

Annual Report and Financial Statements **2026**



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Financial and Operating Highlights

Financial Highlights

- ▶ Group revenue of £47.5m (FY25: £38.3m) up 24% on prior year
 - ▶ SLE products £31.5m +56%
 - ▶ Inspiration Healthcare £13.9m -11%
 - ▶ Airon £2.1m -13%
- ▶ Gross profit of £20.8m (up 27% year-on-year) with margin of 43.7% (FY25: 42.8%)
- ▶ Adjusted EBITDA¹ of £2.8m (FY25: £0.2m)
- ▶ Adjusted operating profit of £0.8m (FY25: loss of £1.9m)
- ▶ Operating loss of £0.1m (FY25: loss of £14.7m)
- ▶ Operating cash inflow of £7.5m (FY25: outflow (£1.5m)) with significant working capital improvements achieved in FY26
- ▶ Net debt³ (excluding IFRS16 lease liabilities) declined 39% to £5.1m (FY25: £8.3m)

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

2 Earnings before interest, tax, impairment, share-based payments and non-recurring items

3 Cash and cash equivalents, less revolving credit facility and invoice finance borrowings

Operating Highlights

- ▶ Completion of biggest single export order for SLE6000 and SLE1500 for global humanitarian aid organisation and first part of Middle East order – £9.5m one-off export revenues
- ▶ Underlying SLE business growth of 10% and improving pipeline of opportunities for FY27
- ▶ Airon signs multi-year purchasing agreement with leading US healthcare provider
- ▶ Production output increased to meet demand through efficiency gains with further improvements planned for FY27
- ▶ Inventory reduced by 33% (£4.3m) to £8.8m through improved working capital management
- ▶ New range of SLE branded consumables on track for launch in FY27
- ▶ Development project for US market entry continues with FDA filing now expected in late 2027
- ▶ Achieved ISO14001 Environmental Management System certification and successful submission to the NHS Evergreen Framework
- ▶ Recruitment of regional managers for Asia Pacific, Latam and Airon to drive international sales, also medical affairs and director of marketing and product management with neonatal and clinical expertise to support commercial teams

Post year-end

- ▶ On 2 June 2026, the Group announced the transfer of the infusion business to Micrel Medical Devices SA with effect from the end of FY27 resulting in Inspiration Healthcare becoming a focussed neonatal business
- ▶ Net debt (excluding IFRS16 lease liabilities) at 31 May 2026 £5.6m

Outlook

- ▶ Current trading in line with Board expectations for FY27
- ▶ Orderbook and opportunity pipeline provide confidence in meeting full-year market expectations
- ▶ Further working capital improvement with inventory reducing
- ▶ The Board has confidence in the outlook for FY28 given the underlying performance of its core business units, notwithstanding the recently announced loss of the lower-margin infusion products distribution business which is expected to reduce revenues

About the Group

Inspiration Healthcare Group PLC (“the Group”) (AIM: IHC) designs, manufactures and markets pioneering medical technology. Based in the UK, the Group 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 Group 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 Group 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 Group operates in the UK from its Manufacturing and Technology Centre in Croydon, South London, and in the USA from its facility in Melbourne, Florida.



Find out more:
[inspirationhealthcaregroup.com](https://www.inspirationhealthcaregroup.com)

Our Business

Our Markets

The Group operates as a provider of essential medical technology and develops and sells products and services into three main market areas: Neonatal, Infusion Therapies and Speciality Ventilation.

Neonatal Intensive Care

Neonatal intensive care is our primary area of concentration where the focus is on saving the youngest and most vulnerable patients. Worldwide, more than 1 in 10 babies are born prematurely. In 2020 there were an estimated 13.4 million preterm births globally while in 2019 900,000 deaths were attributed to preterm birth complications. (Source: World Health Organization 2023).

Premature births are the single biggest cause of death of children under the age of five and remain a consistent challenge to healthcare professionals. There is increasing demand for technologies that can deliver the best possible outcomes and prevent serious complications.

Our products have been developed to improve patient outcomes, starting with the first breaths of life.

We have a range of products, both capital equipment and consumables, that we have developed and own outright or through licence arrangements of Intellectual Property which we can sell globally where regulatory approvals allow. We supplement our own products with commercial arrangements which allow us to distribute third party products. This adds value to our customers and distribution partners as they are able to acquire products they need from a single source.

As well as our broad portfolio of products, we supplement this with technical support directly in the UK and the USA and through distributors elsewhere for the capital equipment that we sell. We train our distributors and hospital biomedical engineers and provide spare parts to those who have been appropriately trained to service our products.

Infusion Therapies

We manage a range of advanced medical technologies for infusion therapy for which we are the exclusive distributor in the UK. Total Parenteral Nutrition ("TPN") is currently the Group's largest market in Infusion therapy and there are also significant opportunities in chemotherapy and pain management that are suitable for hospital and homecare settings. Expansion into these areas is a strategic focus.

As with our Neonatal Intensive Care range, for Infusion, we offer technical support for our customers through

training programmes for our customers or in-house at our Manufacturing and Technology Centre in Croydon.

Speciality Ventilation

Speciality Ventilation represents the Airon business acquired in January 2024 which manufactures and sells pneumatic ventilators in the USA and internationally from its base in Melbourne, Florida.

Global Reach

Our global reach means our medical technology is available in more than 75 countries. We sell directly into the UK and Ireland and partner with established independent distributors in the rest of the world. In the USA we support our distributors with our own sales team. This model provides us with significant global coverage and opportunity including access to international Key Opinion Leaders ("KOLs") with whom we develop relationships to drive our product development and education offerings.

Our Business

Inspiration Healthcare Group is an ethical Company with high principles in business. We take our responsibilities towards Environmental, Social and Governance ("ESG") seriously and are always looking at ways to improve the way we operate our business, especially around issues that affect society.

Environmental

We are committed to reducing our impact on the planet wherever possible and undertake regular reviews of our practices to do so. Our environmental and sustainability efforts are an important part of our operational strategy. The environment and sustainability are important to our customers. In our biggest market, the UK, the government has mandated the NHS to be carbon neutral by 2045, our aim is to use this to drive the Group to be ahead of this date which will stand us in good stead around the world.

Our Business continued

Social

As a medical technology company, we are deeply embedded in society to improve the outcomes for the patients we serve. We are committed to using technology to improve outcomes for patients and want to do this in a way that has maximum benefit for society. Our charitable giving initiative offers us the opportunity to support charities that align with our core values.

We are an ethical employer and create a positive working environment for our employees. We aim to have roles that challenge, engage and develop our teams to their fullest potential, including prioritising internal promotion opportunities before reviewing external candidates, where appropriate. We are an organisation committed to the ongoing professional growth of every team member. Regardless of position, we provide the opportunity to excel and enhance their skills.

We have considered our employees' overall well-being. Through the Group's People team, we offer a range of benefits:

- ▶ 'Blended Working Policy' allowing employees to work from home for up to 40% of their time.
- ▶ Improved parental pay for all new parents, including adoptions, and additional paid time off for those parents who have a premature baby.
- ▶ Mental Health and well-being App providing employees with access to support if and when needed.

In addition to the above, we actively monitor gender pay and acknowledge the benefits of a diverse workforce. Diversity fosters varied perspectives and ways of thinking, which in turn will improve the Group's performance.

We are committed to ethical business practices and ensure all our employees understand their obligations to make sure that our business is conducted in a fair and transparent manner. We have codes of conduct for how employees should expect to be treated and treat others. As a global supplier, we respect cultures around the world. However, we never compromise on certain areas of our business, and we have policies around issues such as modern slavery, bribery and corruption and money laundering to ensure we are adopting best practice in these areas.

Governance

As a company listed on the Alternative Investment Market ("AIM") of the London Stock Exchange and as a member of the Quoted Companies Alliance ("QCA"), the Board follows their best practice on Governance aiming to ensure everything we do is with the highest level of governance and transparency.

Chair's Report

Welcome to my annual review as Chair of Inspiration Healthcare Group.

I am pleased to report that the Group had a strong performance in the year ended 31 January 2026 ("FY26") with almost all of our financial metrics now trending in the right direction over the period and exceeding original market expectations for the year.

Back-to-Basics Delivering

Overall FY26 revenues grew strongly by 24% in the year to £47.5m (FY25: £38.3m). As a result, Adjusted EBITDA also improved to £2.8m (FY25: £0.2m). Strong management of working capital also contributed to operating cash generation of £7.5m (FY25: £(1.5)m) which resulted in Net Debt (excluding IFRS16 liabilities) reducing by 39% to £5.1m at year end (FY2025: £8.3m).

The implementation of our Back-to-Basics strategy over the past two years has driven this improvement in performance and while we continue to focus on the basics of driving sales, improving profitability and working capital we are now evolving our strategic focus to identifying how we can deliver growth and leadership in our three refocused businesses:

1. **SLE** – a recognised global leader in neonatal ventilation which sells worldwide through a network of highly qualified distributors and through Inspiration Healthcare Ltd in the UK.
2. **Inspiration Healthcare** – our UK focused medtech distribution channel in the UK and Ireland selling SLE products and complementary products and solutions in the space and
3. **Airon** – a global leader in pneumatic ventilation, currently selling predominantly in the USA.

During the year besides executing the Back-to-Basics strategy under the leadership of Raffi Stepanian, our CEO, we updated our strategy strengthening our organisational structure, processes and culture. These improvements position us well for the future and the Board remains focused on maintaining the momentum we have created and delivering sustainable shareholder value.

Board and Organisation

As part of its ongoing governance of the business the Board continues to evaluate the focus and strategy of the business along with the resources and structure of the organisation including the Board itself to ensure alignment. As a result of this we saw the following changes to the Board in FY26:

Neil Campbell stepped down as Non-Executive Director in July 2025

Liz Shanahan stepped down as Non-Executive Director in November 2025

I would like to take this opportunity to thank Neil and Liz for their commitment and service to the business during their respective tenures.

We are fortunate to work in a business that helps save lives from the very first breath in this world. It is a privilege to work with our customers – the doctors and nurses around the world – to help make a difference every day. I would like to thank all our customers for their continued use of our products and the trust they place in us to support the lifesaving work they do.

I would also like to thank our employees and partners around the world for all their hard work. It is their dedication that makes Inspiration Healthcare the Company that it is, and I am proud of their efforts in rising to the daily challenges we face as a business in such a positive way.

Finally, I would like to thank our shareholders for their continuing support for the business. I believe we are now moving in the right direction and will be able to deliver on the potential the business has.

