
<b>Adjusted EBITDA</b>		<b>11,334</b>	<b>15,754</b>
Depreciation & amortisation	12, 13, 14	(6,197)	(5,376)
Share based payment expense	6	(1,107)	(1,222)
Foreign exchange movement	5	(638)	-
<b>Operating profit</b>		<b>3,392</b>	<b>9,156</b>

Other income	7	261	-
Interest income	8	718	702
<b>Profit before tax</b>		<b>4,370</b>	<b>9,858</b>

Tax	9	(1,762)	(1,824)
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<b>Profit after tax</b>		<b>2,608</b>	<b>8,034</b>
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### Other comprehensive income/(expense)

Items that are or may be reclassified subsequently to profit or loss:

Foreign currency translation differences		(291)	244
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<b>Total comprehensive income for the year</b>		<b>2,317</b>	<b>8,278</b>
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Profit per share - basic (£)	10	0.07	0.22
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Profit per share - diluted (£)	10	0.07	0.21
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## Consolidated statement of financial position

As at 31 December 2025

	Note	31 December 2025 £'000	31 December 2024 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	11	511	511
Development costs	12	8,464	10,124
Right of use asset	13	-	20
Property, plant and equipment	14	180	266
Deferred tax	15	401	1,244
<b>Total non-current assets</b>		<b>9,556</b>	<b>12,165</b>
<b>Current assets</b>			
Trade and other receivables	16	5,088	8,733
Contract assets	17	3,040	292
Cash and cash equivalents	18	21,580	21,841
<b>Total current assets</b>		<b>29,708</b>	<b>30,866</b>
<b>Total assets</b>		<b>39,264</b>	<b>43,031</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables	19	(693)	(2,683)
Contract liabilities	20	(1,553)	(3,781)
Lease liability	13	-	(23)
Accruals and other creditors	19	(4,545)	(5,264)
Tax liabilities	19	(881)	(1,526)
<b>Total current liabilities</b>		<b>(7,672)</b>	<b>(13,277)</b>
<b>Net current assets</b>		<b>22,036</b>	<b>17,589</b>
<b>Net assets</b>		<b>31,592</b>	<b>29,754</b>
<b>Equity</b>			
Share capital	21	1,835	1,834
Treasury shares	21	(1,088)	(17)
Share premium account	21	23,444	23,444
P&L reserve		8,577	5,955
Share-based payment reserve	21	3,021	2,444
Capital redemption reserve	21	115	115
Merger reserve	21	(4,104)	(4,104)
Translation reserve	21	(208)	83
<b>Total equity</b>		<b>31,592</b>	<b>29,754</b>

The financial statements of Kooth plc (Company registration number 12526594) were approved by the Board of Directors and authorised for issue on 7 April 2026.

They were signed on its behalf by:

**Sanjay Jawa**  
Chief Financial Officer  
7 April 2026

## Consolidated statement of changes in equity

For the year ended 31 December 2025

	Share capital	Treasury shares	Share premium	Share based payment reserve	P&L reserve	Capital redemption reserve	Merger reserve	Translation reserve	Total Equity
<b>Balance at 1 January 2024</b>	<b>1,825</b>	<b>-</b>	<b>23,444</b>	<b>2,142</b>	<b>(2,503)</b>	<b>115</b>	<b>(4,104)</b>	<b>(161)</b>	<b>20,758</b>
Profit for the year	-	-	-	-	8,034	-	-	-	8,034
Other comprehensive income	-	-	-	-	-	-	-	244	244
Total comprehensive income	1,825	-	23,444	2,142	5,531	115	(4,104)	83	29,036
<b>Transactions with owners:</b>									
Share options exercised	9	-	-	(424)	424	-	-	-	9
Share based payment charge	-	-	-	1,142	-	-	-	-	1,142
Treasury shares purchased	-	(17)	-	-	-	-	-	-	(17)
Deferred tax	-	-	-	(416)	-	-	-	-	(416)
<b>As at 31 December 2024</b>	<b>1,834</b>	<b>(17)</b>	<b>23,444</b>	<b>2,444</b>	<b>5,955</b>	<b>115</b>	<b>(4,104)</b>	<b>83</b>	<b>29,754</b>
<b>Balance at 1 January 2025</b>									
<b>Balance at 1 January 2025</b>	<b>1,834</b>	<b>(17)</b>	<b>23,444</b>	<b>2,444</b>	<b>5,955</b>	<b>115</b>	<b>(4,104)</b>	<b>83</b>	<b>29,754</b>
Profit for the year	-	-	-	-	2,608	-	-	-	2,608
Other comprehensive income	-	-	-	-	-	-	-	(291)	(291)
Total comprehensive income	1,834	(17)	23,444	2,444	8,563	115	(4,104)	(208)	32,071
<b>Transactions with owners:</b>									
Share options exercised	1	-	-	(415)	415	-	-	-	1
Share based payment charge	-	-	-	992	-	-	-	-	992
Treasury shares purchased	-	(1,483)	-	-	-	-	-	-	(1,483)
Sale of treasury shares	-	412	-	-	(401)	-	-	-	11
Deferred tax	-	-	-	-	-	-	-	-	-
<b>As at 31 December 2025</b>	<b>1,835</b>	<b>(1,088)</b>	<b>23,444</b>	<b>3,021</b>	<b>8,577</b>	<b>115</b>	<b>(4,104)</b>	<b>(208)</b>	<b>31,592</b>

The notes on pages 97 to 123 form part of the financial statements.

