23 September 2026

Kooth Plc

("**Kooth**", the "**Company**" or the "**Group**")

Unaudited Half Year Results

Annual Recurring Revenue £62.9m, Adjusted EBITDA of £5.3m; Continued strong financial base as Company builds on its leading market position

Kooth's US footprint now extends across three States and the recent successful launch of Soluna in UK will help support the conversion of growth opportunities, the expansion of current contract values and drive economies of scale

Kooth (AIM: KOO), a global leader in youth digital mental wellbeing, announces unaudited half year results for the six months ended 30 June 2026 (H1 2026). All figures relate to this period unless otherwise stated.

Business highlights

- Continued expansion of the US footprint across three states (California, New Jersey, Michigan) now enabling access to in-the-moment, evidence-based care for 20.2 million people.
- Strong performance of Soluna in California, with 187,000 registrations by 30 June 2026 and independent academic evaluation validating significant, sustained improvements in the wellbeing of all service users. Soluna is now embedded as a core part of the infrastructure of the Californian Behavioural Health landscape.
- Retained leading market position in the UK, with the successful launch of Soluna allowing for greater alignment with user and customer needs.
- Strengthened strategic differentiation through 'Gold' certification from the American Psychological Association (APA Labs) and continued clinical accreditations, creating a robust competitive advantage.

Financial Highlights

- Reported revenue of £30.8m (2025: £32.1m) with the impact of a £0.7m negative foreign exchange (FX) movement together with a £0.8m planned tapering of California product development revenue and reduced UK revenue of £0.3m, offset by £0.5m from a Michigan contract win. On a constant currency basis[1], revenue decreased 2% over the prior period.

- Reported ARR increased £1.2m to £62.9m (2025: £61.7m) with the Michigan contract win and a £1.5m positive FX impact offset by a reduction in California product development revenue (£1.5m) and UK churn albeit at a lower level than prior periods. On a constant currency basis[2] ARR decreased by £0.3m to £61.4m.

- Gross margin increased by 11.3ppt to 74.1% (2025: 62.8%), reflecting a tapering of marketing spend following accelerated investment during the prior period. Likewise, adjusted EBITDA increased to £5.3m (2025: £2.6m).

- Profit after tax of £2.0m (2025: £1.3m loss).

- Strong balance sheet with net cash of £23.1m (2025: £15.3m) to support Kooth's long-term strategy and growth.

Strategic update

- California Integration: Soluna entered its fourth year of delivery, having now reached over 187,000 registrations. A joint state-level health-education directive encouraging integration across every school district has further embedded Soluna within the State, supported by inclusion of the programme in Governor Newsom's Legacy Report. Funding stability has been reinforced following the announcement of a balanced State budget across 2026-27 and 2027-28.

- Footprint Diversification: Operational footprint now spans three US states, with the successful mobilisation of Michigan contributing £0.5m of revenue in the period.

- Soluna UK launch: Successfully soft-launched Soluna in the UK through August and September, with service users safely migrated between platforms across all UK contracts. Soluna has been warmly received by commissioners and users alike. Contracts with the Department of Work and Pensions to support NEETs (young people not in education, employment, or training) are now in the launch phase.

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[1] For H1 2025, the constant currency rate was 1.3068 for the US Dollar. The H1 2026 average rate is 1.3435.
[2] The H1 2025 constant currency rate for ARR is the 30 June 2025 rate of 1.3661 for US Dollar. The H1 2026 end rate is 1.3221.

- Board Strength: Welcomed Dr. James A. Polo, Chief Medical Officer of Optum Behavioral Health, to the Board as an independent Non-Executive Director in May 2026.

Outlook

- Commercial Acceleration: Focus on pipeline conversion for state contracts in H2 2026. 2025 pipeline opportunities still in play and starting to convert 2026 state pipeline supported by legislative focus and expanded available funding source for youth mental wellbeing highlighted by the social media settlements in the US.
- Alliance Model: Sowing the seeds for a multi-payer Alliance Model to expand our commercial US pipeline beyond current state contracts, with positive results expected in 2027. UK government focus on NEETs, coupled with our early contract wins in this area and product configurability enabled by the Soluna launch, provides strong foundations for diversification of the payer in the UK.
- Product Evolution: Evaluating strategic product expansions to address youth economic inactivity, developing our under-13 teletherapy product (Kismet), and integrating further AI innovation across the continuum of care.
- While it is too early to form a definitive view, we are optimistic that the recent Meta $18bn multi state settlement will elevate youth mental health on state agendas and help provide a supportive funding environment as we continue to advance our state pipeline.

Financial outlook

- The Group expects to deliver underlying results broadly in line with expectations for the year before the potential impact of foreign exchange movements[3].
- We have a strong balance sheet with £23.1m of net cash and an undrawn $9.5m working capital facility to enable long-term investment to maintain our market-leading position and accelerate growth. We expect to increase investment in H2 to further embed Soluna into the California behavioral health infrastructure and ensure we are well-placed to seize emerging opportunities.

