7 October 2025

Inspiration Healthcare Group plc
("Inspiration Healthcare", the "Company" or the "Group")

Interim Results
Strong H1 FY26 sets foundation for sustained profitable growth

Inspiration Healthcare Group plc (AIM: IHC), the global medical technology company, announces its unaudited interim results for the six months ended 31 July 2025 (H1: FY26).

Financial highlights

- Group revenue up 41% to £24.0 million, (H1 FY25: £17.0 million)
  - Growth driven by neonatal product sales, Middle East contract and UNICEF contract delivery
- Gross profit of £11.1 million (H1 FY25: £7.4 million)
- Gross margin improvement to 46.2% (H1 FY25: 43.5%), due to higher capital sales and neonatal product mix
- Adjusted EBITDA[1] profit of £1.3 million (H1 FY25: loss of £0.9 million) reflecting the solid operating performance
- Operating profit of £0.2 million (H1 FY25: loss of £3.2 million)
- Cash generated from operating activities of £3.6 million (H1 FY25: cash outflow of £2.3 million)
  - Strong performance due to EBITDA profit, reduction in working capital (especially inventories) and receipt of R&D tax credits of £0.7 million
- Net debt (excluding IFRS16 lease liabilities) reduction to £6.7 million (31 January 2025: £8.3 million)

[1]Earnings before interest, tax, depreciation, amortisation, share based payments and non-recurring items

Operational highlights (including post period)

- Executed two biggest export contracts in Group history, contributing significantly to H1 revenue
- Strengthened sales pipeline management to drive H2 revenue growth despite NHS procurement delays
- 'Back to basics' strategy continues resulting in improved margins, lower working capital, reduced net debt and sustainable growth
- Advancing US market entry for SLE6000 ventilator, completing testing for FDA submission in H2 2026 and preparing for H1 2027 launch
- Operational improvements driving underlying growth in neonatal products, independent of one-off export orders, coupled with strategic market initiatives are establishing foundations for profitable growth in FY26 and beyond

Analyst briefing

Raffi Stepanian CEO, and Alan Olby CFO, will host a briefing to equity research analysts today at 09.30am BST. To register and for more details please contact Walbrook PR on inspirationhealthcare@walbrookpr.com.

Investor presentation

Management will also provide a live presentation relating to the results via the Investor Meet Company platform today at 11.00am BST.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation. Investors can sign up to Investor Meet Company for free and add to meet Inspiration Healthcare. To register for the presentation, please do so here.

Raffi Stepanian, CEO of Inspiration Healthcare Group plc commented: *"H1 FY26 has been a pivotal period for our Group. Delivering our largest export contracts ever, while simultaneously driving underlying growth across our neonatal portfolio, demonstrates the tangible benefits of the 'back to basics' approach we implemented last year. Operationally, we have resolved key supply chain challenges, strengthened our international distribution and streamlined product lifecycles. Together all these factors are enhancing margins, reducing working capital and positioning us for sustainable growth.*

"Looking ahead, our focus remains on executing against our robust order pipeline, expanding our presence in the US and Asia-Pacific markets, and delivering life-saving solutions to the most vulnerable of patients. I am confident that these actions lay the foundations for continued profitable growth in our underlying business in H2 and beyond."

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About Inspiration Healthcare

Inspiration Healthcare (AIM: IHC) designs, manufactures and markets pioneering medical technology. Based in the UK, the Company specialises in neonatal intensive care medical devices, which are addressing a critical need to help to save the lives and improve the outcomes of patients, starting with the very first breaths of life.

The Company has a broad portfolio of its own products and complementary distributed products, for use in neonatal intensive care designed to support even the most premature babies throughout their hospital stay. Its own branded products range from highly sophisticated capital equipment such as ventilators for life support through to single-use disposables.

The Company sells its products directly to hospitals and healthcare providers in the UK and Ireland, where it also distributes a range of advanced medical technologies for infusion therapy. In the rest of the world the Company has an established network of distribution partners around the world giving access to more than 75 countries.