Long-term strategy

Following the FY25 pivotal year where we kicked-off the Back to Basics strategy, FY26 has been a year where we continued that focus while at the same time setting the new strategic direction of the Group, defining our organisational culture, mission and structure, enhancing our processes and starting to define our roadmap of solutions and offerings for our customers.

With a world-class manufacturing site in Croydon and a dynamic and motivated team we are well-positioned to reclaim leadership in the neonatal ventilation market globally with SLE, to be the partner of choice for neonatologists and the NHS in the UK with Inspiration Healthcare and to grow Airon globally as a unique provider of pneumatic ventilators.

Chair's Report continued

The actions we have taken in the past year have strengthened our organisation, increased customer satisfaction metrics and energised our distribution partners who trust and are excited by our vision and future direction.

Whilst the transfer of the distribution of Micrel's infusion products will reduce revenues within our Inspiration Healthcare distribution business in the short term, we are confident in the Group's ability to capitalise on the opportunities ahead. We believe the business has a clear strategy, a solid portfolio of best-in-class, life-saving technologies that are addressing a critical need and are in constant demand worldwide and a strong team to deliver on the opportunities ahead of us.

Roy Davis

Non-executive Chair

15 June 2026

Chief Executive Officer's Report

Welcome to my first annual report as CEO of Inspiration Healthcare Group. The past year has seen a continuation of the changes started under our Chair (and at the time interim CEO) Roy Davis, with a focus on 'Back to Basics' and strengthening the organisation with renewed processes, structure and human resources.

'Back-to-Basics' aimed at putting our patients and customers at the very centre of everything we do by ensuring we are engaging with our end-users and sales channel distributors to provide excellence in the products we offer and the services we deliver. Ultimately, this will help us increase sales and improve our financial performance.

Our FY26 financial results were very positive, with revenue growth of 24% to £47.5m, (FY25 £38.3m), fuelled by our growth in core SLE capital sales, offset slightly by decrease in Infusion Therapies and Airon. We have delivered on our targets of reduced running costs and inventory, while reducing working capital and net debt ahead of previous market expectations. We achieved this while working in parallel on our long-term improvements, towards a leaner and more efficient organisation.

During the year we have clarified our new strategy and the vision for the mid-term future of the Group. Looking at the company offerings, our strengths and opportunities, and the growth potential, we have re-aligned our activities and brands into three distinct business units:

SLE, with a well-recognised and strong brand name worldwide, is positioned as a global leader in neonatal ventilation. With its 70-year history and expertise, in-house R&D and clinical innovation, SLE is the core of our group and presents the biggest growth opportunity for the business. This growth will be achieved through:

- ▶ Market expansion: including entry to US, share gain in Western Europe and renewed focus on Asia Pacific and Latin America
- ▶ Consumables: increasing our product offerings and focused sales efforts, driving flow-business of accretive margins to ensure stable and higher quality revenue vs lumpier capital sales
- ▶ Service: through optimised customer offerings with Service-as-a-Product

Inspiration Healthcare, a strong brand in the UK and Ireland, is positioned as a trusted medtech distributor, focusing on neonatal care areas and infusion therapies. Our direct sales and field service teams hold a market-leading position in neonatal ventilation (through SLE products) and will drive the distribution of adjacent neonatal products that add value to customers with their innovation and comprehensive solution-based approach. We will review our portfolio continuously to add new products to that end.

Airon, a robust platform of good brand name in the US market with its unique pneumatic technology to ventilate adults to neonates. The products operate without any electronics or batteries and are ideal for transport, early mobility, ambulance and other emergency services settings. From its strong base in the US, we will grow the brand globally where there are significant opportunities.

With the different opportunities presented by these three business units, our vision is to double the sales for the group over the next 5 years. This will be achieved through detailed strategies specific to each of the businesses, with clear ownership and accountabilities across the organisation.

Key highlights of these three business units in the year follow below.

Revenue	2026 £'000	2025 £'000	
SLE products	31,562	20,222	+56%
Inspiration Healthcare (Medtech distribution)	13,898	15,631	-11%
Airon	2,087	2,398	-13%
Total	47,547	38,251	+24%
SLE products:			
Capital	23,041	12,475	+85%
Consumables	5,220	4,568	+14%
Service	3,301	3,179	+4%
	31,562	20,222	+56%

Chief Executive Officer's Report continued

SLE

Delivering breaths in moments that matter

It was a strong year for SLE, with sales growing 56% to £31.6m (FY25: £20.2m) driven by the successful completion of a major project with a global humanitarian organisation in Central Asia and the first part of our Middle East contract, these large one-off export orders contributed £9.5m to revenue for the year. Besides the impact of these projects, the underlying SLE business also grew 10%, with a growing pipeline of orders and opportunities built for FY27, underlining the strong demand for our products globally.

In addition to the international success, our UK team grew ventilator capital unit sales by 20% in the year. We currently hold the market-leading position in neonatal ventilation with the NHS in England, a testament to the efforts of our team and the products and service we provide.

Sales in Europe declined during the year after a strong finish in FY25 due to the lumpy nature of capital sales. However, the pipeline looks stronger for FY27 with expected market share gain across all of Europe and specifically in Western Europe where our strategy of clinical marketing and increased sales support is delivering.

In the Middle East we delivered the first part of the large order which was previously announced (in FY25). We have shipped the second part of the order in H1 FY27 and are positive for the outlook for the region for the year.

Central Asia had a fantastic year with the large order from the global humanitarian organisation as a driver, in addition to continuous growth in the underlying business. With the large order currently installed, we expect further opportunities with consumables and service revenue, and good level of ongoing projects in the wider region. It remains a key geography for the company.

Asia-Pacific recorded a decline in sales which was again due to the lumpy nature of capital sales and a further loss of share in China due to local competition. We had success in India in FY26 where our back-to-basics approach resulted in record sales in the country where SLE has had a long-term distribution partner. Looking forward we see opportunities for growth in both these markets, as well as in Japan, where we are refocusing our efforts through our distribution partners. We have appointed a new Regional Manager for the region based in Singapore, and the increasing level of support to our partners is already impacting our identified revenue pipeline.

Latin America is a region with significant potential and grew revenues from a low base in FY26. To support

continued growth at the start of FY27 we appointed a Regional Manager for this region based in Mexico, and the response from our channel partners has been positive. This reinforces our confidence for the future sales in the region for FY27 and beyond.

In terms of product breakdown, our capital sales grew 85%, consumables by 14% and service by 4%. Currently our capital sales comprise 73% of the total SLE revenue and this underlines the importance of our strategy to focus on our consumables and service offerings to improve the profile of earnings and reduce the impact of lumpier capital orders. In FY27 we plan to launch several consumable products which support achieving this objective.

Alongside our flagship product range (SLE6000 series) which is geared towards high-acuity neonatal intensive care units (NICUs), during FY26 we have re-positioned and re-launched a complementary product, the SLE1500. This will enhance our position in lower-acuity care areas, like step-down (or high-dependency) units, intra-hospital transport and delivery rooms. Both products offer a continuum of care with innovative features like the Oxygenie® algorithm, which offers automated oxygen delivery to fragile neonates, helping to free up nursing time and keep neonates in specified oxygenation levels, to help minimise complications.

With a growing product range in capital devices, consumables and technical service, we are increasing our footprint and sales opportunities and solidifying SLE's position as a global leader in neonatal ventilation, across the neonatal care pathway.

We will be marking the 70th anniversary of SLE's foundation in 2026 and focus on its renewed purpose:

Delivering breaths in moments that matter

Inspiration Healthcare

Advancing Patient Care Together

Inspiration Healthcare is the Group's medtech distribution entity for UK & Ireland, and along with sales of the Group's own SLE products, it includes 3rd party neonatal products and the Infusion Therapies segment of ambulatory infusion pumps from Micrel.

Inspiration Healthcare sales declined in FY26 by 11% to £13.9m (FY25 £15.6m) mainly due to a 13% decline in sales of the Infusion Therapies products (sales of £9.7m versus £11.2m in FY25) which forms the biggest part of this unit (sales figures exclude UK/Ireland sales of SLE products).

Chief Executive Officer's Report continued

The performance of the Infusion Therapies was due to overstocking by a major customer in FY25, impacting sales through most of FY26. This situation is now resolved and sales at the end of the year and the start of FY27 have returned to expected levels.

In the parenteral nutrition (PN) segment, the new Serena series along with the previous generation of pumps, PN+, command a market leading position with over 50% share of installed pumps in England. These are used primarily in a home setting. In pain management, the new Ultima series had a successful year with more than 50% growth in sales year-over-year. These pumps are used in hospital settings and follow the NHS purchasing process with tenders that are longer-term and often subject to long purchasing cycles. With focused marketing, strengthened clinical and sales teams we are confident about the future growth of this segment.

Inspiration Healthcare launched the Monsoon 4 jet ventilator for adult and paediatric surgery in the UK in FY26 following the receipt of its MDR certification, having been the UK distributor for Monsoon products for several years. We have a strong pipeline of opportunities for capital sales in FY27 from which we can also build recurring consumable and service revenues. Post period, the next generation neonatal transport incubator that the Group has also distributed for many years received its MDR certification and there is a growing pipeline of opportunities for this much needed product.

In parallel, we are continuously streamlining the remainder of the 3rd party portfolio assessing the value of the products we distribute, only adding new solutions that would enhance our offering in the neonatal care domain, to position Inspiration Healthcare as a trusted partner of neonatologists in the UK and Ireland.

Airon

Giving breath to the world

Airon is a leading manufacturer of pneumatic ventilators, which can be used in patient transport and MRI for neonates through to adults. It has an established sales channel through a national distributor in the US, supported by our in-house sales team.

Airon revenues declined 13% to £2.1m (FY25 £2.4m). This was driven by slower-than-expected uptake by our national distributor and the delay in signing of a major contract towards the end of the year. In January 2026, we announced the signing of a significant three-year purchasing agreement with a large US healthcare provider which represents an important milestone in Airon's expansion in the US market. The agreement includes an initial order for 150 units of the Model A and

Neo ventilators and provides a longer-term high-quality revenue stream for consumables and service. The initial capital order has been shipped in the first quarter of FY27.

During the year we appointed a new General Manager for the business and renewed our sales and marketing efforts to win a fair share for the products in the US, and moreover planned for the global expansion, through our existing SLE distribution channels. The global opportunity is real and will add the needed extra level of sales to Airon, in line with our goal of doubling revenue within the next 5 years.