[3] Investor analyst consensus estimates are published at https://investors.kooth.com/investors/analyst-consensus

Kate Newhouse, Chief Executive Officer of Kooth, said:

"As we celebrate our 25th anniversary, 2026 has been truly significant. We are growing in the US; independent evaluation and accreditation underpins the strength and impact of the work that we do and is showcased in our successful delivery across California; and bringing Soluna back to the UK marks a moment of celebration as our investment in growth and product development comes full circle.

The foundations that we committed to strengthening in 2025 are now well-established and bearing fruit, with growth in profit and EBITDA demonstrating that it is possible to deliver on outcomes while remaining disciplined on costs and building long-term value for our customers and shareholders.

The durability of our approach to delivery and strategic growth is crucial: with these strong foundations in place, we remain well-placed to accelerate our mission to build mentally healthier populations, leaving no-one behind."

Financial headlines

	Six months ended 30 June 2026 £'000	**Six months ended 30 June 2025 £'000**	**Change**
Revenue			
Total revenue	30,822	32,088	-3.9%
Annual Recurring Revenue	62,883	61,712	1.9%
Gross profit	22,853	20,154	13.4%
Gross margin	74.1%	62.8%	11.3ppt
Adjusted EBITDA	5,271	2,607	102.2%
Profit/(loss) after tax for the period	1,985	(1,255)	n/m
Net increase/(decrease) in cash	1,411	(5,732)	n/m%
Cash position	23,130	15,261	51.6%
Basic earnings per share (£)	0.05	(0.03)	n/m
Diluted earnings per share (£)	0.05	(0.03)	n/m

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About Kooth plc:

Kooth (AIM:KOO) is a global leader in digital mental and behavioural health, providing safe, effective care to over 20 million people across the UK and US. For 25 years, Kooth has pioneered scalable solutions that deliver immediate, direct, universal access to mental health support.

Our platforms - Kooth, Qwell, and Soluna - combine self-guided tools, safe peer communities, and professional therapeutic support, all clinically robust and independently accredited. Kooth holds APA Labs and URAC accreditation in the US and is the longest standing digital mental health provider to hold UK-wide accreditation from the British Association of Counselling and Psychotherapy (BACP), validating our commitment to quality, safety, and accountability across both markets.

Independent evaluations demonstrate a more than £3 in-year return for every £1 invested, with measurable reductions in emergency visits and improved clinical outcomes. Kooth is one of the largest single access providers for mental health support for under-25s in England according to NHS England data for 2025/26. In California, our Soluna platform is the first statewide digital behavioural health solution designed for all youth ages 13-25.

The Company is executing on its strategic vision through expanded reach across a diversified customer base, while seeking opportunities to enhance and extend the service offer through acquisition, partnership, and product capabilities supported by responsible AI principles.

For more information, https://connect.kooth.com.

Chief Executive’s Review

Overview

I am pleased to report on our performance for the first half of 2026, a period that represents another major strategic step for Kooth. We have experienced continued success across the state of California where Soluna has established itself as a core part of the behavioural health support infrastructure, launched Soluna in the UK, and extended our service to the State of Michigan. We are now enabling access to in-the-moment, evidence-based care for 20.2 million people.

Our financial results for the period reflect the underlying strength and operating leverage of our business model. Reported gross profit increased by 13% to £22.9m, driving our gross margin to 74.1% (H1 2025: 62.8%). This significant expansion is a direct result of our disciplined approach, normalising direct service user marketing costs in California following accelerated investment in the prior year. Adjusted EBITDA rose by 102% to £5.3m (H1 2025: £2.6m), and pleasingly we recorded a profit after tax of £2.0m, recovering from a £1.3m loss in H1 2025. Our debt-free balance sheet remains exceptionally strong, with net cash increasing to £23.1m (H1 2025: £15.3m), providing us with the financial resilience and strategic flexibility to maintain our market-leading position and capitalise on future growth opportunities.

Strategic Update

Our market-leading position has been built on a clear, simple premise: the ability to effectively reach and engage young people, providing whole-population, universal access to safe, trusted, evidence-based digital mental health support, ensuring that individuals can access self-guided, peer, or professional clinical support at the immediate point of need.

To sustain this leadership and help scale our global ambitions, we have continued to strengthen our leadership team and commercial infrastructure. In May 2026, we were delighted to welcome Dr. James A. Polo to the Board as an independent Non-Executive Director. A board-certified Child & Adolescent Psychiatrist with more than 25 years of experience across the US provider, payer, and government sectors, James serves as the Chief Medical Officer of Optum Behavioral Health within the United Healthcare Group. His deep domain expertise and passion for technology-enabled clinical solutions will be highly valuable as we scale. Additionally, the appointment of our new Chief Commercial Officer, Fred Bendana, joining from Cigna Group where he worked with government, health plan and employer clients as Executive Leader with Evernorth Health, has brought increased rigour and capacity to the commercial team, positioning us to accelerate our pipeline velocity in both major territories.

