

16 March 2023

Kooth plc

("Kooth" or the "Group")

Significant US contract in California

Contract sees Kooth selected as the primary vendor partner to deliver its digital mental health platform to all 13-25 year olds in California

Kooth, a global leader in youth digital mental well-being, is delighted to announce that it has been selected as the primary vendor partner by the California Department of Health Care Services (**DHCS**) to deliver its digital mental well-being platform for children and young adults (ages 13-25) as part of California Governor Gavin Newsom's \$4.7 billion investment in youth behavioral health, the [Master Plan for Kids' Mental Health](#) and the Children and Youth Behavioral Health Initiative ("**CYBHI**"), (overall, the "**Contract**"). The Contract is subject to definitive legal documentation over the coming weeks, following which a further announcement will be made.

The DHCS announcement can be viewed at the foot of this announcement.

Under the Contract, Kooth will provide services integral to the Behavioral Health Virtual Services Platform (the "**Platform**"), a new technology-enabled services solution, for all children, youth, and families in California (the "**State**"). The Platform is one of 15 workstreams within the CYBHI. In awarding a primary vendor, the DHCS vetted more than 450 different providers with existing digital behavioral health platforms and content. This was done through an extensive market search, a Request for Information process, and numerous company demonstrations.

With a population of six million 13-25 year olds, there is a clear imperative to transform mental health support in California. More than 284,000 youth in the State cope with major depression, while 66% of those with depression currently do not, or are unable to, receive treatment. There is also an increasing suicide rate in children between 10-18 in the State, with a 20% increase between 2019-2020.

As part of the Contract, Kooth will be working with the DHCS and the youth of California to extend Kooth's existing platform with a mobile app and additional capabilities that provide a welcoming, safe, and stigma-free space for behavioral health support, in multiple languages, with no waiting lists, qualifying criteria, or cost to end users. The service is expected to launch in January 2024. At this time, Kooth is unable to disclose the value or length of the Contract, as specific terms of the Contract are yet to be finalised.

In the UK, the Group provides services to nearly eight million children and young people, with this new DHCS contract anticipated to offer services to an additional six million youth. The Group expects the Contract details to be agreed with DHCS during the course of Q2 2023, with an associated highly material impact on revenues and ARR from 2024 onwards.

This is Kooth's second significant contract in the US, following the announcement of a pilot contract with the State of Pennsylvania in September 2022. Kooth has also already identified additional opportunities in the US, a key market for future growth, underlining the scale of opportunity in the world's largest health care market and the Group's ability to localise its services internationally.

Tim Barker, Chief Executive Officer of Kooth, said:

"Kooth was founded on the vision that to address the growing demand and cost of mental health care, systems would need to move unstream from a treatment-based approach to a clear focus on early

systems would need to move upstream from a treatment based approach to a clear focus on early intervention. In addition, as 75% of lifelong mental health issues start by the age of 25, there needs to be a greater emphasis on supporting children and young people. We are delighted that California's Department of Health Care Services shares this vision with us. We're excited to bring our service to the youth of California to help deliver free, statewide, behavioral health care for all 13-25 year olds.

"This contract has the opportunity to be a step change in both our work in the US and indeed more broadly as we continue to grow and scale our user base to help ever more people. It also highlights the clear value our partners see in our expertise, with an unmatched 15 years of operating experience and evidence allowing us to be a world leader in our field. We will now work with the DHCS to agree the terms of this contract and begin the set up needed to allow us to launch in January. We are very excited to bring more news to the market when we are able to do so."

The information contained within this announcement is considered to constitute inside information as stipulated under Article 7 of the Market Abuse Regulation (EU) no. 596/2014 as incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

Further details can be found here: <https://www.dhcs.ca.gov/formsandpubs/publications/oc/Documents/2023/23-13-CYBHI-3-15-23.pdf>

- Ends -

Enquiries:

Kooth plc

Tim Barker, CEO
Sanjay Jawa, CFO

investorrelations@kooth.com

Panmure Gordon, Nominated Adviser and Joint Broker

Corporate Finance:

Dominic Morley, James Sinclair-Ford

Corporate Broking:

Rupert Dearden

+44 (0) 20 7886 2500

Stifel, Joint Broker

Ben Maddison, Nick Adams, Nicholas Harland, Richard Short

+44 (0) 20 7710 7600

FTI Consulting

Jamie Ricketts, Alex Shaw, Usama Ali

kooth@fticonsulting.com

###

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.

Our three services are:

- Kooth: for children and young persons
- Kooth: for adults
- Kooth Work: for frontline employees

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. Currently, Kooth sees more than 4,000 logins a day.

waiting lists. Currently, Kooth sees more than 4,000 logins a day.

Kooth is the only 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 2021/22 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. Kooth's first pilot contract in the US was signed in October 2022 with the State of Pennsylvania.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

CNTGZGMFFKKGFZZ