The Company operates in the UK from its world-class Manufacturing and Technology Centre in Croydon, South London and in the USA from its facility in Melbourne, Florida.

Further information on Inspiration Healthcare can be found at www.inspirationhealthcaregroup.com

Chief Executive Officer's Statement

I am pleased to report that the Group has delivered a strong first half performance with the benefit of two significant export contracts, being the Middle East contract and UNICEF, which are the largest orders we have ever received. More encouragingly, on an underlying basis excluding these two material export orders the benefits of the 'back to basics' approach adopted last year are starting to show through with a return to growth in neonatal product sales in our direct market in the UK/Ireland and through our international distributors. This is also leading to improving margins, reducing working capital and net debt.

Revenues for the period were £24.0 million, a 41% increase compared with the same period last year and ahead of expectations. This included a very strong performance in the neonatal product portfolio, boosted by the two material export contracts which was offset by an 8% decline in Infusion Therapy products and a 6% decline in Speciality ventilation.

	6 months ended 31 July 2025				6 months ended 31 July 2024
	TOTAL £'000	Change %	**Underlying £'000**	Change %	TOTAL £'000
Neonatal products	**18,215**	+69%	**11,686**	**+8%**	10,785
Infusion Therapy products	**4,635**	-8%	**4,635**	**-8%**	5,039
Speciality ventilation products	**1,138**	-6%	**1,138**	**-6%**	1,215
Total	**23,988**	+41%	**17,459**	**+2%**	17,039
Neonatal products:					
Capital	**12,191**	+115%	**6,794**	**+20%**	5,659
Consumables	**6,024**	+18%	**4,881**	**-5%**	5,126
	18,215	+69%	**11,674**	**+8%**	10,785
Neonatal products by Geography:					
UK/Ireland	**4,408**	+2%	**4,408**	**+2%**	4,310
International	**13,807**	+113%	**7,266**	**+12%**	6,475
	18,215	+69%	**11,674**	**+8%**	10,785
Neonatal Key Brands:					
SLE6000	**8,470**	+131%	**5,918**	**+61%**	3,672
End of life products	**637**	-61%	**637**	**-61%**	1,634
Other	**9,108**	+66%	**5,119**	**-7%**	5,479
	18,215	+69%	**11,674**	**+8%**	10,785

Underlying revenues defined as revenue for the period excluding revenues from material one-off export orders from Middle East customer and UNICEF

Neonatal

Neonatal products performed strongly in the first half with revenue growth of 69% to £18.2 million on a reported basis and 8% to £11.7 million on an underlying basis excluding the two large export contracts. Capital sales performed strongly driven by the large export orders but also showed growth of 20% to £6.8 million on an underlying basis. Consumable sales also grew by 18% to £6.0 million but fell by 5% on an underlying basis due to supply chain delays which have now largely been resolved.

Sales from neonatal products in the UK/Ireland grew by 2% to £4.4 million, held back by the supply chain issues on consumables mentioned above. We have a growing pipeline of opportunities for delivery in H2, which are expected to deliver full year sales ahead of the prior year.

International sales were £13.8 million, growth of 113% over H1 FY25, boosted by the two material export orders delivered in the period. Excluding these one-off orders, underlying international sales still showed growth of 12% to £7.3 million demonstrating the benefits of increased customer engagement following the adoption of the 'back to basics' approach. We appointed a new distributor manager based in Singapore in the period in order to be closer to our customers in the Asia Pacific region and the benefits of this appointment are already being seen. Increasing international sales activity remains a key focus for the commercial team who are working to proactively manage our distributors to increase demand, and this is leading to a growing pipeline of future sales opportunities driving confidence in our outlook for H2 and into next year. This is specifically important in Europe, where we are aiming to win our fair share of the market.

Revenues from end-of-life products (including SLE5000 and SLE1000) were £0.6 million in the period (H1 FY25: £1.6 million) a 61% decrease which constrained revenue growth. Encouragingly, and as expected, sales of the SLE6000 grew by 61% to £5.9 million on an underlying basis compensating for the decline in revenues from end-of-life products and bringing the neonatal product portfolio back to underlying growth.