California

Our landmark Soluna contract in California has entered its fourth year of delivery under the Department of Health Care Services (DHCS). The platform continues to show exceptional traction, reaching over 187,000 registrations by 30 June 2026 (30 June 2025: over 130,000) and delivering clinical and operational outcomes at a scale rarely seen in digital health.

The credibility of our underlying clinical effectiveness model was reinforced in H1 2026. In March 2026, an independent evaluation published by the Lab for Scalable Mental Health at Northwestern University demonstrated clear, statistically significant, and sustained improvements in wellbeing outcomes for youth utilising Soluna. This academic validation is supported by the American Psychological Association (APA Labs), which awarded Soluna its prestigious 'Gold' certification during the period. These milestones, alongside our existing URAC, BACP and PIF tick (Patient Information Forum UK) accreditations, ensure that our users, commissioners, and health partners can have absolute confidence that Soluna is safe, clinically robust, and meets the highest risk management benchmarks.

As California moves toward its November 2026 Governor election, Soluna has been recognised as a core behavioural health pillar in Governor Gavin Newsom's Legacy Report. Furthermore, the DHCS's own Impact Report, published in April 2026, revealed that Soluna and BrightLife Kids have reached more than 500,000 children, youth, and families across all 58 California counties since launch, completing over 112,000 coaching sessions with a remarkable 98% user satisfaction rate. Crucially, in March 2026, the California Department of Education, the California Health and Human Services Agency, and the DHCS issued a joint directive encouraging all Local Educational Agencies (LEAs) to integrate Soluna into their school wellness strategies. This deep integration, coupled with a balanced California state budget for the 2026/7 and 2027/8 fiscal years, provides us with high confidence in our contractual arrangements and funding stability - and continued success in California is a key priority for the business.

New Jersey & Michigan

Building on our performance in California, we are setting down roots across other US states. In New Jersey, we continue to deliver steady user registration growth under our renewed contract, exceeding our local advocacy and integration targets.

In Michigan, we successfully mobilised our new statewide contract, which contributed £0.5m of recurring revenue during the first half of the year.

Wider US (Broadening the Pipeline)

Conversion of the state pipeline in H2 2026 is a key area of focus. US state leaders remain deeply concerned about the real-world impact of youth mental health challenges on health, academic, social and economic outcomes. This issue is receiving heightened attention as legislators increasingly scrutinise the safety of general-purpose AI platforms and the negative impact of social media on youth mental health, while recognising the urgent need for equally accessible but critically safe, moderated digital therapeutic spaces, like Soluna. The recent Meta $18 billion multi state settlement should provide a favourable funding environment at a state level to invest in services that meet this need.

To capitalise on this environment, we are ensuring that our state focused work is a priority whilst actively diversifying our go-to-market strategies and continuing to lay the groundwork for our “Alliance Model” that we have previously outlined, to broaden our US pipeline beyond solely state-funded contracts. This model is designed to expand our funding sources by integrating our Soluna platform with additional public payers such as counties, large school districts and prior legal settlement funds, as well as Medicaid and commercial health plans. By creating a "networked continuum of care," government funding unlocks population-wide access, and other localised partners fund more targeted or intensive clinical support. Development of these partnerships is now well underway, with conversion to revenue anticipated in future periods.

United Kingdom

In the United Kingdom, Kooth has maintained its position as the clear market leader and the largest digital mental health provider for under-18s. Post-period end, in September 2026, we achieved a major operational milestone with the successful launch of the Soluna platform in the UK, timed to coincide with the start of the new school year. This migration ensures a more streamlined and global approach to product development, marketing and engineering capacity, as we shift toward a global product rather than different platforms for each geography.

The migration of our UK users and commissioners from the legacy Kooth platform to Soluna has been successful and well-received by NHS, government partners and users alike. Soluna introduces advanced usability, technology and product capabilities into our home market, providing commissioners with enhanced real-time outcome reporting and superior product flexibility to drive user engagement. Soluna is increasingly embedded as a 'digital front door'—a critical stepping stone to school-based support or youth services. High-profile independent government policy reviews published in the period have called for precisely this type of open-access, non-diagnostic, and flexible model of support. This strategic alignment has already yielded success, with Kooth securing Department for Work and Pensions contracts to provide tailored support for young people Not in Education, Employment, or Training (NEETs), demonstrating how we can help youth re-engage with education and the workforce.

Looking Ahead

Our strategic foundations are now firmly established; we are now operating on a scalable, profitable, and cash-generative basis.

Looking ahead, we are confident in our current market position and additionally see significant growth opportunities to accelerate growth in the UK and the US. Beyond converting and growing existing State and Alliance Model pipelines, we are keen to remain at the forefront of addressing unmet needs through expanding our product portfolio. This includes more intensive support for communities where mental ill health is a barrier to participation in education or skills, reaching younger age groups, and greater use of AI across services, in line with our ethical AI approach.

