



25 July 2024

Kooth plc

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

Half Year Trading Update

Kooth (AIM: KOO), a global leader in youth digital mental well-being, announces an unaudited trading update for the half year ended 30 June 2024.

In the US, which now accounts for approximately 70% of the Group’s revenue, Kooth’s service went live in California in January 2024, delivering its new app Soluna to ensure the best possible behavioral health care to the State’s 13-25 year olds. Soluna was specifically highlighted by the Governor of California, Gavin Newsom, during his ‘State of the State’ address in June 2024, citing its benefit in engaging more kids, earlier, in prevention and screening.

Following six months of service in the State, Kooth has seen:

- Sign-ups in every one of California’s 58 counties
- 53% of service users coming from communities most disproportionality impacted by health and economic inequalities
- Higher engagement with self-guided therapy compared to existing geographies where Kooth operates
- Positive feedback from youth engaging in coaching: 95% of service users would recommend Soluna to a friend

These points highlight the opportunity for Kooth’s services to deliver health equality where it is commissioned. In addition to the Company’s work in California, Kooth is nearing the launch of its partnership with Aetna Better Health to pilot its services in Illinois to support youth in low-income families that qualify for Medicaid. The company is continuing to deliver services in Pennsylvania and is engaging in contract extension negotiations. The Company has a strong pipeline of new business in the US and anticipates new contracts being signed in late 2024.

In the UK, Kooth remains NHS England’s largest single access provider for mental health support for under 18s. This is despite challenging macro-economic conditions in the UK and the NHS more specifically which have been noted before, and the additional disruption caused by the UK General Election on 4 July 2024. Following the election of a Labour Government, which made plain its focus on mental health in both its manifesto and the recent King’s Speech, Kooth believes that renewed focus will be placed on this important area. The Company continues to prepare for the launch of Soluna in the UK which it anticipates for Q2 2025.

Kooth’s balance sheet has strengthened during the period, with net cash as at 30 June 2024 of £14.9 million (FY23: £11.0 million) and an undrawn \$9.5m working capital credit facility, ensuring the Company is well-placed to continue investing in its platform and pipeline to deliver long-term growth.

Trading for the year to date is in line with expectations, though Kooth notes that current exchange rates may impact revenue in the second half. This is not anticipated to influence margin or profitability.



The Group's half year results in respect of the six months to 30 June 2024 will be announced in September 2024.

Tim Barker, Chief Executive Officer of Kooth, said:

“We have made significant strategic progress in the first half of 2024 and I would like to thank everyone at Kooth who ensured that we were able to make the January launch of Soluna in California, a key milestone in our ongoing development, along with the diversification of our US offering with the announcement of our partnership with Aetna. We have strengthened our cash balance during the period and this will help ensure that we are able to deliver services to our existing partners and also support us as we look to engage with our growing pipeline.”

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.