The first shipment of the delayed Middle East order was delivered to the customer during H1 and payment received. We are awaiting issue of the letter of credit for the second and final shipment and this is expected to be delivered in H2. We also delivered the $6 million order with UNICEF for SLE6000 and SLE1500 ventilators and accessories in full in the period. Together these one-off orders contributed £6.5 million to revenues in the first half.

Infusion Therapies

Sales of the Infusion Therapies products declined by 8% to £4.6 million in the first half following a very strong second half last year. This was due to destocking by a major customer in the homecare segment. Last year's launch of the new range of pumps from our partner Micrel has been well received and presents an opportunity to grow revenues both in homecare but more importantly in hospital settings, where several trials are ongoing in the pain management and oncology areas, although progress has been slower than anticipated due to NHS budget pressures and long purchasing cycles. Our revenue pipeline for the Infusion products provides confidence that we will see a stronger sales performance in H2 although below the levels seen in H2 FY25.

Airon & North America strategy

Speciality ventilation product sales which consist of the Airon products declined by 6% in the first half compared to the prior year to £1.1 million. This was largely as expected given the very strong comparative period when Airon's national distributor, USME, was building its rental fleet. We are exploring additional sales channels for the Airon products and believe that there is an untapped opportunity in the emergency care market where the transport capabilities of the Airon products truly come into their own. There are also opportunities for the Airon products from the Group's international distribution partners, and we expect both of these to translate into further revenue growth for Airon in the future.

We continue to prioritise and focus on the project to develop a version of the SLE6000 ventilator for the US market which we expect to submit to the FDA later in 2026 following completion of extensive external testing covering areas such as biocompatibility, human factors and cyber security. This is expected to lead to product clearance and launch in H1 2027.

Outlook

After the successful course correction in the second half of FY25, the first half of FY26 has positioned us strongly to continue our growth trajectory with momentum, while implementing the back-to-basics actions in the various organisational, structural and procedural aspects of the Group. Beyond the two major contracts, the growth in the underlying business highlights both the opportunity and the tremendous potential of the markets we serve. Looking ahead to the second half of FY26, we have a strong order backlog and pipeline which underlines our confidence in meeting market expectations for the full year. Profitability has also improved with the increase of sales of our own capital equipment within the overall product mix.

Besides working on getting the basics right in all the functions of the Group, we continue to work towards increasing our market share of devices in more stable markets, the launch of our own consumables, as well as preparing the US market entry for our Neonatal ventilator – all geared towards increasing sales, profitability and improving working capital.

The strong H1 FY26 performance represents a key milestone, propelling us into a phase of sustained, profitable growth and moving decisively beyond the challenges of previous years. While one-off contracts have made a significant contribution to H1 FY26, I am confident we are setting the foundations for continuing the growth in the underlying business in H2 and beyond. We have strong, trusted brands in the market, with a solid portfolio of life-saving neonatal technologies and infusion products improving the quality of life for thousands of patients, in stable and consistently growing market segments.

Going forward, we will reinforce the focus on:

- the SLE brand globally, as a leader in neonatal respiratory care. SLE is a well-known brand name with a loyal customer base, and we will ensure they get the support and product features they expect, growing our market share in existing and new geographies
- the Inspiration Healthcare brand in the UK, as a premium distribution partner for the NHS for neonatal and infusion therapy solutions
- the Airon brand as provider of unique pneumatic ventilators for emergency care and MRI, in US and globally

With clear positioning and goals for each brand, we will accelerate the growth of the overall Group, through maximising the opportunities for each of the three brands.

This will be driven by relentless focus on customer needs, who care for the most fragile patients, starting with the first breaths of life.

Raffi Stepanian
Chief Executive Officer

Financial Review

Revenue

Revenue for the six months to 31 July 2025 was £24.0 million (H1 FY25: £17.0 million) an increase of 41% and driven by strong sales of our neonatal products, helped by the impact of the first delivery of the Middle Eastern contract and the UNICEF contract which was fully delivered in the period.