## Consolidated cash flow statement

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>			
Profit for the year		2,608	8,034
<b>Adjustments:</b>			
Depreciation, amortisation and impairment	12, 13, 14	6,197	5,692
Income tax paid		(1,350)	(624)
Share based payment expense	6	1,107	1,222
Income tax recognised	9	1,762	1,824
Other income	7	(261)	-
Interest income	8	(718)	(702)
		<b>9,345</b>	<b>15,446</b>
<b>Movements in working capital</b>			
Decrease/(Increase) in trade and other receivables	16	897	(1,600)
(Decrease)/Increase in trade and other payables	19, 20	(4,688)	3,241
<b>Net cashflow from operating activity</b>		<b>5,554</b>	<b>17,087</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	14	(72)	(120)
Additions to intangible assets	12	(4,381)	(6,887)
Interest income	8	718	702
<b>Net cash used in investing activities</b>		<b>(3,735)</b>	<b>(6,305)</b>
<b>Cash flows from financing activities</b>			
Acquisition of treasury shares	21	(1,483)	-
<b>Net cash from financing activities</b>		<b>(1,483)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>			
		336	10,782
Foreign exchange adjustments		(597)	55
Cash and cash equivalents at the beginning of the year	18	21,841	11,004
<b>Cash and cash equivalents at the end of the year</b>	<b>18</b>	<b>21,580</b>	<b>21,841</b>

## Notes to the financial statements

### 1. Corporate information

Kooth plc is a company incorporated in England and Wales. The address of the registered office is 5 Merchant Square, London, England, W2 1AY.

### 2. Significant accounting policies

#### 2.1 BASIS OF PREPARATION

The consolidated financial statements of Kooth plc and its subsidiaries (collectively, the Group) for the year ended 31 December 2025 have been prepared and approved by the directors in accordance with UK-adopted International Accounting Standards.

The Company's UK subsidiaries listed below are exempt from the requirements to audit their accounts under section 479A of the Companies Act 2006:

- Kooth Digital Health Limited 04154208
- Kooth Group Limited 09795273

Under section 479A of the Companies Act 2006, Kooth Plc, being the parent undertaking of these entities, has given a statutory guarantee of all the outstanding liabilities to which the companies are subject to as at 31 December 2025.

#### Measurement convention

The financial statements are prepared on the historical cost basis. These policies have been consistently applied to all years presented unless otherwise stated. All values are presented in Sterling and rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

#### Going concern

The Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in the accounts.

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 8 to 23. In addition, note 23 to the financial statements include the company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposures to credit risk and liquidity risk.

During the 2025 financial year the Group generated a profit of £2.6 million (2024: £8.0 million). Adjusted EBITDA was £11.3 million (2024: £15.8 million). The Group is in a net asset position of £31.6 million (2024: £29.8 million).

Management has performed a going concern assessment for a period up to 31 May 2027, which indicates that the Group will have sufficient funds to trade and settle its liabilities as they fall due. This assessment considers a number of sensitivities, including a downside scenario and a reverse stress test, which models the scenarios that would lead to a default by the Group. Both the downside scenario and reverse stress test reflect lower activity levels than both the Group forecast and 2025 actual results. The key assumption used in the assessment is revenue and Management has analysed the impact of reduced revenue on the Group's performance.

Whilst Management has concluded that the possibility of the downside scenario occurring is remote, the Group would still have adequate resources to be able to trade and settle its liabilities as they fall due in this scenario. Management deemed the combination of factors occurring as set out in the default model to be implausible.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and as such continue to adopt the going concern basis of accounting in preparing the financial statements.

## 2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2025, with the comparatives presented for the previous 12 months being the Group's combined activities for the 12 months ended 31 December 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
  - The contractual arrangement(s) with the other vote holders of the investee
  - Rights arising from other contractual arrangements
  - The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated

financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### 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 4.

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

### Revenue recognition

The Group applies IFRS 15 "Revenue from Contracts with Customers". To determine whether to recognise revenue, the Group follows the five-step process as set out within IFRS 15.

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue as/when performance obligation(s) are satisfied.

### Provision of online counselling contracts

Revenue arises from the provision of counselling services and mental health support services under fixed price contracts. Contracts are typically for a 12 month period and are fixed price based on the population covered and an expected number of hours of counselling provided.

Contracts with customers take the form of signed agreements from customers. There is one distinct performance obligation, being the provision of counselling services, to which all the transaction price is allocated. Revenue from counselling services is recognised in the accounting period in which the services are rendered. The contracts are satisfied monthly over the contract term for an agreed level of support hours. Revenue is recognised over-time, on a systematic basis over the period of the contract, which reflects the continuous transfer of the service to the customer throughout the contracted service period.

In certain circumstances the number of hours of counselling provided may surpass the expected number of hours within the contract. In this circumstance, Management does not recognise additional revenue during the period, as contractually the Group has no right to demand payment for additional hours. In some instances, the Group has recovered additional fees post year end for the additional hours incurred; this additional revenue is recognised at a point in time when the

Group has agreed an additional fee and has a right to invoice. At each reporting date there was no significant overprovision of hours noted.

In instances where the number of counselling hours provided is less than the contracted number of hours, the full fixed fee is still payable by the customer.

### Platform build and behavioural support services contracts

Revenue from the California contract arises from the provision of a digital mental health platform alongside supporting behavioural healthcare services, promotional campaigns, reporting and analysis and technical support. The contracts have fixed and variable pricing elements which depend on platform utilisation, with a service period of more than one year. Contracts with customers take the form of signed agreements from customers.

The contracts include an enforceable right by either party to terminate the contract without penalty with a fixed notice period. The contract term is therefore limited up to the end of the notice period. The transaction price is determined as all consideration due within the contract period. The contract term is modified each month if the termination clause is not enacted with the modification being treated on a prospective basis as the incremental transaction price does not reflect the standalone selling price for the additional distinct services.

Under IFRS 15, five distinct performance obligations have been identified for these contracts:

- Providing access to a digital mental health platform.
- Customer contact services to resolve technical issues.
- Collection and analysis of data and reporting.
- Providing on-platform behavioural healthcare services.
- Conducting promotional campaigns to spread awareness.

Revenue from the first three performance obligations is recognised evenly over time using the output method. This is to reflect the continuous

consumption of the service by the customer over the contracted service period. For the last two performance obligations revenue is recognised using the input method. This is to reflect how much of the service the customer has used by comparing the actual costs incurred to the total projected costs that are expected to be incurred in delivering the service. These costs include directly attributable labour and external marketing and promotion costs.