Operations

Croydon is our manufacturing and distribution centre for the SLE and Inspiration Healthcare products while Airon operates out of Melbourne, Florida. Through the past couple of years, we have closed all our other sites across the UK and streamlined the UK business into two legal entities, reducing complexity within our operations.

With the increased demand on our SLE ventilators, we are proud to share that we have been able to increase our monthly output without additional resources, through more efficient assembly and testing processes. These efforts will continue in FY27 to identify and implement additional production efficiencies.

The supply chain challenges seen over recent years have decreased and with improved working capital management we reduced inventory by 33% (£4.3m) to £8.8m at 31 January 2026 and expect this to fall further in FY27, while ensuring we secure our short-term and long-term capabilities to manufacture and service our installed base of capital equipment and also reduce lead times for customer deliveries. Challenges remain with various (specifically electronic) components being discontinued or phased out and as a result our R&D and purchasing teams are continuously evaluating alternatives and upgrading our parts sourcing.

A significant undertaking in FY26 has been the upgrading of the Group's ERP system through which we manage all our transactions, from supply chain to operations, inventory management, finance, sales, service and customer interactions. We are now at a much more efficient level to deliver improvements in both customer satisfaction and speed in our processes.

Research and development

Apart from supply challenges, our R&D team have continued to focus on launching additional features for the SLE6000 and SLE1500 ventilators and progressing the FDA registration project, and a new consumables range

Chief Executive Officer's Report continued

for launch in FY27, as well as supporting the Group's transition to the new MDR standards in Europe.

The FDA application project remains our highest priority R&D project in terms of market expansion and growth, with our R&D and Regulatory teams fully engaged in this project which will deliver new electronics and software to extend the life of the SLE6000 internationally as well as providing a variant of the SLE6000 for submission to the FDA. Challenges associated with these changes for the US market combined with the approach being taken by the FDA to such submissions means that we now anticipate FDA filing in late 2027, with clearance in H1 2028.

We have identified a new ventilator technology platform with a broader market reach which would expand SLE's product portfolio, and which may also provide a lower risk route to US market entry. The technology is focussed on lower acuity care areas for step down care, not intensive care where the SLE6000 is targeted. This market segment is estimated to be approximately \$116m globally with a ~5% CAGR and is more than double the market size of the intensive care segment where the SLE6000 has ~30% market share. Securing access to this technology would accelerate our time to market with a new product by at least three years. Management are currently undertaking due diligence to further assess this opportunity.

Organisation

In line with our overall strategy of creating a dynamic team, a focus on sales, and innovation in our product offerings, we have strengthened the organisation with new additions and various changes.

We have defined our internal values around Customer Focus, with the patient at the heart of everything we do. With a clear focus on Teamwork, Accountability and Ownership, as well as Continuous Improvement, we aim to unify the various organisational cultures into a single impactful force to deliver on the long-term vision:

To pioneer medical technology that improves patient care, starting with the very first breaths of life

To increase support for our distribution partners globally, we have strengthened the team with dedicated Regional Managers in Asia Pacific and Latin America, as well as the General Manager at Airon.

To lay the grounds for our future innovation as well as to strengthen our current clinical marketing and partnership with key opinion leaders, we have partnered with a globally renowned key opinion leader in neonatal ventilation, as well as appointed a Medical Affairs Director

who is also a practicing clinician. We will further build this capability to include a clinical advisory board, to drive thought leadership in neonatal ventilation.

Finally, post year end, we have appointed a new Director of Product Management and Marketing with long-standing experience in both neonatal and ventilation segments, to lead our marketing team and global product managers.

We are continuously assessing our human resources with the constant urge to improve capabilities, through new additions, education and training.

Priorities for FY27

We start the new financial year with continued focus on our Back-to-Basics actions driving better financial performance, with clarified vision and strategy around three business units and a strong pipeline of sales in the UK and Internationally.

Our key priorities will be:

- ▶ Increasing share globally, specifically in Europe, while continuing to grow in AsiaPac, LatAm and Middle East (SLE)
- ▶ Launch of the first products in our consumables range (SLE)
- ▶ Development of our Service offerings
- ▶ Entry to US market – FDA submission project (SLE)
- ▶ Addition of valuable and adjacent 3rd party products to our neonatal offering (Inspiration Healthcare – UK)
- ▶ Due diligence and decision on ventilator technology platform
- ▶ Growth in emergency services in US and global market (Airon)
- ▶ Continued streamlining of group-wide ERP system for efficiency gains (Group)
- ▶ Continued focus on material management, inventory and working capital (Group)

Our team is geared up to the exciting year with clear goals and objectives, putting our patients at the centre of everything we do.

I want to thank them and our partners worldwide for their hard work in making our vision a reality, every day. With your dedicated efforts, we help our fragile patients have a better chance at leading healthy lives.

Chief Executive Officer's Report continued**Post period**

On 1 June 2026, the Group entered into a framework agreement with Micrel Medical Devices SA ("Micrel") for the transfer of the distribution of Micrel's infusion products to an entity controlled by Micrel effective from 31 January 2027.

The Group has been the exclusive distributor of Micrel's ambulatory infusion pumps and related consumables in the United Kingdom since 2011. During this time Inspiration Healthcare has built a market leading position in the homecare market for parenteral nutrition and a growing presence in the NHS. The infusion products generated revenue of £9.7million at a contribution margin of approximately 25% for the Group in the year ended 31 January 2026.

Under the terms of the framework agreement, the existing distribution agreement will expire on 31 January 2027 with Micrel taking full control for the sale and distribution of the products in the UK. The Inspiration Healthcare employees responsible for the infusion products will transfer to Micrel under TUPE from 1 July 2026. In addition, Micrel will buy back unsold inventory on the final transfer date and make a compensation payment to Inspiration Healthcare in exchange for the orderly transition of the business and reflecting the goodwill generated during Inspiration's tenure as UK distributor.

Inspiration Healthcare will continue to manage and sell the products during a transition period until 31 January 2027 meaning there will be no impact on the Group's revenue and gross profit estimates for the current financial year. The transfer of employees to Micrel on 1 July will generate savings in operating expenses in the second half. The Board expects these savings, combined with the compensation payment, to contribute to reducing net debt by approximately 20% during FY27.

Outlook

Current trading is in line with the Board's expectations, and the Group has an increasing orderbook and an improving pipeline of opportunities for FY27. We have already secured some notable orders from European distributors which has been a strategic priority under the back-to-basics campaign.

The announcement that the infusion product rights will return to Micrel after 31 January 2027, allows the Group to focus on its core business of neonatology and neonatal ventilation in particular which are the markets where we have the most growth potential. As such, we are increasing our focus on the strategy to grow sales of our own products and in particular drive growth in higher margin and recurring revenues from consumables and service. The Group has also identified opportunities to grow its product portfolio and footprint in this area through additional third party distribution and will continue to assess these and further opportunities.

Raffi Stepanian

Chief Executive Officer

15 June 2026

Our Business Strategy

We design, manufacture and market medical technology globally. Our design and manufacturing expertise, combined with our deep understanding of patient needs enables us to provide a broad portfolio of own branded innovative medical products, supplemented by complementary distributed products, for use in neonatal intensive care.

The Group has an established global footprint, selling its products directly in the UK and Ireland and via its network of worldwide distribution partners.

Our commercial strategy is focused on accelerating growth through maximising in-market sales, geographic and portfolio expansion and strategic M&A, with a long-term ambition to become a world leading provider of innovative medical devices.

- ▶ Maximise revenue from existing products and markets.
- ▶ Developing new features for existing products, for example we release regular software updates for our neonatal ventilators incorporating improved functionality.
- ▶ Increase education and support for end users and distributors, we have recently launched a new online learning management system for products.
- ▶ Add value through services, including education and technical support, such as webinars to support education.
- ▶ Focus on increasing recurring revenues from consumable products having undertaken a fundamental review of our range and working with our current supply partners.
- ▶ Expand product portfolio through investment in R&D to invigorate the Company's pipeline of branded products, technology agreements such as targeted in-licensing or IP acquisitions and the addition of new distributed products.
- ▶ Entry into new geographical markets through regulatory approvals, with a particular focus on North America.
- ▶ Opportunity to expand distribution network and products in Canada now that we have achieved MDSAP registration for the Group.
- ▶ Reviewing all products to plan FDA approval in the USA starting with our ventilator range.
- ▶ M&A and IP licensing opportunities to add complementary new products/IP and capabilities and expand global footprint to add scale and accelerate company growth.

Operational and Financial Review

Revenue

Group revenue increased 24% to £47.5m (FY25 £38.3m) driven by the strong performance of the SLE products in FY26 and as discussed in more detail in the Chief Executive Officer's report.

Gross profit

Gross profit of £20.8m was 27% higher than the prior year (FY25 £16.4m) and represents both absolute revenue growth and a gross margin increase to 43.7% for the year, from the 42.8% achieved in FY25. The margin improvement being driven by the growth in capital sales of the SLE products.

Operating loss and Adjusted EBITDA

The Group reported an Operating loss of £0.1m for the year (FY25 loss of £14.7m). This included non-recurring items of £0.9m (FY25 £12.8m) and an underlying Adjusted Operating profit of £0.8m (FY25 loss of 1.9m).

Administrative expenses excluding non-recurring items, increased by 10% to £20.2m (FY25: £18.3m) largely because of the large one-off export contracts delivered in the year. These projects were contracted directly with the end customers and not via a distributor unlike our traditional international sales. As a result, commissions were paid to local agents who were involved in the delivery of these contracts, which amounted to £1.7m. The Group also recorded foreign exchange losses of £0.6m in the year (FY25: £nil), excluding these items, underlying administrative expenses were 3% lower than the prior year reflecting the benefit of cost saving measures implemented in FY25 and ongoing cost control.

Adjusted EBITDA increased to £2.8m (FY25 £0.2m) due to the significant increase in revenue and the improved gross profit margin. A reconciliation of operating loss to adjusted EBITDA is set out below.

	2026 £'000	2025 £'000
Operating loss	(78)	(14,686)
Non-recurring items	867	12,802
Adjusted Operating profit/(loss)	789	(1,884)
Depreciation	1,235	1,315
Amortisation of intangible assets	615	894
Share based payments	146	(115)
Adjusted EBITDA	2,785	210

Non-recurring items in FY26 were £0.9m (FY25 £12.8m). These are predominantly restructuring costs resulting from employee severance payments, and increased

provision for dilapidations at the Group's old site in Croydon where the leases were formally exited during the year. See note 8 for further detail on non-recurring items.

Net finance expenses reduced by 13% to £0.9m (FY25 £1.1m) reflecting the declining level of average net debt carried through the course of the year, combined with a fall in the effective interest rate compared with FY25 as prevailing market rates also fell.