The Need is Greater than Ever

As we celebrate Kooth's 25th anniversary, our mission to build mentally healthier populations and leave no one behind for a more productive future remains as vital and urgent as ever. I am constantly reminded of the profound, life-changing impact of our work—whether it is helping a young person share a worry with a trusted professional or supporting them to build the resilience needed to return to school or work.

Our clinical and academic research continues to validate that Kooth's services enable young people to thrive. Whether in Cornwall or Newark, Fresno or Southampton, Ayr or Detroit, we remain passionately dedicated to providing safe, accessible, and life-changing mental health support for the next generation.

Chief Financial Officer's Review

Kooth delivered results for the first half of 2026 consistent with the Board's expectations. Our performance was defined by the transition from a phase of accelerated investment in H1 2025 to a period of consolidation and operational efficiency. While reported revenue was impacted by FX headwinds and planned product development tapering, our underlying business health remains strong, characterised by margin expansion and robust cash generation

Key Performance Indicators

To provide a clearer view of our H1 2026 performance, the following tables summarise our key metrics compared to prior periods. 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.

Over the last five years 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.

Revenue

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
£9.0m	**£11.7m**	**£32.5m**	**£32.1m**	**£30.8m**

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

The £1.3m decrease from 2025 (2% on a constant currency basis) is primarily attributable to a £0.7m FX impact, a £0.8m planned tapering of California product development revenue, and a £0.3m reduction in UK revenue due to contract churn. These were partially offset by the new Michigan contract win (£0.5m).

Annual Recurring Revenue

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
£18.5m	**£21.4m**	**£64.2m**	**£61.7m**	**£62.9m**

Annual recurring revenue (ARR) is the annualised value of customers engaged or closed as at the period end and provides forward-looking visibility of the revenue base entering the new financial period. This is used by management to monitor the long-term revenue growth of the business.

Reported ARR increased to £62.9m (2025: £61.7m), including a £1.5m positive FX impact.
On a constant currency basis, ARR decreased £0.3m with the new Michigan contract win offset by the impact of the planned tapering of the California product development revenue (£1.5m) and UK churn albeit at a lower level than prior periods.

Gross Margin

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
68.4%	**66.8%**	**82.4%**	**62.8%**	**74.1%**

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

The 11.3ppt increase from the prior period reflects lower direct service user marketing expenditure in California which was accelerated in H1 2025.

Adjusted EBITDA

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
£0.5m	**£0.0m**	**£7.8m**	**£2.6m**	**£5.3m**

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 H2 2025 to exclude realised foreign exchange differences, reflecting increased GBP:USD volatility which became material in the prior period with a loss of £1.0m (H1 2026: £0.1m). Adjusted EBITDA for H1 2025 has been restated to reflect this definition. Adjusted EBITDA increased by 102% to £5.3m (H1 2025: £2.6m). This growth reflects strong user engagement in California and a reduction in direct marketing spend compared to the accelerated investment period in H1 2025.

Cash

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
£8.3m	**£5.9m**	**£14.9m**	**£15.3m**	**£23.1m**

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

The cash position at the end of the period was strong at £23.1m (H1 2025: £15.3m). The increase derives from strong working capital management and cash generated from operations over the last twelve months.

Population coverage

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
15.1m	**16.7m**	**19.9m**	**18.5m**	**20.2m**

The total number of people who have access to the Kooth service is a good indicator of our accessibility. This is determined as the population within the contracted age range of each of our contracts that are live at the period end.

The increase from the prior period is driven by population growth within our existing UK contracts as a result of updated ONS statistics as well as the Michigan contract win.

Number of users

H1 2022	H1 2023	H1 2024	H1 2025	H1 2026
228k	**196k**	**242k**	**309k**	**257k**

The number of users represents the individuals who register on our Kooth, Soluna and Qwell platforms. As a result of accelerated investment in digital marketing in H1 2025 to support success in California, Soluna experienced a spike in registrations in that period. H1 2026 represents expected registration rates in line with the normalising of marketing investment.

Revenue

The Group's revenue remains highly predictable, with 100% recurring revenue (H1 2025: 99%).

On a constant currency basis, revenue decreased 2% over the prior period and Annual Recurring Revenue (ARR) decreased by 0.5%. Reported revenue decreased £1.3m to £30.8m (H1 2025: £32.1m) predominantly driven by a £0.8m reduction in California product development revenue and £0.7m negative FX impact, offset by a new client win in Michigan (£0.5m).

ARR at the period end was £62.9m (H1 2025: £61.7m). Net revenue retention (NRR), measured by the total value of on-going ARR at the period-end from clients in place 12 months earlier as a percentage of the opening ARR from those clients, for the period to 30 June 2026 was 99% (H1 2025: 100%) reflecting the California revenue reduction and UK churn. On a constant currency basis this was 96%.