The allocation of the transaction price between the five performance obligations included in the contract is based on an expected cost plus margin approach as the standalone selling price is not observable.

The transaction price is determined at contract inception as being the most likely amount of consideration in which the Group is entitled to, including any variable consideration. This has been determined through an expected value calculation modelling various utilisation rate projections against their likely achievement. The variable consideration has been appropriately constrained as the Group has limited historical experience to ensure it can be virtually certain there will be no material reversal of revenue.

The Group typically receives cash from customers 44 days after invoicing a customer.

Revenue to come from contracts entered into with performance obligations not fulfilled or only partially fulfilled amounted to £22.8m as at 31 December 2025 (2024: £27.1m), all of which is expected to be recognised within one year.

#### **Contract assets and liabilities**

The Group recognises contract assets in the form of accrued revenue when the value of satisfied or part satisfied performance obligations is in excess of the payment due to the Group, and contract liabilities in the form of deferred revenue when the amount of unconditional consideration is in excess of the value of satisfied or part satisfied performance obligations. Once a right to receive consideration is unconditional, that amount is presented as a trade receivable.

#### **Tax**

##### **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available, against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable

right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

##### **Sales tax**

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

##### **Research and Development Expenditure Credits**

The company claims Research and Development Expenditure Credits (RDEC) under the UK Corporation Tax Act 2009. These credits are recognised when there is reasonable assurance that the company will comply with the conditions attaching to them and that the credits will be received. RDEC is recognised as other income in the statement of profit and loss and other comprehensive income. The RDEC receivable is recognised as a debtor in the statement of financial position.

##### **Property, plant and equipment**

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in its acquisition and installation.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Computer and office equipment  
33.33% straight line

### Goodwill and intangibles

#### Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

#### Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally

generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss within administrative expenses.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Expenditure on internally developed software products and substantial enhancements to existing software product is recognised as intangible assets only when the following criteria are met:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.

- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in administrative expenses within the statement of profit and loss and other comprehensive income.

During the period of development, the asset is assessed for impairment annually.

Amortisation is charged on a straight line basis over the estimated useful life of three years.

Expenditure on research activities as defined in IFRS is recognised in the statement of profit and loss and other comprehensive income as an expense.

#### Impairment testing of intangible assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately independent cash inflows (CGU). Those intangible assets including goodwill and those under development are tested for impairment at least annually. All other individual assets or CGUs are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment charge is recognised for the amount by which the asset or CGUs carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. All assets, with the exception of goodwill, are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

#### Financial instruments

The Group classifies financial instruments, or their

component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the underlying contractual arrangement. Financial instruments are recognised on the date when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value except for trade receivables which are initially accounted for at the transaction price. Financial instruments cease to be recognised at the date when the Group ceases to be party to the contractual provisions of the instrument.

Financial assets are included on the balance sheet as trade and other receivables or cash and cash equivalents.

#### Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 45 days and are therefore all classified as current. Trade receivables are recognised initially at the transaction price. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivable. To measure expected credit losses, trade receivables are analysed based on their credit risk characteristics to determine a suitable historic loss rate. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors that the Group considers could affect the ability of its customers to settle the receivables.

#### Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at

the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that have a maturity date of three months or less from the date of acquisition, are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Leases**

Short term leases or leases of low value are recognised as an expense on a straight-line basis over the term of the lease.

The Group recognises right-of-use assets under lease agreements in which it is the lessee. The underlying assets mainly include property and office equipment and are used in the normal course of business. The right-of-use assets comprise the initial measurement of the corresponding lease liability payments made at or before the commencement day as well as any initial direct costs and an estimate of costs to be incurred in dismantling the asset. Lease incentives are deducted from the cost of the right-of-use asset. The corresponding lease liability is included in the consolidated statement of financial position as a lease liability.

The right-of-use asset is depreciated over the lease-term and if necessary impaired in accordance with applicable standards. The lease liability shall initially be measured at the present value of the lease payments that are not paid at that date, discounted using the rate implicit in the lease. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (application of the effective interest method) and by reducing the carrying amount

to reflect the lease payments made. No lease modification or reassessment changes have been made during the reporting period from changes in any lease terms or rent charges.

#### **Employee benefit plans**

##### **Defined contribution plans**

The Group operates a defined contribution pension plan. Payments to defined contribution pension plans are recognised as an expense when employees have rendered services entitling them to the contributions.

##### **Share-based payment**

Benefits to employees are provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity settled transactions').

The fair value of the employee services rendered is measured by reference to the fair value of the shares awarded or rights granted, which takes into account market conditions and non-vesting conditions. This cost is charged to the statement of profit and loss and other comprehensive income over the vesting period, with a corresponding increase in the share based payment reserve.

The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of shares that will ultimately vest. The charge or credit to the statement of profit and loss and other comprehensive income for a period represents the movement in the cumulative expense recognised at the beginning and end of that period and is recognised in share based payment expense.

#### **ALTERNATIVE PERFORMANCE MEASURES**

Adjusted results are prepared to provide a more comparable indication of the Group's core business performance by removing the impact of certain items including exceptional items, and other, non-trading, items that are reported separately.

The Group believes that EBITDA before separately disclosed items ("adjusted EBITDA") is the most

significant indicator of operating performance and allows a better understanding of the underlying profitability of the Group. The Group defines adjusted EBITDA as operating profit/loss before interest, tax, depreciation, amortisation, realised foreign exchange differences and share based payments.

The Group also measures and presents performance in relation to various other non-GAAP measures, such as gross margin %, annual recurring revenue and revenue growth.

Adjusted results are not intended to replace statutory results. These have been presented to provide users with additional information and analysis of the Group's performance, consistent with how the Board monitors results.

### **3. Significant accounting judgements, estimates and assumptions**

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

#### **ESTIMATES AND ASSUMPTIONS**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. No significant estimates have been identified.