Gross profit

Gross profit was £11.1 million, a 50% increase from the £7.4 million in H1 FY25. This equated to an improved gross margin of 46.2% (H1 FY25: 43.5%). The margin increase resulted from the higher level of capital sales and the improved level of neonatal product sales compared to the distributed infusion products which represented 19% of revenues for the first half compared with 30% in the prior period.

Operating profit

As a result of the strong revenue performance and improved gross margin, the Group has returned to operating profitability in the first half with an operating profit of £0.2 million (H1 FY25: loss of £3.2 million).

Operating expenses excluding non-recurring items, totalled £10.9 million in the period (H1 FY25: £9.4 million) an increase of 16%. These include one-off commission payments of £1.2 million paid to local agents supporting the delivery, installation and training for the large export orders in the Middle East and with UNICEF. The Group also recorded foreign exchange losses of £0.5 million in the first half (H1 FY25: £nil) mainly because of Sterling strengthening versus US Dollar. Excluding these items, operating expenses were £9.2 million, 2% less than in the prior period.

Adjusted EBITDA[1] was £1.3 million in the first half reflecting the strong operating performance (H1 FY25: loss of £0.9 million). A reconciliation of operating profit to Adjusted EBITDA is set out below:

	Unaudited 6 months ended 31 July 2025 £'000	Unaudited 6 months ended 31 July 2024 £'000	Audited Year ended 31 January 2025 £'000
Operating profit/(loss)	**216**	(3,175)	(14,686)
Non-recurring items	**17**	1,203	12,802
Adjusted operating profit/(loss)	**233**	(1,972)	(1,884)
Depreciation	**645**	564	1,315
Amortisation	**337**	434	894
Share based payments	**49**	61	(115)
Adjusted EBITDA profit/(loss)	**1,264**	(913)	210

[1]Earnings before interest, tax, depreciation, amortisation, share based payments and non-recurring items

Underlying performance

Sales in the business in any period can be unduly impacted by the lumpy nature of large international tenders and therefore due to their unpredictability from a timing perspective make year to year comparisons difficult. We therefore believe reporting the underlying numbers will help better reflect the performance of the business. The two large export orders for the Middle East customer and UNICEF have had a significant impact on the reported result for the period. On an underlying basis excluding these two deals the results also show improvement in revenue, gross margin and adjusted EBITDA demonstrating the impact of the back-to-basics approach.

	Unaudited 6 months ended 31 July 2025 TOTAL £'000	One-off Exports £'000	Underlying £'000	Unaudited 6 months ended 31 July 2024 £'000
Revenue	**23,988**	**6,529**	**17,459**	17,039
Gross profit	**11,091**	**3,197**	**7,894**	7,405
Gross margin	***46.2%***	***49.0%***	***45.2%***	*43.5%*
Overheads	**(9,827)**	**(2,184)**	**(7,643)**	(8,318)
Adjusted EBITDA profit/(loss)	**1,264**	**1,013**	**251**	(913)

Underlying gross margin improved to 45.2% from 43.5% in the prior year as a result of an improving sales mix favouring our own products and within that, growth in capital sales. Underlying overheads have been reduced by 8% in the first half compared to H1 FY25 following the cost saving measures implemented and this combined with the margin improvement has led to a return to underlying adjusted EBITDA profit of £0.2 million (H1 FY25: £0.9 million loss).

Finance expense

Finance costs for the period were reduced by 5% compared with the prior period at £0.5 million as the reduction in net debt starts to bring down financing costs. These are expected to fall further in H2 as the average level of net debt continues to decline.

Loss before tax

Loss before tax is reduced to £0.3 million (H1 FY25: £3.7 million) following the return to operating profit in the period, and loss per share falls to 0.29p (H1 FY25: 5.46p).

Balance sheet and net assets

Intangible assets increased by £0.7 million, net of amortisation, as we capitalised R&D expenses of £1.0 million in the first half, the majority of these costs being associated with the preparation of the US variant of the SLE 6000 for the US market.