Loss per share

Basic loss per share for the year was 1.16 pence per share compared to a basic loss per share in FY25 of 18.82 pence.

Dividends

The Board is not recommending payment of a final dividend (FY25 £nil) while the focus remains on reducing net debt and investing in the SLE product portfolio. The Board has therefore agreed to maintain the suspension of dividend payments until further notice and will keep the dividend policy under review.

Non-current assets

The value of non-current assets as at 31 January 2026 totalled £17.1m, an increase of £1.2m over the year as additions to capitalised research and development costs and property, plant and equipment exceeded depreciation and amortisation charges for the year. The Group increased its investment in the SLE product portfolio in FY26 capitalising £2.1m of costs predominantly linked to development projects for the SLE6000 product, compared with £1.4m in FY25.

Current assets and liabilities

Current assets reduced by £6.6m to £18.6m at 31 January 2026 with a strong focus on working capital management as part of the back-to-basics campaign. Inventory was reduced by £4.3m (33%) in the year to £8.8m (FY25 £13.1m) because of strong sales of capital items combined with improved forecasting and additional purchasing controls. Inventory is expected to fall further in the coming year. Trade and other receivables were also reduced by £2.7m to £8.6m (FY25 £11.3m) resulting from our focus on strengthening credit control, and despite increased sales in the last quarter.

Trade and other payables reduced to £6.2m at 31 January 2026 (FY25 £8.2m) due to a significant reduction in trade payables following the actions taken to reduce inventory and the timing of purchases around year end.

Operational and Financial Review continued

Non-current liabilities

Borrowings under the Group's RCF reduced by £3.0m to £4.0m and non-current lease liabilities fell by £0.3m leaving non-current liabilities of £9.4m at 31 January 2026 compared to £12.6m a year ago.

Cash generated from operations

Net cash generated from operations was £7.5m for the year, a significant turn round from the £1.5m outflow in FY25. This was achieved through a combination of the increase in adjusted EBITDA, a significant reduction in working capital and R&D tax credits received of £0.7m. These R&D tax credits represent claims in relation to three financial years (FY23-FY25) which were completed during the year.

Cashflows from investing and financing activities

Cash used in investing activities increased to £3.0m (FY25: £1.7m) as investment in R&D projects to support the SLE products increased. Capitalised development costs were £2.1m in the year (FY25: £1.4m) and capital expenditure £0.6m (FY25 £0.5m).

Cash outflow from financing activities amounted to £4.1m (FY25: inflow of £3.6m) and comprised net repayments of the Group's RCF of £3.0m (FY25: drawings of £2.0m), interest on borrowings of £0.7m (FY25: £0.8m) and lease payments of £0.7m (FY25: £0.7m).

Net debt

Net debt (excluding IFRS16 lease liabilities) declined by £3.2m (39%) to £5.1m at 31 January 2026, compared with £8.3m at 31 January 2025 showing the benefits of improved adjusted EBITDA and working capital management during the year.

The Group retains access to its Revolving Credit Facility ('RCF') of £10.0m as well as an invoice discounting facility of up to £5.0m. As at 31 January 2026, £4.0m of the RCF and £2.3m of the invoice discounting facility were being utilised.

Alan Olby

Chief Financial Officer

15 June 2026



Principal Risks and Uncertainties

The Board, with the support of the Audit Committee, reviews the principal risks and uncertainties facing the Group and the business continually focusses on those which could threaten the Group's business model and future performance expectations. The consideration of risks is inherent within strategic planning and decision making and throughout the year Board members have challenged management on the key risks and uncertainties faced by the business.

The risks identified below are not intended to be an exhaustive list of risks faced by the Group, but are the principal risks and uncertainties which the Directors believe include all known material risks in relation to the Group and the markets and industry that we operate in. The environment in which we operate is constantly evolving and can be affected by events outside of our control which may impact us both operationally and financially. New risks may emerge and the potential impact of known risks and our assessment of these risks may change.

The Group's principal risks, potential impacts and our actions to mitigate those risks, a directional indication of whether the risks have increased, decreased, or remained about the same, are set out in the following tables.



Strategic Risks

	Description of Risk	Current Mitigation
1. Revenue Growth 	<p>We are targeting double-digit revenue growth. Macro-economic and geo-political conditions may have an impact on our markets. For example, conflicts, trade wars, sanctions and economic recession could lead to the NHS and overseas healthcare authorities reducing spending on our products.</p>	<p>Macro-economic events such as the pandemic, Brexit and major conflicts have to be managed well, using cross-company skills. It is impossible to plan for every eventuality, but early visibility and quick action to create a management group that can manage the situation has been shown to be an effective way of minimising the risk to the Group.</p>
2. New Product Development 	<p>New product development inherently carries risk around cost and timescales for delivery. Due to the nature of the work, there are usually significant unknowns which may take longer and cost more to resolve. It could also be that intellectual property owned by a third party could be breached and competitors could bring out improved products more quickly, meaning the investment justification for the project is outdated.</p>	<p>Projects are reviewed regularly by the Board. During the year various projects were undertaken to improve existing products and add value to maintain competitive advantage each with appropriate oversight of the risks involved.</p> <p>Major projects are reviewed prior to commencement for commercial justification and market need and then given a priority based on potential revenue generation and strategic need. Resources are allocated and timetables agreed. Risks associated with each project are also taken into account at the planning stage.</p> <p>They are managed through a staged process with Board approval at project inception and at post evaluation, final business case phase, at which point development costs are capitalised. The Executive team are charged with keeping projects on target and in budget, although with the changing and challenging regulatory regimes there is an accepted risk around bringing new technologies to market on time.</p>

Principal Risks and Uncertainties continued





	Description of Risk	Current Mitigation
3. Patient safety 	<p>We operate in a highly regulated market with our products used to treat neonatal and other patients and therefore operate in an inherently high risk environment</p>	<p>We have a comprehensive quality management system in place which is regularly audited by our regulatory bodies. All of our products maintain appropriate regulatory compliance and we have a complaint management process that quickly identifies and addresses patient related issues.</p> <p>The Group also maintains product liability insurance to protect against any claims that may be brought against us.</p>

Operational Risks

	Description of Risk	Current Mitigation
1. Dependence on Third Party Suppliers and supply chain interruption 	<p>The Group's business depends on critical products and components provided by third parties. If there is any interruption to the supply as a result of geopolitical events, pandemics, logistical failures or reliance on a single source of supply, the Group's business maybe be adversely affected.</p>	<p>We are focussed on building close relationships with our key suppliers and maintaining regular communication to ensure we have early visibility of potential issues.</p> <p>We also maintain inventories of critical components and materials to cushion the impact of supply chain disruptions.</p> <p>Where possible and cost effective, we aim to maintain a dual source of supply for key products.</p>
2. IT Systems and Cyber Security 	<p>Our systems may be vulnerable to cyber attack, theft of intellectual property, malicious intrusion, data privacy breaches or other significant disruption. We have a layered security approach in place to prevent, detect and respond, to minimise the risk and disruption of any intrusions, and to monitor our systems on an ongoing basis for current or potential threats. In-house IT Support is supplemented by external IT experts, as and when required. Greater dependency on cloud-based systems and therefore broadband for connectivity could leave the business vulnerable if connectivity was lost.</p>	<p>The Group uses data encryption, two-factor authentication (2FA) and cybersecurity services from leading technology suppliers and all software is updated regularly. The Group currently complies with Cyber Essentials (a standard for cyber security) and will be applying for Cyber Essentials Plus and have third party Security Management from a large and reputable supplier; staff training is also undertaken through a third party) to provide greater assurance to customers.</p> <p>We have implemented dual access and backup support systems, using fibre connections from 2 separate sources and 4G cell technology, to minimise any impact We are also able to deploy key areas of the business to work using mobile technology in unaffected locations.</p>

Principal Risks and Uncertainties continued

Financial and Compliance Risks

	Description of Risk	Current Mitigation
1. Going concern 	<p>The Group has reduced net debt by 39% to £5.1m at 31 January 2026 by increasing adjusted EBITDA to £2.8m and reducing working capital which has resulted in operating cash flow returning to an inflow of £7.5m in FY26. However, the Group's revenues continue to be lumpy due to the reliance on capital sales and sales to distributors which can lead to short-term liquidity and covenant compliance issues.</p>	<p>The Company continues to utilise both its RCF facility of £10m of which £4.0m was drawn at 31 January 2026 and its invoice discount facility.</p> <p>The Group is carefully managing its working capital position with material improvement achieved in FY26 as cash is released from receivables and inventory levels are reduced. Further reduction in inventory levels is expected in FY27.</p>
2. Cost of Capital 	<p>The Group's cost of capital remains relatively high given both the wider market environment and company specific factors including our relatively small size and cost of borrowing.</p>	<p>Increased cost of capital, either debt or equity, will make it harder to justify acquisitions and large strategic investments which could hamper growth. The Board continues to carefully review the overall capital allocation strategy and management of working capital remains a priority focus for FY27.</p>
3. Financial and operational systems 	<p>We are reliant on a number of financial and management systems to provide timely and accurate information to manage our activities. Whilst our systems are adequate, we recognise material improvements will provide significant benefits in terms of operational efficiency and greater ability to take more effective management decisions quickly.</p>	<p>In FY25 we commenced an operational improvement program that included a review of our ERP system and other financial processes. During FY26 significant improvements and simplifications in processes were introduced to support our operations and business decisions and to help us to manage working capital more effectively. The benefits are already being seen via the reductions in working capital achieved in FY26. During FY27 further process improvements will be introduced to strengthen financial control and reporting.</p>
4. Changes in Legislation and Regulation 	<p>Global regulatory bodies continue to increase their expectations of manufacturers and distributors of medical devices to ensure products are safe and effective. All markets in which the Group operates are highly regulated and legislation can change from time to time, which may impact the ability of the Group to sell products in a particular country. Some amendments to legislations are difficult to get access to as there are released in foreign languages, such as China and Japan. Therefore, adding more risk to compliance issues.</p>	<p>The Group has stringent procedures and controls in order to comply with the relevant legal and regulatory conditions in the UK and in its export markets. The Group also has a Quality Assurance and Regulatory Affairs ("QARA") department dedicated to liaising with the regulatory authorities to monitor any changes in conditions and ensure continuing compliance with the existing and new conditions. The QARA team are tasked with horizon scanning for legislation changes and, coupled with R&D, will keep documentation up to date to ensure compliance is maintained</p>

Companies Act Section 172 Statement

The Directors acknowledge their duty under section 172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of all stakeholders. In doing so, they have had regard (amongst other matters) to:

The long-term consequences of any decisions made – We recognise that the decisions we make today can have a significant impact on the future success of the Company. As such, we consider the potential long-term consequences of our decisions and take steps to mitigate any risks.