#### **JUDGEMENTS**

The areas of judgement which have the most significant impact on the amounts recognised in the financial statements are as follows:

#### **REVENUE RECOGNITION**

Judgements have been taken in the application of IFRS 15 "Revenue from Contracts with Customer". The determination of the transaction price included judgement as to how much variable consideration was expected to be received across the contract and how much those considerations should be constrained based on projected contract performance. There was judgement taken in allocating the transaction price to the identified performance obligations based on the relative stand-alone selling price (SSP) of each distinct service or item within the contract. An observable SSP was not available, therefore judgement was used to estimate the SSP considering all reasonably available information using an expected cost-plus margin approach.

#### **CAPITALISATION OF DEVELOPMENT COSTS**

The Group capitalises costs associated with the development of the Kooth platforms. These costs are assessed against IAS 38 Intangible Assets to ensure they meet the criteria for capitalisation. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired. Capitalised development expenditure is analysed further in note 12.

Development costs largely relate to amounts paid to external developers, consultancy costs and the direct payroll costs of the internal development teams. Any internal time capitalised is the result of careful judgement of the proportion of time spent on developing the platform and whether that time meets the IAS 38 criteria for capitalisation. Capitalised development expenditure is reviewed at the end of each accounting period for indicators of impairment.

#### 4. 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.

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.

	2025 £'000 US	2025 £'000 UK	2025 £'000 Total	2024 £'000 US	2024 £'000 UK	2024 £'000 Total
Provision of online counselling contracts	1,099	17,196	18,296	101	18,047	18,148
Platform build and behavioural support services contracts	44,991	-	44,991	48,596	-	48,596
<b>Total revenue</b>	<b>46,090</b>	<b>17,196</b>	<b>63,286</b>	<b>48,697</b>	<b>18,047</b>	<b>66,744</b>
Adjusted EBITDA	2,794	8,527	11,334	2,466	13,288	15,754
Non Current Assets	120	9,035	9,155	175	10,747	10,922

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

The group had one customer (2024: one) that accounted for more than 10% of total revenue in 2025. This customer accounted for 71% of group revenue (2024: 73%)

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.

#### 5. Operating profit

	2025 £'000	2024 £'000
Labour costs	8,743	10,550
Direct marketing	8,116	3,935
Share based payment expense	139	261
Travel and subsistence	5	11
<b>Total cost of sales</b>	<b>17,004</b>	<b>14,757</b>
Employee costs	25,986	27,285
Rent and rates	659	666
IT hosting and software	2,453	2,505
Professional fees	4,464	4,201
Marketing	1,357	1,325
Depreciation & amortisation	6,197	5,376
Share based payment expense	968	961
Foreign exchange movement	638	-
Other costs	168	512
<b>Total administrative expenses</b>	<b>42,891</b>	<b>42,831</b>
<b>Total cost of sales and administrative expenses</b>	<b>59,895</b>	<b>57,588</b>

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

## 6. Employee remuneration

	2025 £'000	2024 £'000
Salaries	31,328	33,748
Pensions	735	773
Social security costs	3,241	3,036
Other staff benefits	1,203	1,452
Share based payments	1,107	1,222
	<b>37,614</b>	<b>40,231</b>

Employee remuneration is presented in the financial statements in the following locations:

	2025 £'000	2024 £'000
Cost of sales	8,706	10,606
Administrative expenses	25,471	26,213
Statement of financial position	3,437	3,412
	<b>37,614</b>	<b>40,231</b>

The employee remuneration present in the statement of financial position are the capitalised development costs in accordance with IAS 38.

Employee numbers	2025	2024
Direct	253	294
Indirect	250	251
Developers	51	48
	<b>554</b>	<b>593</b>

Employee numbers disclosed represent the average number of employees, including directors, for the year.

The Directors' remuneration and share options are detailed within the Report of the Remuneration Committee on pages 67 to 69. This includes details of the total Directors' remuneration,

including bonuses and pension contributions and remuneration of the highest paid Director. No directors exercised share options in the year.

The Executive Directors of the Company control 2.5% of the voting shares of the Company (2024: 4.8%).

	2025 £'000	2024 £'000
Share based payment		
Long term incentive awards	1,107	1,222

## LONG TERM INCENTIVE AWARDS

Long term incentive awards have been issued to all staff. Performance conditions are attached to the incentive awards of Executives, with 50% linked to Earnings Per Share growth (adjusted EBITDA growth for grants in 2024 and 2023 and ARR growth for grants prior to 2023) and 50% linked to comparative

total shareholder return (TSR). Awards to the Executive Directors require that the options remain held for two years after their vesting date. Vesting conditions require that all staff remain employed by the business for three years. The shares vest over a three year period with a maximum term of 10 years.

	Number of Options 2025	Weighted average exercise price 2025	Number of Options 2024	Weighted average exercise price 2024
<b>Outstanding at the beginning of the year</b>	2,273,959	£0.05	2,339,017	£0.05
Granted	413,044	£0.05	602,218	£0.05
Forfeited	(302,857)	£0.05	(456,517)	£0.05
Exercised	(245,106)	£0.05	(210,759)	£0.05
<b>Outstanding at the end of the year</b>	<b>2,139,040</b>	<b>£0.05</b>	<b>2,273,959</b>	<b>£0.05</b>

The share options outstanding at the end of the year have a weighted average remaining contractual life of 7.7 years (2024: 8.4 years). The weighted average share price of the options at the date of exercise was 151.3p (2024: 270.2p).

**FAIR VALUE OF OPTIONS GRANTED:**

The fair value of the awards has been calculated using the Black Scholes option pricing model and using a Stochastic simulation model for options

with TSR performance conditions. The following assumptions were used on options granted in the year:

Options granted on	23/05/2025	24/06/2025	18/09/2025
Share price at date of grant	158.0p	179.5p	151.5p
Exercise price	5.0p	5.0p	5.0p
Vesting period (years)	2.8	2.8	2.6
Expected volatility	45.79%	46.76%	46.76%
Discount for lack of marketability	7.29%/0.00%	0.00%	0.00%
Option life (years)	10	10	10
Expected life (years)	10	10	10
Risk-free rate	3.99%	3.87%	3.87%
Expected dividends expressed as a dividend yield	0.00%	0.00%	0.00%
Fair value of options granted	123.3p/133.0p	153.3p	128.0p

The expected volatility is based on the historical volatility of the Company's share price. An assessment of the likelihood of market conditions

being achieved is made at the time that the options are granted.

