

23 January 2025

## **Kooth plc**

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

### **Trading update, Board changes and succession planning**

Kooth, a global leader in youth digital mental well-being, announces a trading update for the financial year ended 31 December 2024, along with changes to its Board of Directors (the “Board”) and succession planning for its executive leadership team.

#### **Trading update**

2024 revenues are anticipated to be in line with consensus market expectations of £65.8m (2023: £33.3m). Adjusted EBITDA is expected to be at or ahead of the top of the range of analyst forecasts of £12.7m (2023: £2.3m), helped by certain items which are not expected to recur in the current year. The Company has grown its unaudited cash position to £21.5m during 2024, from £11.0m as at 31 December 2023 and maintains an undrawn working capital facility of \$9.5m.

As announced in December 2024, Kooth has agreed terms for a new pilot contract with the State of New Jersey valued at \$1.45m. Under the terms of the Contract, Kooth is providing mental health support via its Soluna platform to school districts within New Jersey, reaching 50,000 students aged 13 to 18. This pilot went live on 7 January. The Company continues to hold negotiations, which are expected to be concluded in Q1, regarding a second pilot contract in the US.

Kooth is expanding its mental health services and provisions to young people in California. Soluna, the Company’s platform offering free access to one-to-one professional support, self-guided tools, content, activities and peer support communities moderated by trained behavioural health professionals, continues to demonstrate its impact, with 95% of those who engage with coaching saying that they would recommend Soluna to a friend. Soluna is also demonstrating meaningful clinical benefits, with 70% of those accessing single-session therapy reporting positive outcomes.

Kooth remains NHS England’s largest single access provider for mental health support for under 18s. Trading is in line with expectations with the renewal of longer term contracts with NHS trusts and local authorities, including in Cornwall and the Isle of Man.

The Company is in the process of executing a share buyback of up to £1.5m to increase the number of shares held in treasury for use in meeting future obligations arising from its long-term incentive plan and/or other share-based reward plans.

#### **Board changes & succession planning**

Kooth’s CEO, Tim Barker, has informed the Board of his intention to seek a new executive role during 2025. Tim will therefore step down as CEO and from the Board at the conclusion of the 2025 Annual General Meeting, which is likely to be held in June. Kate Newhouse will succeed Tim as CEO at that point. In the intervening period, in order to ensure a smooth transition, Kate and Tim will serve as joint CEOs.

Tim joined Kooth as CEO in January 2020. During his tenure he has overseen the successful IPO of the business, the reinforcement of our position as the UK’s leading provider of digital mental health support for children

and young people, growth in our service for UK adults and multiple significant contract wins in the US, including the transformational California partnership. These developments have in turn driven considerable growth in revenue, Annual Recurring Revenue (ARR), profitability and headcount.

Kate joined Kooth as Chief Operating Officer in May 2020 having previously been CEO of Blenheim Chalcot and Doctor Care Anywhere. Kate has played a pivotal role in the growth of the business since her appointment, creating, reshaping or transforming a number of teams within the business in the process. Kate has led several initiatives that have increased Kooth's industry profile, and is well-known to opinion-leaders in mental health and digital healthcare on both sides of the Atlantic.

The Company's Full Year Results will be announced in March 2025.

**Peter Whiting, Chair of Kooth, said:**

"On behalf of the Board I'd like to thank Tim for his commitment and drive over the last five years, which have left Kooth significantly stronger than when he took on the role of CEO in 2020. His focus in particular on expanding Kooth in the US has transformed the business, both financially and culturally. I look forward to working with Kate to continue this growth and help cement Kooth as the global leader in digital mental well-being."

**Tim Barker, Joint Chief Executive Officer of Kooth, said:**

"Kooth has made solid progress throughout 2024, continuing to deliver vital mental health services across the US and UK. We've continued to prioritise business development and have expanded our presence across the US via new partnerships.

"Our strong cash position will provide a solid foundation to continue the Company's growth trajectory throughout 2025, providing more people with mental health support in their moment of need. With this in mind, I believe now is the right time to hand over the reins and I look forward to working with Kate over the coming months."

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. The person responsible for this announcement is Sanjay Jawa, CFO.*

**ENDS**

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**About Kooth plc:**

Kooth (AIM:KOO) is a global leader in youth digital mental well-being. Our mission is to provide accessible and safe spaces for everyone to achieve better mental health. Our platform is clinically robust and accredited to provide a range of therapeutic support and interventions. All our services are predicated on easy access to make early intervention and prevention a reality.

Kooth is a fully safeguarded and pre-moderated community with a library of peer and professional created content, alongside access to experienced online counsellors. There are no thresholds for support and no waiting lists.

Kooth is the longest standing digital mental health provider to hold a UK-wide accreditation from the British Association of Counselling and Psychotherapy (BACP) and according to NHS England data for 2022/23 is now the largest single access provider for mental health support for under 18s.

In 2021, Kooth began executing on its international expansion strategy, with an initial focus on the US market. This focus is due to the growing recognition of the importance of improving youth mental health in this key global healthcare market, with 1-in-6 people aged 6-17 experiencing a mental health disorder each year.

For more information, please visit [www.koothplc.com](http://www.koothplc.com).