Inventories continued to reduce, declining by £2.1 million in the first half to £11.0 million as the steps taken to improve inventory management in the prior year continued to have an impact, and accelerated by the impact of the large capital sales made in the period. We expect to see further inventory reduction in the second half and into next year as we continue the process of normalising inventory levels.

Trade and other receivables were reduced by £2.4 million in the period to £9.0 million as revenues were more evenly spread throughout the half and receivables from last year were settled. Other receivables were reduced through the receipt of R&D tax credits of £0.7 million. Trade and other payables also fell by £1.7 million to £6.5 million, this included settlement of the contingent consideration for the acquisition of Airon Corporation following the end of the earn out period in April 2025. With revenue targets comfortably exceeded for the target period, the full contingent consideration of $1.0 million was paid in the period.

Overall net assets declined by £0.2 million in the period, standing at £16.4 million at 31 July.

Cash flow and net debt
Cash generated from operations was £3.6 million in the first half, a significant turn round from the cash outflow of £2.3 million in the same period last year. This resulted from the EBITDA profit, reduction in working capital (especially inventories) and receipt of R&D tax credits of £0.7 million.

As a result of the strong cash generation in the period, net debt (excluding IFRS16 lease liabilities) fell to £6.7 million at 31 July from £8.3 million at 31 January and is expected to continue to fall in the second half.

The Group repaid £0.7 million of the Revolving Credit Facility ('RCF') in the first half and reduced drawings from the invoice discounting facility by £1.1 million. At 31 July £6.3 million of the RCF and £1.0 million of the invoice discounting facility were being utilised. As a result of the reduction in net debt and improved EBITDA generation, the cap on drawings from the RCF has now been lifted by the Group's lender meaning that the Group has access to the full £10.0 million under the RCF, providing that leverage is forecast to remain below 3.0x. The Group has no current intention to make further use of the RCF facility and has repaid a further £1.2 million since the end of the period.

Alan Olby
Chief Financial Officer

Unaudited Consolidated Income Statement

For the six months ended 31 July 2025

	Notes	**Unaudited 6 months ended 31 July 2025 £'000**	Unaudited 6 months ended 31 July 2024 £'000	Audited Year ended 31 January 2025 £'000
Revenue		**23,988**	17,039	38,251
Cost of sales		**(12,897)**	(9,634)	(21,873)
Gross profit		**11,091**	7,405	16,378
Operating expenses		**(10,858)**	(9,377)	(18,262)
Operating profit/(loss) (before non-recurring costs)		**233**	(1,972)	(1,884)
Non-recurring costs	4	**(17)**	(1,203)	(12,802)
Operating profit/(loss) (after non-recurring costs)		**216**	(3,175)	(14,686)
Finance income		**3**	24	34
Finance expense		**(503)**	(552)	(1,096)
Loss before tax		**(284)**	(3,703)	(15,748)
Income tax		**22**	(82)	781
Loss attributable to the owners of the parent company		**(262)**	(3,785)	(14,967)
Loss per share, attributable to owners of the parent company				
Basic (pence per share)	5	**(0.29p)**	(5.46p)	(18.82p)

Unaudited Consolidated Statement of Comprehensive Income

For the six months ended 31 July 2025

	Unaudited 6 months ended 31 July 2025 £'000	Unaudited 6 months ended 31 July 2024 £'000	Audited Year ended 31 January 2025 £'000
Loss for the period/year	**(262)**	(3,785)	(14,967)
Other comprehensive expense			
Currency translation differences	(53)	(5)	24
Total other comprehensive expense	**(53)**	(5)	24
Total comprehensive loss for the period/year attributable to the owners of the parent	**(315)**	(3,790)	(14,943)