**7. Other income**

	2025 £'000	2024 £'000
Other income	261	-

Other income relates to claims under the Research and Development Expenditure Credits (RDEC) scheme. These credits are recognised when there is

reasonable assurance that the company will comply with the conditions attaching to them and that the credits will be received.

**8. Interest**

	2025 £'000	2024 £'000
Interest income on cash deposits	718	702

**9. Taxation**

	2025 £'000	2024 £'000
<b>Current tax</b>		
UK corporation tax	-	49
Foreign tax	747	764
Adjustments in respect of prior years	172	22
	<b>919</b>	<b>835</b>
<b>Deferred tax</b>		
Current year	866	1,019
Adjustments in respect of prior years	(23)	(30)
	<b>843</b>	<b>989</b>
<b>Tax charge</b>	<b>1,762</b>	<b>1,824</b>

	2025 £'000	2025 %	2024 £'000	2024 %
<b>Profit before tax for the year</b>	<b>4,370</b>		<b>9,858</b>	
Tax charge at standard rate of 25% (2024: 25%)	1,093	25.0	2,465	25.0
Effects of:				
Permanent items / additional relief under R&D scheme	65	1.5	(547)	(5.5)
Variance in overseas tax rates	(100)	(2.3)	-	0.0
Difference between UK CT & DT rates	-	0.0	(26)	(0.3)
Expenses not deductible/(Income) not taxable for tax purposes	450	10.3	(40)	(0.4)
Prior year adjustments	149	3.4	(8)	(0.1)
Other differences	105	2.4	(20)	(0.2)
<b>Tax charge for the year</b>	<b>1,762</b>	<b>40.3</b>	<b>1,824</b>	<b>18.5</b>

## 10. Earnings per share

	2025 £'000	2024 £'000
<b>Earnings used in calculation of earnings per share:</b>		
On total profits attributable to equity holders of the parent	2,608	8,034
	2025	2024
Weighted average no. of shares (Basic)	36,350,335	36,574,695
Weighted average no. of shares (Diluted)	38,556,835	38,995,084
<b>Shares in issue</b>		
Ordinary shares in issue	36,694,683	36,677,766
Treasury shares acquired	(662,529)	(9,250)
<b>Profit per share on total profits attributable to equity holders of the parent</b>		
Basic, £	0.07	0.22
Diluted, £	0.07	0.21

## 11. Goodwill

	2025 £'000	2024 £'000
Goodwill as at 1 January and 31 December	511	511

Management has established there are two CGUs in the group being the UK and US operations which aligns to the group's reporting segments. Goodwill is allocated across the two CGUs.

The Group tests annually for impairment or more frequently if there are indications that it might be impaired. There were no indicators of impairment noted during the periods presented.

The Group tests goodwill for impairment by reviewing the carrying amount against the recoverable amount of the investment.

Management has calculated the value in use using the following assumptions:

Discount rate	9%
Growth rate	2.5%

Forecasts are based on past experience and take into account current and future market conditions and opportunities. Using alternative discount (increase to 10%) and growth rates (decrease to nil) as sensitised assumptions does not result in any impairment.

The Group prepares forecasts based on the most recent financial budgets approved by the Board.

The forecasts have been used in the value in use calculation along with the assumptions stated above. The forecasts used are consistent with those used in the going concern review and discussed in

note 2. The forecasts extended for a period of 12 months from the date of signing.

There were no impairments in the years ended 31 December 2025 and 31 December 2024.

## 12. Development costs

	2025 £'000	2024 £'000
<b>Cost</b>		
Balance as at 1 January	25,915	19,028
Additions	4,381	6,887
<b>Balance as at 31 December</b>	<b>30,296</b>	<b>25,915</b>
<b>Amortisation</b>		
Balance as at 1 January	(15,791)	(10,278)
Amortisation	(6,041)	(5,197)
Impairment	-	(316)
<b>Balance as at 31 December</b>	<b>(21,832)</b>	<b>(15,791)</b>
<b>Carrying amount 31 December</b>	<b>8,464</b>	<b>10,124</b>

The US Soluna platform has a carrying value of £6.7m and a remaining amortisation period of between 1 and 3 years. The UK platform has a carrying value of £1.7m and a remaining amortisation period of between 1 and 3 years. The newly acquired Kismet platform has a carrying value of £0.1m and is not yet being amortised. The US Klassic platform was fully impaired in 2024 leading to a charge within administrative expenses of £0.3m.

On 14 November 2025, Kooth acquired the assets of Kismet Health Inc, a US paediatric telehealth platform, for the cash consideration of \$1. Associated transaction costs of £33k have

been capitalised in line with the requirements of IFRS 3. Kooth acquired the IP inherent in Kismet's telehealth platform and as such have accounted for the transaction as an asset acquisition in accordance with the optional test under paragraph B7B of IFRS 3. The cost of the acquisition has been allocated against the individual identifiable asset on the basis of its relative fair value at the date of purchase. The asset acquisition agreement includes a potential earn out consideration which has not been recognised on the basis that at the reporting date it is neither probable nor measurable.

### 13. Leases

	2025 £'000	2024 £'000
<b>Right of use asset</b>		
As at 1 January	20	42
Depreciation	-	(22)
Disposal	(20)	-
<b>As at 31 December</b>	<b>-</b>	<b>20</b>
<b>Lease liability</b>		
As at 1 January	23	44
Interest charge	-	4
Cash payment	-	(25)
Disposal	(23)	-
<b>As at 31 December</b>	<b>-</b>	<b>23</b>

During the year ended 31 December 2025, the value of all leases recognised under IFRS 16 were reduced to nil. All remaining leases are either short term leases or leases of low value underlying assets.