The interests of our employees – Our employees are fundamental to achieving our long-term strategic objectives. We value their contributions and consider their interests in all decision-making processes. The Board maintains constructive dialogue with employees through the Executive Directors. Appropriate remuneration and incentive schemes including bonuses and commissions are maintained to align employees' objectives with that of the Group. The Group regularly discusses progress with employees in "town hall" style meetings, allowing opportunities to exchange views and for employees to have a say.

The need to foster the Group's business relationships – Fostering good relationships with our suppliers and customers is crucial to ensuring the growth and reputation of our business. To help maintain good business relationships we regularly engage with and maintain transparent dialogue with our key stakeholders. The Group endeavours to maintain good relationships with its suppliers by contracting on reasonable terms and paying them promptly, within agreed terms. We meet with our significant suppliers regularly and where required audit their activities to ensure that materials are delivered effectively in a timely and cost effective manner. The CEO and senior management meet major customers on a regular basis and encourage dialogue between them and the regional sales teams. The Board receives reports on these interactions to ensure that their decision making takes into account the needs of our customer base. Key performance indicators are used internally to ensure that we are responding to customer needs.

The impact of our operations on the community and the environment (see page 21) – As a responsible corporate citizen, we operate honestly and transparently. We are committed to minimizing our impact on the environment and take steps to ensure that our day-to-day operations are conducted in an environmentally sustainable manner.

The importance of maintaining a reputation for high standards of business conduct – We believe that maintaining a reputation for ethical conduct is essential for the long-term success of the Group. We are committed to upholding the highest standards of corporate governance and good business conduct, as highlighted in our Statement of Corporate Governance.

Our obligation to act in the interests of all shareholders – We recognise our responsibility to act in the best interests of all shareholders of the Company. We are committed to treating all shareholders fairly and equally so that they may benefit from the successful delivery of our strategic objectives.

Environment and Sustainability

Over the past year, our organisation has significantly strengthened its Environmental, Social and Governance (ESG) performance, supported by the formal creation of the Head of Sustainability & ESG role. Establishing dedicated leadership in this area reflects the increasing strategic importance of sustainability within our business and provides clear direction and accountability for driving our ESG agenda forward. With this strengthened governance structure, our sustainability strategy is progressing beyond foundational data reporting and evolving into a targeted programme focused on measurable outcomes, operational improvements and long-term value creation. Our progress reflects both our commitment to responsible business practices and our alignment with the evolving expectations of our customers, regulators and wider stakeholders.

Complementing this, our Net Zero commitment aligns with the NHS Net Zero Target and Supplier Roadmap, ensuring we continue to meet public sector requirements ahead of the 2027 mandate for global Scope 1, 2 and 3 emissions reporting and the 2028 requirement for product-level lifecycle assessments.

A significant highlight for the year is achieving ISO 14001 Environmental Management System certification, strengthening our environmental governance and formalising our approach to managing environmental impacts across the organisation and complements our ISO 45001 Occupational Health & Safety certification, reinforcing our commitment to safe, responsible and well governed operations.

This year also marked a significant milestone with our successful submission to the NHS Evergreen Framework, further demonstrating our capability and preparedness to deliver against stringent sustainability and social value expectations within the NHS supply chain.

Operationally, we have continued to drive improvements in resource efficiency and waste management. Notably, we maintained our commitment to 100% landfill avoidance at our Croydon site, ensuring that all waste generated is either recycled, reused or processed through energy recovery routes. Our operations are now exclusively powered by electricity purchased via 100% renewable energy tariffs and complemented by solar heated water at our Croydon HQ.

Looking ahead, we will continue to strengthen our data quality, broaden our environmental baselines and establish clear environmental and sustainability performance targets. With a solid foundation now in place, we are well positioned to deliver measurable progress and transparent reporting, supporting both our long-term Net Zero ambitions and the expectations of our stakeholders.

The Strategic Report on pages 7 to 21 was approved by the Board on 15 June 2026 and signed on its behalf by:

Raffi Stepanian

Chief Executive Officer

Board of Directors

Roy Davis

Non-executive Chair

Roy is the Company's Non-Executive Chair. He is also Chairman of Surgical Innovations Group plc, a minimally invasive surgical device company and Foster & Freeman Ltd, a leading forensic science equipment manufacturer, and a Non-Executive Director of Futura Medical plc, a UK consumer healthcare company focused on the sexual health market. Roy was previously Chairman of Medica Group plc until its sale to IK Partners in 2023 and of Lunglife AI plc and Edinburgh Molecular Imaging Ltd. Prior to these roles Roy served as the Chief Executive Officer of Optos plc, a leading ophthalmology medical device business, from 2008 until June 2016 when he stepped down following the company's acquisition by Nikon Corporation. Before joining Optos, he served from 2007 as Chief Executive Officer of Gyrus Group plc, a leading medical device company, prior to its acquisition by the Olympus Corporation of Japan in 2008, having previously served as Chief Operating Officer of Gyrus from 2003 and a Non-executive Director since flotation in 1997. Prior to this, Roy was CEO of NTERA, a nanotechnology company, and before that spent almost ten years with Arthur D Little, the global management consulting company, where he was vice president and global head of its operations management business. His early career included experience in the connector, oil, and automotive sectors. Roy holds a mechanical engineering degree from the University of Southampton and an MBA from the London Business School.

Raffi Stepanian

Chief Executive Officer

Raffi joined the Board as Chief Executive Officer in January 2025. Raffi is an experienced and commercially focused healthcare industry professional, with extensive operational experience within fast-growing international medical device companies. His areas of expertise include respiratory, anaesthesia and monitoring and he has a reputation for a hands-on approach to management and delivery of results. Raffi has held a number of senior management roles over the last 20 years and has significant international experience in the ventilator market.

Most recently Raffi was CEO of Breas Medical, a Swedish based global medical device company designing, manufacturing, and marketing ventilation devices for home and hospital use. During his four-year tenure he was responsible for transformational change improving turnover and profitability while successfully launching new products in the US with experience in navigating the FDA regulatory processes. Prior to this, he held a leadership position at GE Healthcare where he was responsible for setting the product growth strategy, value proposition and marketing activities in the anaesthesia and ventilation segments.

Alan Olby

Chief Financial Officer

Alan joined the Board as Chief Financial Officer in June 2023. Alan is a chartered accountant with over 20 years' experience in finance leadership roles in life science companies. Alan previously spent 16 years at Sinclair Pharma, 12 as Chief Financial Officer, playing a key role in transforming the business into a fast growth global aesthetics business, initially as an AIM listed group and subsequently under private ownership following the sale to Huadong Medicine Co Ltd (China) in 2018. Alan has overseen a number of strategically important M&A transactions and capital raisings, while also managing the operational financial challenges of a growing international business.

Marlou Janssen-Counotte

Non-executive Director

Marlou Janssen-Counotte is a senior MedTech Executive with 25+ years of experience as Vice President, President, General Manager, driving business development and comprehensive marketing & clinical operations through effective strategy execution, solutions planning and delivery, and transformational leadership. Accomplished General Manager adept at overseeing all-round business management in introducing growth-oriented strategies, successfully executing sales and marketing plans, and directly managing high-performing cross-functional teams within large- and medium-sized organizations such as Medtronic, St. Jude Medical, Biotronik and Philips.

Marlou currently holds a non executive board position at Acarix AB/SA, EBAMed SA, Sonion A/S and Vektor Medical Inc.

Board of Directors continued**Richard Jones****Non-executive Director**

Richard is an experienced PLC Board Director with significant experience in the healthcare sector.

In mid-2020, he was appointed Chief Financial Officer at UK based and then main market listed Medica Group and managed the sale process in mid-2023 which resulted in the company being acquired by IK partners in a £270m deal in July 2023. During his time at Medica, Richard built an international finance and legal team at this fast growing highly profitable business that is UK market leader and a key provider to the NHS in the UK, the HSE in Ireland and to US based pharma clients.

Richard was until January 2026 CFO of ProService Building Services Marketplace Plc (formerly HSS Hire Group PLC). Since March 2026 Richard has been interim CFO at main market listed Headlam Group PLC.

Richard was until May 2025 on the Board of international consumer healthcare company Alliance Pharma Ltd (formerly PLC) which de-listed from Aim in May 2025 following its acquisition. He joined in 2019 and became SID in early 2023. In mid-2024, he was also appointed NED at C4X Discovery, a private drug discovery business with material licensing agreements with major pharma and a pipeline of development candidates from its proprietary discovery technology. C4X was de-listed from AIM in 2024.

Before this, Richard gained extensive experience in the healthcare sector in his roles as CFO at UK AIM Listed companies Mereo BioPharma Group PLC and Shield Therapeutics PLC. At Mereo, he had a leading role in the merger with US listed OncoMed Pharmaceuticals, Inc and Mereo's dual listing on Nasdaq in 2019. At Shield, he established the finance operations and guided the company through several private financing rounds and its 2016 IPO.

His prior career in investment banking included senior positions at Investec and Brewin Dolphin Securities, where he advised mostly healthcare clients on a wide range of transactions and fundraisings, including IPOs, M&A and fundraisings. Richard qualified as a Chartered Accountant with PwC in 1991.

Statement of Corporate Governance

Chair's Introduction

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 31 January 2026. The Group has continued to navigate a challenging trading environment with a disciplined, back-to-basics approach centred on strengthening our sales, profitability and cash position.

Our governance framework remains grounded in the QCA Corporate Governance Code, the most recent version of which was published in November 2023 ("the Code"). The Board considers the Code the most appropriate and proportionate model for a company of Inspiration Healthcare's size and complexity. The Code places strong emphasis on corporate purpose, culture, environmental and social impact, risk management and effective stakeholder communication. It emphasises the need for sound decision making and long-term value creation, through a dynamic board which creates a consistent culture through which the company can thrive. The Board considers that the Group has complied with the Code in all respects during the period to which this report relates.

Appointments

Following the resignation of Liz Shanahan after 5 years' service as a non-executive director, I have asked Richard Jones to take on Liz's role as Chair of the Remuneration Committee in addition to his role as Chair of Audit Committee. We have not replaced Liz as a Director as we believe the Board contains sufficient balance and experience for a company of its size whilst remaining compliant with the principles of the Code. I would like to thank Liz for her significant input and support during my time with the Company and before.