Unaudited Consolidated Statement of Financial Position

As at 31 July 2025

	Notes	**Unaudited As at 31 July 2025**	Unaudited As at 31 July 2024	Audited As at 31 January 2025
		£'000	£'000	£'000
Assets				
Non-current assets				
Intangible assets		**6,074**	13,223	5,333
Property, plant and equipment		**5,534**	6,906	5,889
Right of use assets		**4,511**	5,393	4,709
		16,119	25,522	15,931
Current assets				
Inventories	6	**11,009**	14,118	13,083
Trade and other receivables	7	**8,961**	9,623	11,336
Short-term investments		**-**	79	-
Cash and cash equivalents		**620**	2,128	733
		20,590	25,948	25,152
Total assets		**36,709**	51,470	41,083
Liabilities				
Current liabilities				
Trade and other payables	8	**(6,466)**	(7,826)	(8,238)
Contract liabilities		**(382)**	(810)	(498)
Borrowings		**(1,033)**	(987)	(2,089)
Lease liabilities		**(419)**	(664)	(540)
Provisions		**(307)**	-	(467)
		(8,607)	(10,287)	(11,832)
Non-current liabilities				
Borrowings		**(6,250)**	(7,982)	(6,985)
Lease liabilities		**(5,213)**	(5,237)	(5,361)
Provisions		**(270)**	-	(270)
		(11,733)	(13,219)	(12,616)
Total liabilities		**(20,340)**	(23,506)	(24,448)
Net assets		**16,369**	27,964	16,635
Shareholders' equity				
Share capital		**8,966**	8,966	8,966
Share premium account		**19,487**	19,487	19,487
Reverse acquisition reserve		**(16,164)**	(16,164)	(16,164)
Share based payment reserve		**214**	341	165
Foreign exchange reserves		**(29)**	(5)	24
Retained earnings		**3,895**	15,339	4,157
Total equity		**16,369**	27,964	16,635

Unaudited Consolidated Statement of Changes in Shareholders' Equity

For the six months ended 31 July 2025

	Share Capital £'000	Share Premium £'000	Reverse acquisition reserve £'000	Share based payment reserve £'000	Other reserves £'00s	Retained earnings £'000	Total equity £'000
At 1 February 2024	**6,823**	**18,905**	**(16,164)**	**280**	**-**	**19,124**	**28,968**
Loss for the period 1 February 2024 to 31 July 2024	-	-	-	-	-	(3,785)	(3,785)
Exchange differences arising on translation of overseas subsidiaries	-	-	-	-	(5)	-	(5)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(5)**	**(3,785)**	**(3,790)**
Transactions with owners in their capacity of owners							
Issue of Ordinary Shares, net of transaction costs and tax	2,143	582	-	-	-	-	2,725
Share based payment expense	-	-	-	61	-	-	61
Total transactions with owners	**2,143**	**582**	**-**	**61**	**-**	**-**	**2,786**
At 31 July 2024	**8,966**	**19,487**	**(16,164)**	**341**	**(5)**	**15,339**	**27,964**
Loss for the period 1 August 2024 to 31 January 2025	-	-	-	-	-	(11,182)	(11,182)
Exchange differences arising on translation of overseas subsidiaries	-	-	-	-	29	-	29
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**29**	**(11,182)**	**(11,153)**
Transactions with owners in their capacity of owners							
Share based payment credit	-	-	-	(176)	-	-	(176)
Total transactions with owners	**-**	**-**	**-**	**(176)**	**-**		**(176)**
At 31 January 2025	**8,966**	**19,487**	**(16,164)**	**165**	**24**	**4,157**	**16,635**
Loss for the period 1 February 2025 to 31 July 2025	-	-	-	-	-	(262)	(262)
Exchange differences arising on translation of overseas subsidiaries	-	-	-	-	(53)	-	(53)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(53)**	**(262)**	**(315)**
Transactions with owners in their capacity of owners							
Share based payment expense	-	-	-	49	-	-	49
Total transactions with owners	**-**	**-**	**-**	**49**	**-**	**-**	**49**
At 31 July 2025	**8,966**	**19,487**	**(16,164)**	**214**	**(29)**	**3,895**	**16,369**