### 14. Property, plant and equipment

	2025 £'000	2024 £'000
<b>Cost</b>		
Balance as at 1 January	500	842
Additions	72	120
Disposals	(100)	(462)
<b>Balance as at 31 December</b>	<b>472</b>	<b>500</b>
<b>Depreciation</b>		
Balance as at 1 January	(234)	(538)
Depreciation	(156)	(158)
Disposals	98	462
<b>Balance as at 31 December</b>	<b>(292)</b>	<b>(234)</b>
<b>Carrying amount 31 December</b>	<b>180</b>	<b>266</b>

Property, plant and equipment refers to computer and office equipment.

### 15. Deferred tax assets and liabilities

	Fixed asset temporary differences	Other temporary differences	Tax losses	Total
<b>At 1 January 2024 - asset / (liability)</b>	<b>(1,220)</b>	<b>1,144</b>	<b>2,725</b>	<b>2,649</b>
Movement - (charge) / credit	(62)	344	(1,271)	(989)
Amounts recognised in equity	-	(416)	-	(416)
<b>At 1 January 2025 - asset / (liability)</b>	<b>(1,282)</b>	<b>1,072</b>	<b>1,454</b>	<b>1,244</b>
Movement - (charge) / credit	304	(231)	(916)	(843)
<b>At 31 December 2025 - asset / (liability)</b>	<b>(978)</b>	<b>841</b>	<b>538</b>	<b>401</b>

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

### 16. Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	3,616	7,409
Prepayments	1,118	1,289
Other receivables	353	35
	<b>5,088</b>	<b>8,733</b>

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

### 17. Contract assets

	2025 £'000	2024 £'000
Accrued income	3,040	292

## 18. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash and cash equivalents	21,580	21,841

## 19. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	693	2,683
Accruals and other creditors	4,545	5,264
Tax liabilities	881	1,526
	<b>6,119</b>	<b>9,473</b>

The Group recognises a provision when a legal or constructive obligation exists, a future outflow of resources is probable, and the amount can be reliably estimated. This includes ongoing legal disputes, the estimated costs of which are recorded within other creditors. The Group is also involved in legal proceedings where an outflow of resources is considered to be possible but not

probable, or where the potential costs cannot be reliably measured with sufficient reliability. In these instances, no provision is recognised. In accordance with accounting standards, specific details regarding these claims are not disclosed. The Group believes that revealing such information could seriously prejudice its position in these matters.

## 20. Contract liabilities

	2025 £'000	2024 £'000
Contract liabilities - current	1,553	3,781

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year totalled £3.8m (2024: £5.2m).

The following table shows the movement in contract liabilities:

	2025 £'000	2024 £'000
Contract liabilities recognised at start of the year	3,781	5,156
Amounts invoiced in prior year recognised as revenue in the current year	(3,781)	(5,156)
Amounts invoiced in the current year which will be recognised as revenue in the later years	1,553	3,781
<b>Balance at the end of the year</b>	<b>1,553</b>	<b>3,781</b>

## 21. Equity

	2025 £'000	2024 £'000
Ordinary A shares	1,835	1,834

	2025	2024
Ordinary A shares	36,694,683	36,677,766

The share capital of Kooth plc consists of fully paid ordinary shares with a nominal value of £0.05 per share.

(including on winding up). They do not confer any right of redemption.

The A ordinary shares have attached to them full voting, dividend and capital distribution rights

The following share transactions have taken place during the year ended 31 December 2025:

	2025 Number	2024 Number
At the start of the year	36,677,766	36,480,873
Exercise of share options	16,917	196,893
At the end of the year	<b>36,694,683</b>	<b>36,677,766</b>

Share capital increased from the prior year following the exercise of staff share options.

	2025 £'000	2024 £'000
Treasury shares	(1,088)	(17)

During the reporting period the company purchased 881,468 ordinary shares to hold in treasury and sold 228,189.

	2025 £'000	2024 £'000
Share Premium	23,444	23,444

Share premium represents the funds received in exchange for shares over and above the nominal value.

	2025 £'000	2024 £'000
Share based payment reserve	3,021	2,444

The share-based payment reserve represents amounts accrued for equity settled share options granted.

	2025 £'000	2024 £'000
Merger reserve	(4,104)	(4,104)

The merger reserve was created as a result of the share for share exchange during the year ended 31 December 2020.

	2025 £'000	2024 £'000
Capital redemption reserve	115	115

The capital redemption reserve was established as a result of the deferred share buyback during the year ended 31 December 2020.

	2025 £'000	2024 £'000
Translation reserve	(208)	83

The translation reserve represents differences on translation of balances in Kooth USA LLC which has a functional currency of USD.

## 22. Auditor's remuneration

	2025 £'000	2024 £'000
Fees payable to the auditor for the audit of the Company and Consolidated financial statements	158	145

Fees payable to the auditor and its associates for other services:

Other audit related services	6	6
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## 23. Financial assets and liabilities

	2025 £'000	2024 £'000
<b>Financial assets</b>		
Trade receivables	3,616	7,409
Cash and cash equivalents	21,580	21,841

<b>Financial liabilities</b>		
Trade and other payables	5,238	7,970

The carrying amount of trade receivables are denominated in the following currencies:

	2025 £'000	2024 £'000
GBP	2,079	2,638
USD	1,537	4,771
<b>Total</b>	<b>3,616</b>	<b>7,409</b>

The carrying amount of cash and cash equivalents are denominated in the following currencies:

	2025 £'000	2024 £'000
GBP	6,787	8,696
USD	14,693	12,997
EUR	101	148
<b>Total</b>	<b>21,580</b>	<b>21,841</b>

The carrying amount of trade and other payables are denominated in the following currencies:

	2025 £'000	2024 £'000
GBP	2,839	3,578
USD	2,399	4,392
<b>Total</b>	<b>5,238</b>	<b>7,970</b>

Management has assessed that the fair values of cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Group's principal financial liabilities comprise trade and other payables. The Group has an undrawn debt facility as at 31 December 2025 (2024: £nil). The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and cash that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the Board of Directors who advise on financial risks and the appropriate financial risk governance framework for the Group. The Board provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Market risk is deemed to be immaterial to the Group given that the Group has only undrawn debt facilities in place at the year ended 31 December 2025 (2024: £nil) that would cause interest rate risk.