US Revenue in H1 2026 was $30.2m/£22.5m (H1 2025: $30.6m/£23.4m), all of which was recurring revenue (comprising income invoiced for services that are repeatable, consumed and delivered on a monthly basis over the term of a customer contract) with the decrease coming from California, offset by the Michigan contract win.

UK revenue decreased by 3.7% to £8.3m (H1 2025: £8.7m) reflecting churn, albeit at lower levels than the prior period, in UK contracts giving net revenue retention for the period to 30 June 2026 of 96% (H1 2025: 97%).

Gross Profit

Gross Profit increased by 13% from £20.2m to £22.9m with gross margin increasing to 74.1% (H1 2025: 62.8%) due to the reduction in direct service user marketing expenditure in California reflecting strong user engagement as we become more embedded in local systems and see organic growth in new and returning users. We expect to increase investment in H2 to solidify Soluna's extension in California and ensure we are well-placed to seize emerging opportunities. This was offset by a small reduction in the UK following client churn and salary increases for practitioners just ahead of inflationary increases for UK clients.

Direct costs are both the costs of the practitioners directly involved in the delivery of our services, a total of 249 at the period-end (H1 2025: 253 heads) with reductions reflecting UK customer churn, and continued investment in promotion and marketing costs in California in support of raising user awareness and engagement, including hard to reach communities which were £3.5m (H1 2025: £7.2m).

Foreign currency impact

The strengthening of Sterling against the US Dollar during the period created a headwind for reported revenue though its transactional impact on the Group's cash and operating profit remained minimal. With approximately 73% of Group revenues and 51% of expenses denominated in US Dollars, our reported financial performance is inherently sensitive to currency fluctuations. This translation effect negatively impacted reported revenue by £0.7m compared to the prior period. While US operating expenses provide a natural partial hedge, the Group's net exposure to foreign currency transaction risk was well-managed, resulting in a minor booked foreign currency loss of £0.1m (H1 2025: £1.0m loss). Post-period end, Sterling has remained strong; if this trend persists, we expect further translational headwinds to impact reported revenue and Adjusted EBITDA in the second half of the year.

Adjusted EBITDA

Adjusted EBITDA in the period increased from £2.6m to £5.3m. The definition was refined in H2 2025 to exclude realised foreign exchange differences, reflecting increased GBP:USD volatility which became material in the prior period with a loss of £1.0m (H1 2026: £0.1m). Adjusted EBITDA for H1 2025 has been restated to reflect this definition.

A £2.7m rise in gross profit and unchanged administrative expenses (excluding amortisation, depreciation, share based payments and realised foreign exchange movements), drove this growth. The increase in gross profit was a result of the significant investment in California direct marketing during H1 2025 which was not repeated in the current period. Administrative costs were well managed during the period in respect of marketing spend and consulting spend.

The total charge for share based payments in the period was £0.2m (H1 2025: £0.6m) with the decrease reflecting a lower number of awards made during the period and reassessment of vesting criteria. Within administrative expenses, depreciation and amortisation remained at £3.0m (H1 2025: £3.1m) owing to significant capital expenditure investment made in the US platform in previous years.

Taxation

The overall tax charge for the period was £0.7m (H1 2025: £0.5m credit). The increased charge from the prior period reflects increased profits before tax. 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 (£0.2m) within the statement of profit and loss and other comprehensive income, rather than as a direct reduction to the corporation tax charge as in the previous period (H1 2025: £0.0m).

Profit after tax

The Group profit after tax for the period was £2.0m (H1 2025: £1.3m loss). Basic earnings per share were 5p (H1 2025: 3p negative). Diluted earnings per share were 5p (H1 2025: 3p negative).

Balance Sheet

The strength of the Group's balance sheet with net assets of £34.3m (30 June 2025: £27.4m) and net cash of £23.1m, and high levels of recurring revenue provide the Group with resilience and capacity to execute its strategic priorities, including US expansion, AI-enabled product development and continued clinical investment.

Contract assets increased to £4.1m at the period end (30 June 2025: £0.8m), primarily driven by the timing of invoices raised on the California and Michigan contracts.

Cash flow and financing

Cash inflow during the six months was £1.4m (H1 2025: £5.7m outflow). Cash inflows from operating activities of £3.6m (H1 2025: £2.6m outflow) and interest income of £0.5m (H1 2025: £0.3m) offset the £2.7m investment in our platforms (H1 2025: £2.0m) and gives a net cash position at 30 June 2026 of £23.1m (H1 2025: £15.3m). The Group remains debt free and maintains an undrawn $9.5m working capital credit facility.

The increase from H1 2025 derives from working capital management and cash generated from operations of £12.9m over the last twelve months, offset by investment in our platforms (£5.1m), tax payments on prior year profits (£0.4m) offset by positive FX movements (£0.4m) on the translation of currency balances.