Unaudited Consolidated Statements of Cash flows

For the six months ended 31 July 2025

	Unaudited 6 months ended 31 July 2025 £'000	Unaudited 6 months ended 31 July 2024 £'000	Audited Year ended 31 January 2025 £'000
Cash flows from operating activities			
Loss for the period/year	**(262)**	(3,785)	(14,967)
Adjustments for:			
Depreciation and amortisation	**982**	998	2,209
Remeasurement of leases	**-**	-	13
Impairment of intangible assets	**-**	-	8,492
Impairment of tangible assets and right of use assets	**-**	-	1,808
Share based payment expense/(credit)	**49**	61	(115)
Loss on disposal of tangible assets	**77**	-	8
Finance income	**(3)**	(24)	(34)
Finance expense	**503**	552	1,096
Income tax expense / (credit)	**(22)**	82	(781)
	1,324	(2,116)	(2,271)
Decrease/(Increase) in inventories	**2,074**	(375)	660
Decrease/(Increase) in trade and other receivables	**1,668**	(1,153)	(2,214)
(Decrease)/Increase in trade and other payables	**(1,812)**	1,230	1,753
(Decrease)/Increase in contract liabilities	**(116)**	185	(127)
(Decrease)/Increase in provisions	**(160)**	-	737
Cash flows generated from/(used in) operations	**2,978**	(2,229)	(1,462)
Taxation (paid)/received	**660**	(82)	(87)
Net cash generated from/(used in) operating activities	**3,638**	(2,311)	(1,549)
Cash flows from investing activities			
Bank interest received	**-**	8	10
Interest on lease receivables	**3**	16	24
Proceeds from sale of short-term investments	**-**	118	197
Purchase of property, plant and equipment	**(89)**	(47)	(529)
Purchase of intangible assets	**(43)**	-	(62)
Capitalised development costs	**(1,033)**	(380)	(1,379)
Net cash used in investing activities	**(1,162)**	(285)	(1,739)
Cash flows from financing activities			
Principal elements of lease payments	**(349)**	(372)	(758)
Principal elements of lease receipts	**55**	195	310
Interest on lease liabilities	**(123)**	(131)	(253)
Interest paid on loans and borrowings	**(381)**	(418)	(833)
Proceeds from issue of shares	**-**	2,725	2,725
Proceeds from/(Repayment of) invoice finance facility	**(1,041)**	(667)	435
Proceeds from revolving credit facility	**-**	2,980	2,980
Repayment of revolving credit facility	**(750)**	-	(997)
Net cash (used in)/generated from financing activities	**(2,589)**	4,312	3,609
Net (decrease)/increase in cash and cash equivalents	**(113)**	1,716	321
Cash and cash equivalents at the beginning of the period/year	**733**	412	412
Cash and cash equivalents at the end of the period/year	**620**	2,128	733

Notes to the Unaudited Interim Financial Statements

For the six months ended 31 July 2025

1. Basis of Preparation

This condensed consolidated interim financial information for the six months ended 31 July 2025 have been prepared in accordance with AIM rule 18 in relation to half year reports. This information should be read in conjunction with the annual financial statements for the year ended 31 January 2025, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

2. Going concern basis

The Group relies on a combination of cash generated from operations and borrowing facilities from external lenders to finance its ongoing operations. The Group has access to a revolving credit facility ('RCF') of £10.0 million and an invoice finance facility of up to £5.0 million. The RCF facility contains certain customary financial covenants relating to the Group.

The Directors have considered financial projections for the next 18 months covering several scenarios, these include a significant (10%) revenue downside versus the budget for the period. These projections demonstrate that the Group can operate within the facilities available to it and meet the relevant covenant targets for the foreseeable future. The Directors, after taking into account the available facilities, its trading projections including working capital requirements believe that they have a reasonable basis for concluding that the Group has adequate liquidity to continue as a going concern and have therefore adopted the going concern basis in the preparation of these financial statements. The financial statements do not reflect any adjustments that would be required if they were prepared on a basis other than the going concern basis.

3. Interim financial information

The interim financial information for the period ended 31 July 2025 is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim financial information for the period ended 31 July 2024 is also unaudited. The audited accounts for the year ended 31 January 2025 for Inspiration Healthcare Group plc were approved by its Board of Directors on 5 June 2025 and have been delivered to the Registrar of Companies with an unqualified audit report.

The Company's annual report and financial statements for the year ended 31 January 2025 were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The standards used are those published by the International Accounting Standards Board (IASB) and endorsed by the EU at the time of preparing those statements.