DELIVER GROWTH

QCA Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders

The Group's purpose is to improve neonatal outcomes by pioneering specialist life-support technologies from the first breaths of life. We maintain a market-leading position in the UK with a growing international presence. A fuller explanation of the business model and strategy can be found in the relevant sections of our Annual Report.

QCA Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Board and the senior leadership team all recognise the importance of promoting a culture led from the top based on sound ethical principles. We reiterate our values as one team, which keeps its promises, learns and grows continuously by encouraging the right way of thinking and behaving across the Group. We believe this reinforces our corporate governance culture and enables us to conduct business ethically and responsibly. It drives our growth and our patient focused, people-led strategy, which aims to deliver value for our shareholders and wider stakeholders.

QCA Principle 3: Seek to understand and meet shareholder needs and expectations

We maintain regular dialogue with shareholders through interim and annual reporting, investor presentations and regulatory announcements, which are all available on our website. Contact details are also contained on the website. The Board recognises the importance of the Annual General Meeting ("AGM") as an opportunity for communication with both institutional and private investors, and shareholders are encouraged to attend. Our AGM is held at our manufacturing facility in Croydon allowing shareholders a first-hand experience of the Company.

QCA Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Group upholds strong relationships with employees, customers, clinical partners, suppliers and regulators. We remain a living wage employer, with ongoing investment in training and health and safety. We conduct regular employee surveys and are in the process of delivering a management training programme for our middle managers. We seek regular feedback from our key customers through our well qualified sales and support teams. The Board has a good understanding of the needs, interests and expectations of the company's stakeholders and will continue to articulate this in the company's disclosures going forward.

QCA Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board maintains overall responsibility for internal control and risk management. Systems are reviewed regularly through formal Board papers and internal frameworks. The Audit Committee is responsible for reviewing these frameworks to ensure they operate

Statement of Corporate Governance continued

effectively. Our key risks are set out in more detail in the relevant section of our annual report. Ongoing trading performance versus budget and forecasts and risks associated with ongoing trading are reviewed by the executive team on a monthly basis. This team considers opportunities to develop and grow the business. Senior management conduct regular business reviews and consider new risks and opportunities for the business.

MAINTAIN A DYNAMIC MANAGEMENT FRAMEWORK

QCA Principle 6: Establish and maintain the board as a well-functioning, balanced team led by the chair

The Board comprises five directors: two executive and three non-executive directors, all of whom are independent. The names of the directors who served during the year are set out in the Directors' report.

QCA Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

The Board operates with a formal schedule of matters reserved and maintains committees for Audit, Remuneration and Nomination. The names of current directors and their biographies and skills are published online and in the annual report. The board is advised by and receives regular training from its NOMAD, as well as our independent company secretary. The terms of reference for each of the Board's sub committees is available on the Company's website.

Board Members	Number of Meetings Attended			
	Board	AC	RC	NC
Roy Davis	7/7	-	-	2/2
Raffi Stepanian	7/7	-	-	-
Alan Olby	7/7	-	-	-
Marlou Janssen-Counotte	6/7	2/4	3/5	2/2
Richard Jones	7/7	4/4	5/5	2/2
Neil Campbell	5/5	-	-	-
Liz Shanahan	5/6	2/3	4/4	-

QCA Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Board now conducts an annual performance evaluation led by the company secretary. Recommendations are reviewed against performance and results in the prior year.

QCA Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Board recognises the pivotal role of the senior management team in delivering the group's growth strategy and performance, and with this, the long-term success of the Company while creating shareholder value. Our reward philosophy is to drive and reward high performance.

In formulating remuneration policy for the executive directors, the remuneration committee considers a number of factors designed to:

- ▶ attract and retain directors and senior management of the highest quality;
- ▶ reflect the personal performance; and
- ▶ Link individual remuneration packages to the group's long-term performance and continued success

BUILD TRUST

QCA Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

We maintain open communication with shareholders via the AGM, annual and interim results, and investor relations activity.

Copies of prior annual reports, interim results and information about shareholder voting at previous Annual General Meetings of the Company can be found online.

BOARD COMMITTEES

Audit Committee

Richard Jones chairs the Audit Committee, which has primary responsibility for monitoring the quality and integrity of the group's financial statements, and overseeing the effectiveness of its internal controls. The Committee reviews reports from the group's auditors, in all cases ensuring due regard to the interests of shareholders. The Audit Committee meets at least three times a year. Marlou Janssen-Counotte is the other member of the Committee.

The Audit Committee chair maintains a regular dialogue with the group's auditors outside of the scheduled meetings. The Committee reports to the board on the effectiveness, value and independence of the auditors on an annual basis. The board is satisfied with the independence and objectivity of the Group's auditors.

Statement of Corporate Governance continued**Remuneration Committee**

The Chair of the Remuneration Committee is Richard Jones, who took over as chair following Liz Shannahan's resignation as a Director in November 2025. The Committee is responsible for setting the fixed and variable Executive Director remuneration and monitoring senior management remuneration levels. The Committee reviews the performance of the Executive Directors and determines their terms and conditions of service, including their remuneration and the grant of share awards, having due regard to the interests of shareholders. The Committee meets at least twice a year, although meets more frequently than this for informal updates and reviews. Marlou Janssen-Counotte is the other member of the Committee. The responsibilities and activities of the Remuneration Committee are set out in more detail in the Directors Remuneration report.

Nominations Committee

I chair the Nomination Committee. The Committee is responsible for determining matters of succession and the nomination of candidates to fill, if desired, Board vacancies. The Nomination Committee meets at least once a year and otherwise as required. Marlou Janssen-Counotte and Richard Jones are the other members of the Nomination Committee.

Roy Davis

Non-executive Chair

15 June 2026

Audit Committee Report

The Audit Committee comprises of two members: Richard Jones a chartered accountant with recent and relevant financial experience, who became Chair on 31 January 2025 and Marlou Janssen-Counotte. Liz Shanahan was a member until 20 November 2025.

The Committee met four times during the year. The Chief Financial Officer, the Group Financial Controller attended all meetings at the invitation of the Committee Chair, and the external auditors also attended all four meetings. From November 2025, at the invitation of the Committee, the Group Chair also attended all subsequent Committee meetings.

The Committee also met with the external auditors without the presence of Executive Directors or management

Role

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed. Its role includes monitoring the integrity of the Financial Statements (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors.

Main Activities

The main items of business carried out by the Committee in the year included

- ▶ Review of the effectiveness of the FY25 audit
 - ▶ Running a review and selection process to review our auditors
 - ▶ Review and agree the FY26 audit scope of work and the FY26 audit fee
 - ▶ Consideration of matters of judgement and other key audit matters.
- ▶ Review of interim and full year Financial Statements and Annual Report
- ▶ Consideration of the external auditor's report
- ▶ Going concern review
- ▶ Review of internal control procedures.

Financial Reporting

The Committee has recently concluded that the Annual Report and Financial Statements for the year ended 31 January 2026, taken as whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's business model, strategy and performance. In respect of this year's accounts, the Committee considered in particular the following key matters of judgement:

- ▶ Valuation of goodwill and intangible assets, and any possible impairment indicators.
- ▶ Revenue recognition, in particular with respect to our international contracts
- ▶ Going Concern.
- ▶ Research & Development capitalisation
- ▶ A review of non-recurring items.
- ▶ Inventory valuation

External Audit

A detailed review of the prior year's audit effectiveness took place following the completion of the FY25 audit.

In light of the requirement for BDO to rotate the partner in charge of the audit assignment, the Committee took the opportunity to review its auditors and having run a process which included the existing auditors, the Committee, having reviewed their independence objectivity and suitability, decided to move to Crowe U.K. LLP for the audit of the group and its subsidiaries for FY26. The outgoing auditors, BDO confirmed in their formal resignation letter that there were no matters that they need to bring to the attention of the Board.

The audit plan proposed by Crowe was approved in November 2025. The fees for this year were £168,000 (FY25 BDO fees £254,000) Crowe U.K. LLP have provided no non-audit services to the Group in the year or subsequent to the year-end.

Audit Committee Report continued

Risk Management and Internal Controls

The Audit Committee regularly reviewed risks in FY26 and ensured that both the Committee and the wider Board ensured a greater focus on key operational risks together with ensuring appropriate risk mitigation plans are in place and effective at managing risks by appropriate executive risk owners.

The principal risks and uncertainties to which the Group is exposed are set out in the Strategic Report.

During the year the Committee received an update on the internal control environment. Key control procedures continue as follows:

► Management responsibility and authorisation controls

The Group has an authorisation matrix and delegation of authorities are built into the ERP system. The committee received two updates on internal control procedures which have been strengthened during the year.

► Corporate planning process

Following approval of the annual budget by the Board, financial performance and variances against budget are analysed and reported monthly and challenged centrally.

► Strong cash management

The Group maintains tight cash management control through, for example, delegated authorities and dual signatories on all bank accounts.

Conclusion

The Committee considers it has acted in accordance with its responsibilities. The Chair of the Audit Committee will be available at the Annual General Meeting to answer any questions about the work of the Committee.

Richard Jones

Chair, Audit Committee

15 June 2026

Directors' Remuneration Report

I am pleased to be able to present my first Directors' Remuneration Report since taking over as Chair of the Remuneration Committee ("the Committee") in November 2025 following Liz Shanahan's departure from the Board. This report on behalf of the Board, covers the financial year ended 31 January 2026 ("FY26") together with a review of certain remuneration matters agreed since the year end.

Overview of year

Building on the back-to-basics strategy implemented in FY25, overall FY26 revenues grew strongly by 24% in the year to £47.5m (FY25: £38.3m). As a result, Adjusted EBITDA also improved to £2.8m (FY25: £0.2m). Strong management of working capital also contributed to operating cash generation of £7.5m (FY25: £(1.5)m) which resulted in Net Debt (excluding IFRS16 liabilities) reducing by 39% to £5.1m at year end (FY25: £8.3m).

Membership

The Committee changed significantly during the year. Bob Beveridge retired from the Committee and the Board on 31 January 2025 and I was appointed to the Committee on 31 January 2025 before succeeding Liz Shanahan as Chair of the Committee in November 2025. Marlou Janssen-Counotte continues as the other member of the Committee.

The Committee has met formally five times during the year. In addition, both the Committee and I have had regular informal meetings both as a Committee with management and with the Group Chair.

Role of the Committee

The Committee's responsibilities include setting, reviewing and recommending to the Board the remuneration policy for Executive Directors, certain aspects of other senior managers' remuneration and reviewing and approving the rules of share incentive plans.