Forward-looking statements

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

Dividends

The Group's intention in the short to medium term is to invest in order to deliver capital growth for shareholders. The Board has not recommended an interim dividend payment in respect of the six months ended 30 June 2026 (2025: £nil) but may do so in future years.

Sanjay Jawa
Chief Financial Officer

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	Note	Six months ended 30 June 2026 Unaudited £'000	Six months ended 30 June 2025 Unaudited £'000	Year ended 31 December 2025 Audited £'000
Revenue	8	30,822	32,088	63,286
Cost of sales	9	(7,969)	(11,934)	(17,004)
Gross profit		**22,853**	**20,154**	**46,283**
Administrative expenses	9	(20,886)	(22,223)	(42,891)
Operating profit/(loss)		**1,967**	**(2,069)**	**3,392**
Analysed as:				
Adjusted EBITDA		**5,271**	**2,607**	**11,334**
Depreciation and amortisation		(2,999)	(3,069)	(6,197)
Share based payment expense		(223)	(600)	(1,107)
Foreign exchange movement		(82)	(1,007)	(638)
Operating profit/(loss)		1,967	(2,069)	3,392
Other income		161	0	261
Interest income		518	344	718
Profit/(loss) before tax		**2,646**	**(1,725)**	**4,370**
Tax	10	(661)	470	(1,762)
Profit/(loss) after tax		**1,985**	**(1,255)**	**2,608**
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences		528	(129)	(291)
Total comprehensive profit/(loss) for the period		**2,513**	**(1,384)**	**2,317**

Profit/(loss) per share - basic (£)	11	0.05	(0.03)	0.07
Profit/(loss) per share - diluted (£)	11	0.05	(0.03)	0.07

Condensed Consolidated Balance Sheet

As at 30 June 2026

	Note	30 June 2026 Unaudited £'000	30 June 2025 Unaudited £'000	31 December 2025 Audited £'000
Assets				
Non-current assets				
Goodwill		511	511	511
Development costs	12	8,140	9,100	8,464
Property, plant and equipment		180	219	180
Deferred tax		408	1,679	401
Total non-current assets		**9,239**	**11,509**	**9,556**
Current assets				
Trade and other receivables	13	6,013	7,654	5,088
Contract assets		4,067	783	3,040
Cash and cash equivalents		23,130	15,261	21,580
Total current assets		**33,210**	**23,698**	**29,708**
Total assets		**42,449**	**35,207**	**39,264**
Liabilities				
Current liabilities				
Trade payables		(808)	(1,595)	(693)
Contract liabilities		(1,124)	(1,255)	(1,553)
Accruals and other creditors		(4,895)	(3,838)	(4,545)
Tax liabilities		(1,278)	(1,116)	(881)
Total current liabilities		**(8,105)**	**(7,804)**	**(7,672)**
Net current assets		**25,105**	**15,894**	**22,036**
Net assets		**34,344**	**27,403**	**31,592**
Equity				
Share capital		1,835	1,835	1,835
Treasury shares		(694)	(1,500)	(1,088)

Share premium account	23,444	23,444	23,444
Retained earnings	10,504	4,721	8,577
Share-based payment reserve	2,924	2,938	3,021
Capital redemption reserve	115	115	115
Merger reserve	(4,104)	(4,104)	(4,104)
Translation reserve	320	(46)	(208)
Total equity	**34,344**	**27,403**	**31,592**

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Share capital	**Treasury shares**	**Share premium**	**Share Based Payment reserve**	**Retained earnings**	**Capital Redemption reserve**	**Merger reserve**	**Translation reserve**	**Total equity**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 January 2025	**1,834**	**(17)**	**23,444**	**2,444**	**5,955**	**115**	**(4,104)**	**83**	**29,754**
Comprehensive income for the period	-	-	-	-	(1,255)	-	-	-	(1,255)
Other comprehensive income	-	-	-	-	-	-	-	(129)	(129)
Total comprehensive income	**1,834**	**(17)**	**23,444**	**2,444**	**4,700**	**115**	**(4,104)**	**(46)**	**28,370**
Transactions with owners:									
Share options exercised	1	-	-	(21)	21	-	-	-	1
Share based payment charge	-	-	-	515	-	-	-	-	515
Treasury shares purchased	-	(1,483)	-	-	-	-	-	-	(1,483)
As at 30 June 2025	**1,835**	**(1,500)**	**23,444**	**2,938**	**4,721**	**115**	**(4,104)**	**(46)**	**27,403**
Balance at 1 July 2025	**1,835**	**(1,500)**	**23,444**	**2,938**	**4,721**	**115**	**(4,104)**	**(46)**	**27,403**
Comprehensive income for the period	-	-	-	-	3,863	-	-	-	3,863
Other comprehensive income	-	-	-	-	-	-	-	(162)	(162)
Total comprehensive income	1,835	(1,500)	23,444	2,938	8,584	115	(4,104)	(208)	31,104
Transactions with owners:									
Share options exercised	-	-	-	(394)	394	-	-	-	-
Share based payment charge	-	-	-	477	-	-	-	-	477
Sale of treasury shares	-	412	-	-	(401)	-	-	-	11
As at 31 December 2025	**1,835**	**(1,088)**	**23,444**	**3,021**	**8,577**	**115**	**(4,104)**	**(208)**	**31,592**
Balance at 1 January 2026	**1,835**	**(1,088)**	**23,444**	**3,021**	**8,577**	**115**	**(4,104)**	**(208)**	**31,592**
Comprehensive income for the period	-	-	-	-	1,985	-	-	-	1,985
Other comprehensive income	-	-	-	-	-	-	-	528	528
Total comprehensive income	1,835	(1,088)	23,444	3,021	10,562	115	(4,104)	320	34,105
Transactions with owners:									
Share options exercised	-	-	-	(320)	320	-	-		-
Share based payments charge	-	-	-	223	-	-	-	-	223
Sale of treasury shares	-	394	-	-	(378)	-	-	-	16
As at 30 June 2026	**1,835**	**(694)**	**23,444**	**2,924**	**10,504**	**115**	**(4,104)**	**320**	**34,344**

