

PRESS RELEASE

Koa Health secures over €14m initial funding and spins out of Telefónica's moonshot factory

The funding round led by Ancora Finance Group and Wellington Partners will bolster Koa Health's growth ambitions to make mental health treatment more accessible with its wide range of digital solutions

- Koa Health spun out of leading Spanish global telecoms company, Telefónica, securing additional investment to grow its personalised digital mental healthcare offering
- Entry product Koa Foundations, aimed at employees from major corporations, healthcare providers and insurance members, already reaches more than 250,000 users.
- The investment will be used to expand operations across Europe, the US and Asia, scale clinical trials and boost R&D into personalisation

Amsterdam, Barcelona, Boston, Munich & London, November 5th, 2020: Koa Health, a digital mental healthcare provider redefining care by offering a range of personalised mental health solutions backed by science and designed to improve user wellbeing, announces its successful spin out from Alpha, Telefónica's moonshot factory. Today marks a first closing of €14.1 million (\$16.5US/£12.75 million) from investors organised by Ancora Finance Group and Wellington Partners in a Series A funding round, that will total up to €30 million. Koa Health, previously known as Alpha Health, today becomes a new, independent company following four years of research and trials to secure robust data and build out an industry-leading product roadmap.

Koa Health's spin out from Telefónica supports the company's ambition to expand internationally and scale to meet the rapidly growing demand for digital mental health products and better serve individuals' needs. Nearly 1 billion people worldwide are living with a mental disorder [according to the World Health Organisation](#), which has called [for substantial investment](#) to avert a global mental health crisis accelerated by the COVID-19 pandemic. There has never been a greater need for digital solutions to support individuals' mental health.

Koa Health's debut product is Koa Foundations, a mental wellbeing app helping organisations better support their teams. Following its recent launch it is already in use by dozens of companies with a combined employee population of over 250,000. Koa Foundations offers users a library of evidence-based activities to improve user wellbeing including tackling stress, sleeping better, aiding relaxation and positive thinking and boosting self-confidence.

The broader product roadmap, supported by the investment, will see Koa Health launch a wide range of mental health solutions, from digital wellbeing to digital therapeutics, to improve users' mental wellbeing, helping them access mental health services anytime, anywhere. As part of the company's continued development, Koa Health will increase investment in clinical trials and scale R&D to further personalise its products. Koa Health is closely collaborating with organisations including Massachusetts General Hospital, the #1 US-ranked hospital for both

psychiatry and psychology, and the Birmingham and Solihull Mental Health NHS Foundation Trust in the UK to build tech-driven mental healthcare products backed by clinical research.

Oliver Harrison, CEO of Koa Health said: "It is increasingly clear that digital technology has the potential to help close the growing demand gap in mental healthcare. However, the field has been limited by the inherent challenges of providing an integrated, evidence-based, ethical and personal solution that fits the needs of service users and customers. Because of Telefónica's support, we have been able to deliver this solution. With this investment, Koa Health will expand internationally, invest more in clinical trials and continue to develop personalised products which meet the mental health needs of every individual. Our goal is to provide easy access to a range of digital mental health solutions which help people flourish in a challenging and changing world."

The funding round was led by Ancora Finance Group and Wellington Partners, a leading European venture capital firm investing in early and growth stage Life Science companies. Telefónica, one of the largest telecommunications providers in the world with 337 million customers, will remain a shareholder of Koa Health and an important customer and partner as the company continues to develop its portfolio. Ancora Finance Group and Wellington Partners will have seats on the Koa Health board.

David del Val, Director of Core Innovation, Telefónica said: "It's a proud moment for Telefónica, as Alpha Health graduates from a moonshot project in our innovation facility to an independent company with a proven business model. Telefónica will continue to be part of the story as Koa Health grows its offering, providing ongoing support as a shareholder, partner and customer. Mental healthcare remains one of the biggest challenges we face globally. The time is right for Koa Health to become independent, so it can continue to scale and grow to meet the increasing demand for digital mental healthcare."

Rainer Strohmenger, Managing Partner, Wellington Partners said: "Demand is set to dramatically accelerate for digital mental health services, in the wake of the COVID-19 pandemic. We see a clear opportunity for Koa Health to capitalise on this momentum and significantly improve access to high-quality care for individuals, as it builds a comprehensive portfolio of evidenced-based and personalised mental health products."

Thomas Putter, Chairman and CEO, Ancora Finance Group said: "We've reached a tipping point for digital mental healthcare. We believe that Koa Health's unique approach backed by science, working to offer a wide range of personalised services, will truly make a difference to the millions of people that increasingly need support. We are excited to support the Koa Health team with its plans for further product development and growth."

About Koa Health

Koa Health is the only digital mental healthcare provider that offers integrated mental health solutions, from improving wellbeing to supporting treatment for a range of common mental disorders. Koa Health's solutions are personalised services with proven user outcomes. Backed by investors including Telefónica, Ancora Finance Group and Wellington Partners, Koa Health leverages technology and research to enable people to change their behaviours with effective and accessible support that adapts to their unique circumstances. Headquartered in the Netherlands, Koa Health has operations in Barcelona, the US and the UK. Koa partners with leading clinicians and academics including Massachusetts General Hospital, University College of London, the London School of Economics, Birmingham and the Solihull Mental Health NHS Foundation Trust.

For more information, please visit www.koahealth.com