Remuneration policy

During the year the Committee undertook a review of remuneration policy having regard to the Quoted Companies Alliance ("QCA") guidance. Details of the key aspects of remuneration policy that have been agreed are set out below:

1. Base salary	As a small AIM company we expect to fairly reward executives with base pay (including benefits) generally set in the lower to mid quartile of equivalent sized quoted companies having regard for additional responsibilities	1.1 Remuneration Committee to approve compensation for Executive Directors and also to approve initial compensation packages for all direct reports to CEO as well as approving annual increases for executives. 1.0 Other than due to new roles/responsibilities, generally annual executive pay awards should be in line with the wider workforce with the expectation that benchmarking of executive compensation is carried out reasonably regularly (every 3 years being the expectation) 1.3 Benefits should be reasonable, with regard to base pay and prevailing market practice with pension contributions considering current QCA guidelines, current market practice and also considering the level of employer contributions for the wider workforce.
2. Benefits	An appropriate benefit package reflecting seniority but having regard to benefits offered to the wider management team	2.1 The Committee to approve the benefits package which will generally include pension, car allowance, private medical cover 2.2 Executives should be able to structure pension arrangements within the company pension scheme having regard to the latest tax rules including opting for payment of pension as salary, subject always to the rules regarding opt-in and opt-out

Directors' Remuneration Report continued

<p>3. Bonus awards</p>	<p>The aim is to provide good incentives to deliver the board approved annual budget and for outperformance relative to budget and to market guidance to be well rewarded. Given the size of the company, bonus will generally be split between cash and equity (in the form of bonus share options)</p>	<p>3.1 For Executive Director's and other CEO direct reports Annual bonus should be a mix of cash and share options (see detailed share option plan proposals).</p> <p>3.2 Annual bonus should be set by the start of each financial year having regard to (a) the approved annual budget and (b) consensus market guidance</p> <p>3.3 Bonus should be constructed to allow for a reasonable award (typically 50%-60%) for achieving the annual budget and should include net profitability (typically Adjusted EBITDA) as a key measure of performance.</p> <p>3.4 Typically, the first level of company outperformance should be used to fund bonus contribution up to 100%</p> <p>3.5 The Committee should approve the total level of executive bonus % each year and approve all individual bonus awards to Executive Director's and CEO direct reports.</p>
<p>4. Long term incentives ("LTI's")</p>	<p>LTI's seek to achieve the following:</p> <p>(1) provide a level of retention incentive with vesting and exercise rules set appropriately to achieve this</p> <p>(2) To align management with shareholders to appropriately award positive value creation</p> <p>(3) To provide the opportunity for meaningful wealth creation for delivering performance materially above "market normal" levels of growth over the medium term</p>	<p>4.1 Generally LTI's should be in the form of nil cost options with appropriate performance measures, typically vesting over three years pro-rata and typically issued annually</p> <p>4.2 Maximum individual nil-cost option awards should be 150% of salary but by exception could be up to 200% of salary</p> <p>4.3 "sign-on" options up to 100% of salary (but by exception up to 150%) can be considered to recruit appropriate executive talent particularly where base salary norms are beyond what the company can afford in the short term</p> <p>4.4 Options relating to historic performance (for example options relating to annual bonus awards) should immediately vest whether or not they have holding (or delayed exercise) periods</p> <p>4.5 Below Executive Director level LTI's should generally be considered for all CEO direct reports and these should typically take the form of three year vesting with appropriate performance conditions considering Executive Director LTI performance conditions adjusted where relevant to the specific performance objectives of the individual role.</p>

Directors' Remuneration Report continued

5. Share ownership	<p>We want to actively encourage executive alignment of interest with our shareholders through equity ownership whilst recognising personal circumstances need to be considered when considering equity ownership.</p>	<p>5.1 Executive Directors should be targeted with building equity (including vested options) up to a level of at least 100% of salary</p> <p>5.2 Executive Director's should be able to sell or transfer up to 50% of exercised options (following the PDMR share dealing rules) where the equity holding cap has not been reached in order to allow for flexible personal financial planning.</p>
6. Service contracts	<p>Service contracts should strike the right balance of protecting the individual and the company</p>	<p>6.1 All service contracts for Executive Directors should be approved by The Committee</p> <p>6.2 The Committee should approve standard form contracts for CEO direct reports together with material amendments to this agreed form for specific appointments</p> <p>6.3 Maximum notice period for Executive Director's should be 12 months and maximum notice period for other CEO direct reports should be 6 months (by exception up to 12 months)</p> <p>6.4 Standard form contracts should allow for standard PILON clauses and other clauses should generally conform to normal market practice.</p>
7. Disclosure and transparency	<p>Policies should be clear, transparent and appropriately disclosed to executives, the wider workforce, shareholders and other stakeholders</p>	<p>7.1 The Committee policy should be disclosed in the Annual Report each year</p> <p>7.2 The Committee policy should be published on the company's website</p> <p>7.3 Material deviations from the policy should be appropriately disclosed noting the more detailed disclosure requirements relating to PDMR's.</p>

Employment contractual arrangements

The Non-executive Directors, including the Chair, each have a letter of appointment for a three-year term. Under the terms of the letters, either party can serve three months' written notice to terminate the arrangement.

The Executive Directors' fixed packages consist of basic salary, pension contributions of 5% of basic salary on a matched contribution basis, a company vehicle (which must be electric) or car allowance, private healthcare insurance and a death in service insurance scheme. Either party can serve six months' written notice to terminate their employment.

Incentive arrangement review

Since taking over as Chair, I have instigated a review of the incentive arrangements for executive management as part of an overall review of remuneration policy

Workforce engagement and workforce remuneration

We have a number of well received employee benefits including an SAYE scheme, which is designed to encourage our workforce to engage in the long-term future of the business and to reward them for their commitment. As of 31 January 2026, 33 employees are participating with 258,495 shares committed.

Directors' Remuneration Report continued

Executive remuneration for year ending 31 January 2026

Performance-related Aspects

FY26 bonus

Executives are able to achieve a bonus up to a maximum of 130% of salary of which 77% is paid as cash and 23% in bonus share options.

The payout for CEO and CFO for FY26 was 88.4% of the 130% maximum, achieved as follows:

Target	Max	Target for Max	CEO and CFO achieved
Revenue	26%	>£49.3m	15.6%
Adjusted EBITDA	52%	>£3.1m	20.8%
Operating Cashflow	26%	>£7.8m	26.0%
Personal	26%	Specific objectives	26.0%
Total	130%		88.4%

Bonus options relating to FY26 performance based on the 23% of the total bonus achieved being issued as nil-cost options will be issued following publication of the audited financial statements for FY26. In line with the new remuneration policy these options will immediately vest but are only capable of exercise after 12 months.

Executive LTIP

Whilst the previous incentive arrangements allowed for the issuance of LTIP's to the Executive team the only options issued during FY26 related to the appointment of the CEO who received 1,098,039 options on 24 March 2025 as part of his joining package. These options vest after three years employment and with vesting subject to a performance target relating to share price performance. The awards are subject to a two year holding period post vesting.

Directors' Remuneration Report continued

Directors' total remuneration

Directors' total remuneration for the year ended 31 January 2026 was as follows:

	Salary		Payments for loss of office		Annual Bonus		Pensions		Benefits		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
£'000												
Executives												
Raffi Stepanian ¹	280	19	–	–	247	–	12	–	14	1	553	20
Alan Olby	210	210	–	–	186	10	10	10	9	6	415	236
Neil Campbell ²	–	92	–	122	–	–	–	6	–	6	–	226
Brook Nolson ³	–	155	–	237	–	–	–	6	–	4	–	402
Non-executives												
Mark Abrahams ⁴	–	14	–	–	–	–	–	–	–	–	–	14
Neil Campbell	15	18	–	–	–	–	–	–	–	–	15	18
Bob Beveridge ⁵	8	30	–	–	–	–	–	–	–	–	8	30
Liz Shanahan ⁶	28	30	–	–	–	–	–	–	–	–	28	30
Roy Davis	65	151	–	–	–	50	–	–	20	3	85	204
Louise Marie Janssen-Counotte	30	30	–	–	–	–	–	–	–	–	30	30
Richard Jones ⁷	45	–	–	–	–	–	–	–	–	–	45	–
	681	749	–	359	433	60	22	22	43	20	1,179	1,210

* Neil Campbell also entered into a consulting agreement with the Company in July 2024, following him stepping down as CEO, as a Global Advocate to support key relationships and support business development opportunities. Under the terms of this agreement the Company was invoiced £35,000 in the period to 31 January 2026 by Enojize Limited, a company controlled by Neil Campbell.

¹ Raffi Stepanian appointed on 8 January 2025

² Neil Campbell resigned on 24 July 2025

³ Brook Nolson resigned on 14 November 2024

⁴ Mark Abrahams resigned on 20 March 2024

⁵ Bob Beveridge resigned on 31 January 2025

⁶ Liz Shanahan resigned on 20 November 2025

⁷ Richard Jones appointed on 31 January 2025

Executive remuneration for year ending 31 January 2027

Salary

CEO salary was increased for FY 2027 by 4% in line with the wider workforce. CFO salary was increased for FY27 by 4% in line with the wider workforce but in addition an exceptional increase of 5% was also agreed as completion of a deferred salary increase from FY26 that was not implemented in the prior year due to the Group's financial performance. The Committee have agreed to undertake a benchmarking exercise in respect of executive remuneration during the year for consideration for FY28.

Directors' Remuneration Report continued

Long Term Incentives

In line with the new remuneration policy nil cost options are proposed to be issued to CEO, CFO and the wider leadership team following the release of the FY26 audited financial statements on the following basis:

CEO: 50% of salary

CFO: 40% of salary

Executive team: 20% of salary

Options will vest after three years and will be subject to performance conditions relating to specific Adjusted EBITDA and cash generation targets in line with remuneration policy.