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June 2026 Unaudited £'000	Six months ended 30 June 2025 Unaudited £'000	Year ended 31 December 2025 Audited £'000
Cash flows from operating activities			
Profit/(loss) for the period	1,985	(1,255)	2,608
Adjusted for:			
Depreciation, amortisation and impairment	2,999	3,069	6,197
Income tax paid	(74)	(981)	(1,350)
Share based payment expense	223	600	1,107
Income tax recognised	661	(470)	1,762
Other income	(161)	0	(261)
Interest income	(518)	(344)	(718)
	5,115	**619**	**9,345**
Movements in working capital:			
(Increase)/decrease in trade and other receivables	(1,698)	588	897
Increase/(decrease) in trade and other payables	153	(3,791)	(4,688)
Net cashflow from operating activities	**3,570**	**(2,584)**	**5,554**
Cash flows from investing activities			
Purchase of property, plant and equipment	(83)	(49)	(72)
Additions to intangible assets	(2,594)	(1,960)	(4,381)
Interest income	518	344	718
Net cash used in investing activities	**(2,159)**	**(1,665)**	**(3,735)**
Cash flows from financing activities			
Acquisition of treasury shares[4]	-	(1,483)	(1,483)
Net cash from financing activities	**-**	**(1,483)**	**(1,483)**
Net increase/(decrease) in cash and cash equivalents	1,411	(5,732)	336
Exchange adjustments	139	(848)	(597)
Cash and cash equivalents at the beginning of the period	21,580	21,841	21,841

[4] Comparative cash flows for H1 2025 have been restated to reclassify the acquisition of treasury shares from operating activities to financing activities to ensure consistent presentation with the 2005 annual report.

Cash and cash equivalents at the end of the period	**23,130**	**15,261**	**21,580**

Notes to the half year financial statements

1. General information

The unaudited interim consolidated financial statements for the six months ended 30 June 2026 and the six months ended 30 June 2025 do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 were approved by the Board of Directors on 7 April 2026 and delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006.

These condensed half year financial statements were approved for issue by the Board of Directors on 22 September 2026.

2. Basis of preparation

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

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 for the year ended 31 December 2025.

Trading for the half year ended 30 June 2026 is aligned with the Board's expectations, and expectations for the full year remain unchanged. Further details are given in the CEO's overview, the operational review and the financial review.

During the period the Group has generated a profit of £2.0m (H1 2025: £1.3m loss) and is in a net asset position of £34.3m as at 30 June 2026 (H1 2025: £27.4m). Management has prepared forecasts up until 12 months from the date of approval of these financial statements which have been approved by the Board, and after enquiry and review of these forecasts and other available financial information, the Directors have formed the conclusion that the Group has adequate resources to continue to operate for the foreseeable future and that it is therefore appropriate to continue to adopt the going concern basis of accounting in the preparation of these interim condensed consolidated half year financial statements.

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

3. Accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's annual report and accounts for the year ended 31 December 2025.

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

4. Critical accounting judgements and key sources of estimation uncertainty

Any critical accounting judgements and key sources of estimation uncertainty that carry a significant risk of material change to the carrying value of assets and liabilities within the next year are the same as those applied in the 2025 Group Annual Report.

5. Principal risks and uncertainties

The 2025 Group annual report and accounts describes the principal risks and uncertainties that could impact the Group's performance. These risks primarily relate to safeguarding, system stability, changes in laws and regulations, cyber security and data protection, people, public discourse and political environment and the economic environment. These remain unchanged since the annual report was published and the Board does not currently expect them to change for the remaining six months of the financial year.

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

6. Financial risk management

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

These interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements and therefore should be read in conjunction with the 2025 Group annual report and accounts.