4. Non-recurring items

Non-recurring items are items which, given their nature, management believes should be disclosed separately for the purposes of presenting the results of the Group and the earnings per share figures.

During the six months ended 31 July 2025, the Group recognised £17,000 of non-recurring costs (2025: £12,802,000):

	Unaudited 6 months Ended 31 July 2025 £'000	Unaudited 6 months Ended 31 July 2024 £'000	Audited Year Ended 31 January 2025 £'000
Impairment of goodwill and other assets	**-**	-	10,300
Contingent consideration	**(74)**	782	813
Acquisition costs	**-**	(3)	-
Restructuring costs	**45**	360	1,584
Other	**46**	64	105
Total	**17**	1,203	12,802

An exceptional credit was recognised in the current period of £74,000 relating to the foreign exchange movement on the contingent consideration due to the former shareholders of Airon Corporation, which was settled in June 2025.

In the six-month period ended 31 July 2025, the Group recognised restructuring costs of £45,000 (FY25: £1,584,000), which related to redundancy costs and legal fees associated with the exit of vacated premises in Croydon. In the year ended 31 January 2025, the restructuring costs also included payments to directors for loss of office, expenses associated with the recruitment of the new CEO and dilapidation provisions associated with the exit of vacated premised in Hailsham and Croydon.

5. Loss per ordinary share

Basic loss per share for the period is calculated by dividing the loss attributable to ordinary shareholders for the year after tax by the weighted average number of shares in issue.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares. No diluted loss per share is presented for the period ended 31 July 2025 as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive.

	Unaudited 6 months Ended 31 July 2025	Unaudited 6 months Ended 31 July 2024	Audited Year Ended 31 January 2025
Loss attributable to equity holders of the Company £'000	**(262)**	(3,785)	(14,967)
Weighted average number of ordinary shares in issue during the period/year	**89,663,372**	69,300,311	79,534,567
Basic loss per share (pence)	**(0.29)**	(5.46)	(18.82)

6. Inventory

	Unaudited 31 July 2025 £'000	Unaudited 31 July 2024 £'000	Audited 31 January 2025 £'000
Raw materials	**5,912**	7,212	7,233
Work in progress	**589**	1,546	337
Finished goods	**4,508**	5,360	5,513
Total	**11,009**	14,118	13,083

7. Trade and Other Receivables

	Unaudited 31 July 2025 £'000	Unaudited 31 July 2024 £'000	Audited 31 January 2025 £'000
Trade receivables	**7,297**	8,718	9,594
Loss allowance	**(225)**	(498)	(247)
Net trade receivables	**7,072**	8,220	9,347
Net investment in leases	**111**	290	166
Other taxes and social security	**601**	-	319
R&D tax credits receivable	**142**	-	786
Other receivables	**84**	500	93
Prepayments and accrued income	**951**	613	625
Total	**8,961**	9,623	11,336

8. Trade and Other Payables

	Unaudited 31 July 2025 £'000	Unaudited 31 July 2024 £'000	Audited 31 January 2025 £'000
Trade payables	**4,314**	5,280	5,661
Corporation tax payable	**-**	82	-
Other taxes and social security	**197**	463	404
Other payables	**205**	538	184
Accrued expenses	**1,750**	1,463	1,989
Total	**6,466**	7,826	8,238

9. Net Debt (excluding IFRS 16 lease liabilities)

In the reporting of its financial performance, the Group uses certain measures that are not defined under IFRS, the Generally Accepted Accounting Principles (GAAP) under which the Group reports. One of these measures is net debt (excluding IFRS 16 lease liabilities), which consists of:

	Unaudited 31 July 2025 £'000	Unaudited 31 July 2024 £'000	Audited 31 January 2025 £'000
Cash and cash equivalents	**620**	2,128	733
Revolving credit facility	**(6,250)**	(7,982)	(6,985)
Invoice financing borrowings	**(1,033)**	(987)	(2,089)
Total	**(6,663)**	(6,841)	(8,341)