#### CREDIT RISK

The Group's principal financial assets are cash and trade receivables. The credit risk associated with cash is limited, as the counterparties have high credit ratings assigned by international credit-rating agencies. The credit risk associated with trade receivables is also limited as customers are primarily government backed organisations such as the NHS or State governments. Credit losses historically incurred have been negligible.

#### LIQUIDITY RISK

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by closely managing its cash balance.

As at the year ended 31 December 2025 the Group is solely funded by equity and as a result liquidity risk is deemed to be immaterial. The Group monitors its risk of a shortage of funds through both review and forecasting procedures.

#### FOREIGN CURRENCY RISK

The Group is exposed to the US Dollar through the US subsidiary, Kooth USA LLC, which raises its sales invoices to customers in US Dollars and incurs costs in US Dollars.

With the Group reporting in Sterling, any change to the GBP/USD exchange rate could increase the Group's foreign currency risk. The Group deems the UK and US to be stable economies, thereby significantly reducing foreign currency risk.

If the exchange rate between sterling and the US dollar had been 10% higher/lower at the reporting date, the effect on profit would have been approximately (£1,444,000)/£1,764,000 respectively (2024: (£1,096,000)/£1,340,000). If the exchange rate between sterling and euro had been 10% higher/lower at the reporting date the effect on profit would have been approximately (£9,000)/£11,000 respectively (2024: (£13,000)/£16,000).

## 24. Related party transactions

Note 26 provides information about the Group's structure, including details of the subsidiaries and the holding company. The Group has taken advantage of the exemption available under IAS 24 Related Party Disclosures not to disclose transactions between Group undertakings which are eliminated on consolidation.

Key management personnel are the executive members of the Board of Directors. Remuneration applicable to the Company is disclosed below, with further information disclosed in the Remuneration Committee report.

	2025 £'000	2024 £'000
Salaries and bonuses	1,746	1,920
Pension costs	26	29
Settlement, notice and LTIP payments	219	-
Share based payment charges	161	249
	<b>2,152</b>	<b>2,198</b>

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

	2025 £'000	2024 £'000
Monitoring fees - ScaleUp Capital Limited	68	65

## 25. Capital management policies and procedures

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern.
- To provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services.

The Group monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented in the statement of financial position.

The Group has only undrawn debt facilities in place as at 31 December 2025 (2024: £nil).

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

	2025 £'000	2024 £'000
Total equity	31,592	29,754
Cash and cash equivalents	21,580	21,841
<b>Capital</b>	<b>53,172</b>	<b>51,595</b>
Total equity	31,592	29,754
Lease liability	-	(23)
<b>Financing</b>	<b>31,592</b>	<b>29,731</b>

## 26. Subsidiaries and associated companies

Name	Country of Incorporation	Proportion Held	Activity	Registered Address
Kooth Group Limited	UK	100%	Platform development	5 Merchant Square, London, England, W2 1AY
Kooth Digital Health Limited	UK	100%	Provision of online services to children, young people and adults in the UK	5 Merchant Square, London, England, W2 1AY
Kooth USA LLC	US	100%	Provision of online services to children, young people in the US	1 South Dearborn Street, Chicago, IL, 60603
Kooth Australasia Pty Ltd	Australia	100%	Dormant	158 Brisbane Street, Hobart, TAS, 7000

## 27. Standards issued but not yet effective

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

## 28. Ultimate controlling party

No shareholder owns a majority of shares. The directors do not consider that there is one ultimate controlling party.

## 29. Events after the reporting date

There have been no material events.

## 30. Capital commitments

The Group's capital commitments at 31 December 2025 are £nil (2024: £nil).

## Parent company statement of financial position

	Note	31 December 2025 £'000	31 December 2024 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	1	4,414	4,414
Intercompany receivables	2	15,323	19,377
<b>Total non-current assets</b>		<b>19,737</b>	<b>23,791</b>
<b>Current assets</b>			
Trade and other receivables	5	239	237
Cash and cash equivalents	3	6,460	1,995
Tax receivable	7	170	197
<b>Total current assets</b>		<b>6,869</b>	<b>2,429</b>
<b>Total assets</b>		<b>26,606</b>	<b>26,220</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables	6	(17)	(90)
Accruals and other creditors	6	(196)	(291)
Intercompany payables	2	-	(17)
Tax liabilities	7	(842)	(529)
<b>Total current liabilities</b>		<b>(1,054)</b>	<b>(927)</b>
<b>Net current assets</b>		<b>5,815</b>	<b>1,502</b>
<b>Net assets</b>		<b>25,552</b>	<b>25,293</b>
<b>Equity</b>			
Share capital	8	1,835	1,834
Treasury shares	8	(1,088)	(17)
Share premium account	8	23,444	23,444
P&L reserve		2,329	1,577
Share-based payment reserve	8	3,021	2,444
Capital redemption reserve	8	115	115
Merger reserve	8	(4,104)	(4,104)
<b>Total equity</b>		<b>25,552</b>	<b>25,293</b>

As permitted by section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of the financial statements. The parent company's profit for the financial period was £738k (2024: £210k). The financial statements of Kooth plc (Company registration number 12526594) were approved by the Board of Directors and authorised for issue on 7 April 2026. They were signed on its behalf by:

**Sanjay Jawa**  
Chief Financial Officer  
7 April 2026

## Parent company statement of changes in equity

	Share capital	Treasury shares	Share premium	Share based payment reserve	P&L reserve	Capital redemption reserve	Merger reserve	Total Equity
<b>Balance at 1 January 2024</b>	<b>1,825</b>	<b>-</b>	<b>23,444</b>	<b>2,142</b>	<b>943</b>	<b>115</b>	<b>(4,104)</b>	<b>24,365</b>
Profit for the year	-	-	-	-	210	-	-	210
Total comprehensive income	1,825	-	23,444	2,142	1,153	115	(4,104)	24,575
<b>Transactions with owners:</b>								
Shares options exercised	9	-	-	(424)	424	-	-	9
Share based payment charge	-	-	-	1,142	-	-	-	1,142
Treasury shares purchased	-	(17)	-	-	-	-	-	(17)
Deferred tax	-	-	-	(416)	-	-	-	(416)
<b>As at 31 December 2024</b>	<b>1,834</b>	<b>(17)</b>	<b>23,444</b>	<b>2,444</b>	<b>1,577</b>	<b>115</b>	<b>(4,104)</b>	<b>25,293</b>
<b>Balance at 1 January 2025</b>								
<b>Balance at 1 January 2025</b>	<b>1,834</b>	<b>(17)</b>	<b>23,444</b>	<b>2,444</b>	<b>1,577</b>	<b>115</b>	<b>(4,104)</b>	<b>25,293</b>
Profit for the year	-	-	-	-	738	-	-	738
Total comprehensive income	1,834	(17)	23,444	2,444	2,315	115	(4,104)	26,031
<b>Transactions with owners:</b>								
Shares options exercised	1	-	-	(415)	415	-	-	1
Share based payment charge	-	-	-	992	-	-	-	992
Treasury shares purchased	-	(1,483)	-	-	-	-	-	(1,483)
Sale of treasury shares	-	412	-	-	(401)	-	-	11
Deferred tax	-	-	-	-	-	-	-	-
<b>As at 31 December 2025</b>	<b>1,835</b>	<b>(1,088)</b>	<b>23,444</b>	<b>3,021</b>	<b>2,329</b>	<b>115</b>	<b>(4,104)</b>	<b>25,552</b>

The notes on pages 127 to 130 form part of the financial statements.

## Notes to the parent company financial statements

### Basis of preparation

The Financial Statements are presented in pound sterling, rounded to the nearest thousand, unless otherwise stated. They are prepared under the historical cost basis and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are given in the Consolidated Financial Statements.

As permitted by section 408(4) of the Companies Act 2006, a separate income statement and statement of comprehensive income for the Company has not been included in these Financial Statements. The principal accounting policies adopted are described below. They have all been applied consistently to all years presented.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's Financial Statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the Consolidated Financial Statements.

The following are key accounting policies for the Company:

- Basis of preparation.
- Going concern.
- Trade receivables and payables.
- Cash and cash equivalents.

These policies of the company are consistent with those adopted by the Group and disclosed in note 2 to the consolidated financial statements. The following are additional accounting policies that relate to the Company.

### Investments

Investments are stated at their cost less impairment losses.

### Intercompany

Intercompany balances are intercompany loans and comprise of amounts owed to/owing from subsidiaries. IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

Any key judgements or estimates are consistent with those adopted by the Group.

## 1. Investments

	2025 £'000	2024 £'000
Investment in subsidiaries	4,414	4,414

## 2. Intercompany

	2025 £'000	2024 £'000
<b>Intercompany receivable balances</b>	<b>£'000</b>	<b>£'000</b>
Kooth Group Limited	14,468	8,805
Kooth USA LLC	7	-
Kooth Digital Health Limited	848	10,572
	<b>15,323</b>	<b>19,377</b>

### Intercompany payable balances

Kooth USA LLC	-	(17)
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## 3. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash and cash equivalents	6,460	1,995

## 4. Related parties

Key management personnel are the executive members of the Board of Directors. Remuneration applicable to the Company is disclosed below, with further information disclosed in the Remuneration Committee report.

	2025 £'000	2024 £'000
Salaries and bonuses	1,746	1,920
Pension costs	26	29
Settlement, notice and LTIP payments	219	-
Share based payment charges	161	249
	<b>2,152</b>	<b>2,198</b>

## 5. Trade receivables

	2025 £'000	2024 £'000
Prepayments and other receivables	239	237

## 6. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	17	90
Accruals and other creditors	196	291
	<b>213</b>	<b>381</b>

## 7. Tax assets/liabilities

	2025 £'000	2024 £'000
VAT payable	842	529
Deferred tax asset	170	197

## 8. Equity

	2025 £'000	2024 £'000
Ordinary A shares	1,835	1,834
Number of shares	2025	2024
Ordinary A shares	36,694,683	36,677,766

The share capital of Kooth plc consists of fully paid ordinary shares with a nominal value of £0.05 per share.

Share capital increased from the prior year following the exercise of staff share options.

The A ordinary shares have attached to them full voting, dividend and capital distribution rights (including on winding up). They do not confer any right of redemption.

	2025 £'000	2024 £'000
Treasury shares	(1,088)	(17)

During the reporting period the company purchased 881,468 ordinary shares to hold in treasury and sold 228,189.

	2025 £'000	2024 £'000
Share premium	23,444	23,444

Share premium represents the funds received in exchange for shares over and above the nominal value.

	2025 £'000	2024 £'000
Share based payment reserve	3,021	2,444

The share based payment reserve represents amounts accrued for equity settled share options granted.

	2025 £'000	2024 £'000
Merger reserve	(4,104)	(4,104)

The merger reserve was created as a result of the share for share exchange during the year ended 31 December 2020.

	2025 £'000	2024 £'000
Capital redemption reserve	115	115

The capital redemption reserve was established as a result of the deferred share buyback during the year ended 31 December 2020.

#### Company secretary

Almond CS Limited  
11 York Street, Manchester  
M2 2AW

#### Nominated adviser and joint broker

Stifel Nicolaus Europe Limited  
150 Cheapside, London  
EC2V 6ET

#### Joint Broker

Canaccord Genuity Limited  
88 Wood Street, London  
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



**Company registered office**

Kooth plc  
5 Merchant Square, London W2 1AY.  
Company no: 12526594

[investors.kooth.com](https://investors.kooth.com)

[investorrelations@kooth.com](mailto:investorrelations@kooth.com)