7. Segmental reporting

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

8. Revenue and segmental analysis

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

Accordingly, the CODM determines the Group currently operates under two reporting segments being the UK and US. The measure of performance of those segments that is reported to the CODM is revenue and adjusted EBITDA, as shown below.

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

	Six months ended 30 June 2026 Unaudited £'000 US	Six months ended 30 June 2026 Unaudited £'000 UK	Six months ended 30 June 2026 Unaudited £'000 Total	Six months ended 30 June 2025 Unaudited £'000 US	Six months ended 30 June 2025 Unaudited £'000 UK	Six months ended 30 June 2025 Unaudited £'000 Total	Year ended 31 December 2025 Audited £'000 US	Year ended 31 December 2025 Audited £'000 UK	Year ended 31 December 2025 Audited £'000 Total
Provision of online counselling contracts	1,035	8,340	9,375	555	8,658	9,213	1,099	17,196	18,296
Platform build and behavioural support services contracts	21,447	-	21,447	22,875	-	22,875	44,991	-	44,991
Total revenue	**22,482**	**8,340**	**30,822**	**23,430**	**8,658**	**32,088**	**46,090**	**17,196**	**63,286**
Adjusted EBITDA	1,099	4,172	5,271	906	1,701	2,607	2,794	8,527	11,334
Non current assets	246	8,585	8,831	103	9,727	9,830	120	9,035	9,155

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

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

9. Cost of sales and administrative expenses

	Six months ended 30 June 2026 Unaudited £'000	Six months ended 30 June 2025 Unaudited £'000	Year ended 31 December 2025 Audited £'000
Labour costs	4,463	4,619	8,743
Direct marketing	3,470	7,242	8,116
Share based payment expense	35	71	139
Travel and subsistence	1	2	5
Total cost of sales	**7,969**	**11,934**	**17,004**
Employee costs	13,210	12,999	25,986
Rent and rates	284	335	659
IT hosting and software	1,271	1,225	2,453
Professional fees	1,942	2,179	4,464
Marketing	777	820	1,357
Depreciation and amortisation	2,999	3,069	6,197
Share based payment expense	188	529	968
Foreign exchange movement	82	1,007	638
Other costs	133	60	168
Total administrative expenses	**20,886**	**22,223**	**42,891**
Total cost of sales and administrative expenses	**28,855**	**34,157**	**59,895**

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

10. Taxation

The income tax charge recognised of £0.7m (H1 2025: £0.5m credit) reflects management's estimate of the tax charge for the current period. This calculation takes into consideration the estimated taxable profits incurred from operational activities during the period. The assessment utilises the 25% average UK corporation tax rate (2025: 25%), the 21% average US federal tax rate (2025: 21%) and 8.8% average California state tax rate (2025: 8.8%) for the current financial year.

11. Earnings per share (EPS)

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

	Six months ended 30 June 2026 Unaudited £'000	**Six months ended 30 June 2025 Unaudited £'000**	**Year ended 31 December 2025 Audited £'000**
Earnings used in calculation of earnings per share:			
On total profits/(losses) attributable to equity holders of the parent	1,985	(1,255)	2,608
Weighted average no. of shares (Basic)	36,152,145	36,236,241	36,350,335
Weighted average no. of shares (Diluted)	38,333,251	38,548,724	38,556,835
Shares in issue			
Ordinary shares in issue	36,694,683	36,694,683	36,694,683
Treasury shares acquired	(422,547)	(890,718)	(662,529)
Profit/(loss) per share on total profits/(losses) attributable to equity holders of the parent			
Basic, £	0.05	(0.03)	0.07
Diluted, £	0.05	(0.03)	0.07

12. Development costs

	£'000
Cost	
At 1 January 2025	**25,915**
Additions	1,960
At 30 June 2025	**27,875**
Additions	2,421
At 31 December 2025	**30,296**
Additions	2,594
At 30 June 2026	**32,890**
Amortisation	
At 1 January 2025	**(15,791)**
Amortisation	(2,984)
At 30 June 2025	**(18,775)**
Amortisation	(3,057)
At 31 December 2025	**(21,832)**
Amortisation	(2,918)
At 30 June 2026	**(24,750)**
Carrying amount	
At 1 January 2025	10,124
At 30 June 2025	**9,100**
At 31 December 2025	8,464
At 30 June 2026	**8,140**

The US Soluna platform has a carrying value of £4.9m and a remaining amortisation period of between 1 and 3 years. The UK Klassic platform has a carrying value £0.3m and a remaining amortisation period of between 1 and 3 years. The UK Soluna platform has a carrying value of £2.7m and the platform is yet to be amortised.

13. Trade and other receivables

	Six months ended 30 June 2026 Unaudited £'000	Six months ended 30 June 2025 Unaudited £'000	Year ended 31 December 2025 Audited £'000
Trade receivables	4,535	5,857	3,616
Prepayments	890	1,269	1,118
Other receivables	588	528	353
	6,013	**7,654**	**5,088**

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

14. Post balance sheet events

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