Directors' interests in share awards

Directors' interests in share awards in the Company as at 31 January 2026 are as follows:

	On 01 February 2025	Granted during the year	Exercised during the year	Lapsed during the year	At 31 January 2026	Number of Shares Under Award			
						Date of Award	Performance Period	Vesting Date	Expiry Date
Raffi Stepanian									
	-	1,098,039	-	-	1,098,039	24-Mar-25	08-Jan-25 07-Jan-28	08-Jan-28	07-Jan-30
	-	1,098,039	-	-	1,098,039				
Alan Olby									
	222,222	-	-	-	222,222	12-Jun-23	05-Jun-23 04-Jun-26	05-Jun-26	04-Jun-28
	356,537	-	-	-	356,537	03-Jul-24	03-Jul-24 02-Jul-26	03-Jul-26	02-Jul-28
	578,759	-	-	-	578,759				

Director's interests in shares

The Directors interests in Ordinary shares in the Company as at 31 January 2026 and at the date of this report were as follows:

Directors' Interests	31 January 2026	31 January 2025
Raffi Stepanian	-	-
Alan Olby	43,211	43,211
Roy Davis	178,571	178,571
Louise Marie Janssen-Counotte	-	-
Richard Jones	100,000	-

Richard Jones

Chair, Remuneration Committee

15 June 2026

No option may be granted under the Share Option Scheme if, as a result, the aggregate nominal value of Ordinary Shares in the capital of the Company issued or issuable pursuant to options granted during the previous 10 years under the Share Option Scheme, or any other discretionary employees' share scheme adopted by the Company, would exceed 5% of the Ordinary Share capital of the Company in issue on that date. The Remuneration Committee has the discretion to exceed this limit in certain circumstances.

After an initial three-year qualification period, options are exercisable at any time up to the tenth anniversary of the date of grant (unless otherwise noted). There are also provisions, which may allow exercise of the Options in the event of a change of control, subject to the agreement of the Remuneration Committee.

Directors' Report

The Directors present their report on the Group and Company, together with the audited Consolidated Financial Statements of the Group and Company for the year ended 31 January 2026 ("FY26").

Inspiration Healthcare Group plc is incorporated under the laws of England and Wales as a public limited company and its registered office and principal place of business is Unit 7/8 Commerce Park, Commerce Way, Croydon, CR0 4YL. The Company's Ordinary Shares are admitted to and traded on the Alternative Investment Market ("AIM"), a market operated by the London Stock Exchange plc.

Results and Dividends

The Group has reported a loss for the year of £1,040,000 (FY25 £14,967,000) There was no interim dividend in the year ended 31 January 2026 (FY25 £nil per share) and the Board is not recommending a final dividend (FY25 £nil).

Business Review and Future Developments

Details of the business activities during the year and likely future developments can be found in the Strategic Report.

Going Concern

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 including the transfer of the Infusion products to Micrel from 31 January 2027, these include a significant revenue downside versus the budget for the period and certain mitigating actions within the Directors control. 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.

Directors

The Directors of the Company who served during the year and up to the date of this report were:

Roy Davis Non-executive Chair

Alan Olby Chief Financial Officer

Harout Rafi ("Raffi") Stepanian Chief Executive Officer

Marlou Janssen-Counotte Non-executive Director

Richard Jones Non-executive Director

Neil Campbell Non-executive Director (resigned 24 July 2025)

Liz Shanahan Non-executive Director (resigned 20 November 2025)

Directors' Interests in Shares and Contracts

Directors' interests in shares of the Company at 31 January 2026 and 31 January 2025, and any changes to the date of this report, are set out in the Directors' Remuneration Report. Directors' interests in contracts of significance to which the Group was a party during the financial year are disclosed in note 29 of the Consolidated Financial Statements.

Directors' Report continued

Indemnification of Directors

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and remains in force at the date of these financial statements.

Financial Instruments and Risk Management

Disclosures regarding financial instruments are provided within the Principal Risks and Uncertainties and in note 23 to the Consolidated Financial Statements.

Capital Structure

Details of the Company's share capital, together with details of the movements therein, are set out in note 25 to the Consolidated Financial Statements. The Company has one class of Ordinary Shares which carry no right to fixed income.

Research and Development

The Group continues to invest in research and development, in order to extend its product offerings and improve the effectiveness of its technology. During the year, the Group incurred costs totalling £3.7m (FY25 £3.2m) including expenditure capitalised in accordance with IAS38.

Involvement of Employees

All employees are valued members of the team and our aim is to help every individual achieve their full potential. For information on how we engage with our employees, refer to our section 172 statement.

Substantial Interests

At close of business on 31 May 2026, the Company had been notified of the following interests which amounted to 3.0% or more of the issued ordinary share capital of the Company.

Shareholder	Number of shares	Percentage holding
Redworth Portfolio Limited	22,443,237	25.0%
BGF Investment Management	18,868,344	21.0%
Mr S G Motley	4,218,770	4.7%
Liontrust Asset Management	4,139,013	4.6%
Interactive Investor	3,574,376	4.0%
Mr T Foster	3,428,350	3.8%
Stonehage Fleming Family & Partners	3,428,198	3.8%
Castlefield Investments	3,251,655	3.6%
A J Bell Securities	3,243,083	3.6%

Political and Charitable Donations

The Group made no political or charitable donations during the year (FY25 £nil).

Annual General Meeting

Details of the arrangements for the Annual General Meeting ("AGM") and the resolutions to be proposed will be provided in a separate notice of the AGM that will be sent to shareholders.

Directors' Report continued

Reappointment of Independent Auditors

Crowe U.K. LLP have expressed their willingness to continue in office and a resolution to reappoint them is proposed for consideration at the AGM.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with UK adopted International Accounting Standards and Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the Financial Statements, the Directors are required to:

- ▶ Select suitable accounting policies and then apply them consistently.
- ▶ State whether applicable UK-adopted International Accounting Standards have been followed for the Group Financial Statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company Financial Statements, subject to any material departures disclosed.
- ▶ Make judgements and accounting estimates that are reasonable and prudent
- ▶ Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

The Directors are responsible for ensuring the annual report and the Financial Statements are made available on a website. Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

Directors' Confirmations

In the case of each Director in office at the date the Directors' Report is approved

- ▶ So far as the Director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware.
- ▶ They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Alan Olby

Chief Financial Officer
15 June 2026

Independent Auditors' Report

to the members of Inspiration Healthcare Group Plc

Opinion

We have audited the financial statements of Inspiration Healthcare Group Plc (the "parent company") and its subsidiaries (the "Group") for the year ended 31 January 2026, which comprise:

- ▶ the Consolidated Income Statement for the year ended 31 January 2026;
- ▶ the Consolidated Statement of Comprehensive Income for the year ended 31 January 2026;
- ▶ the Consolidated and Parent Company Statements of Financial Position as at 31 January 2026;
- ▶ the Consolidated and Parent Company Statements of Changes in Equity for the year then ended;
- ▶ the Consolidated Cash Flow Statement for the year then ended; and
- ▶ the notes to the financial statements, including material accounting policies.

The financial reporting framework applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion::

- ▶ the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2026 and of the group's loss for the year then ended;
- ▶ the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- ▶ the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit

of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Parent Company's ability to continue as a going concern included:

- ▶ *Obtaining management's going concern assessment, which covered a period up to 30 November 2027, including the underlying budgets, forecasts and cash flow projections.*
- ▶ *Reviewing the period used by the Directors in assessing the Group's ability to continue as a going concern to ensure it met the requirements of the ISAs (UK).*
- ▶ *Examining detailed budgets and forecasts prepared by management to assess whether they were internally consistent and appropriately supported.*
- ▶ *Evaluating the reasonableness of key assumptions used in the forecasts, including revenue growth and pricing, cost trends, inflation and planned capital expenditure, and challenged assumptions that appeared overly optimistic.*
- ▶ *Reviewing the accuracy of prior-year budgets and forecasts by comparing forecast results to actual performance for the year.*
- ▶ *Considering the impact of the expiry of a key distribution agreement within the going concern assessment period on forecast revenues, liquidity and covenant compliance.*
- ▶ *Reviewing the Group's financing arrangements, including the revolving credit facility due for renewal during the going concern assessment period, and assessed the certainty and terms of funding assumed within the forecasts, obtaining supporting documentation where applicable.*
- ▶ *Reviewing loan agreements to understand covenant terms and recalculated covenant ratios using figures traced to the nominal ledger, comparing results to management's calculations.*
- ▶ *Inspected covenant compliance certificates submitted to lenders and considered the accuracy and timeliness of submissions, including the impact of post-year-end events on covenant compliance.*

Independent Auditors' Report to the members of Inspiration Healthcare Group Plc continued

- ▶ *Considering potential downside scenarios and the resulting impact on available liquidity and funding headroom.*
- ▶ *Reviewing any additional documentation used by the Directors in forming their going concern assessment and made necessary enquiries of management.*
- ▶ *Assessing whether the disclosures relating to going concern and financing arrangements in the financial statements were complete, accurate and appropriately presented.*

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £449,000, based on 1% of Group revenues, estimated at the planning stage. We did not consider it necessary to revise it.

Materiality for the Parent Company financial statements as a whole was set at £90,000 based on 20% of the group materiality. This was reviewed at finalisation of the audit and was considered to remain appropriate.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £314,000 for the Group and £63,000 for the parent.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £22,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and by assessing the risks of material misstatement in the financial statements.

Components were identified based on the nature of their operations and their geographical location. Three components were identified within the Group, comprising the parent company, the UK trading entities, and Airon.

Where a Group risk of material misstatement was assessed as being attributable to an individual component, that component was included within the scope of the Group audit for the purposes of performing further audit procedures responsive to the assessed Group risk of material misstatement. In determining the extent of work performed at each component, we considered the significance of the component to the Group and its contribution to financial statement areas subject to Group risks of material misstatement.

For components included within scope, we performed a combination of risk assessment procedures and further audit procedures in order to obtain sufficient appropriate audit evidence. The further audit procedures performed included, as appropriate:

- ▶ audit procedures over the complete financial information of the component, including substantive procedures;
- ▶ audit procedures over specific classes of transactions, account balances, or disclosures; and
- ▶ targeted audit procedures designed to address specific identified risks.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors’ Report to the members of Inspiration Healthcare Group Plc continued

We set out below those matters we considered to be key audit matters. In addition to the matters detailed below, we identified going concern as a key audit matter. This is dealt with in the “Conclusions relating to going concern” section of this report.

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Revenue recognition (note 3)</p> <p><i>Revenue recognition was identified as a key audit matter due to its quantitative significance to the Group’s financial statements and the inherent risk associated with the recognition of revenue across multiple revenue streams, including revenue recognised both at a point in time and over time. Revenue is a key performance metric for the Group and, in accordance with ISA (UK) 240, revenue recognition represents a presumed fraud risk which was not rebutted.</i></p> <p><i>During the year, the Group entered into two material customer contracts, increasing the judgement involved in identifying distinct performance obligations and determining the appropriate timing of revenue recognition. In particular, there is a risk that revenue is recognised before control of goods or services transfers to customers, that transaction prices are not appropriately allocated between distinct performance obligations (including warranty, installation, or maintenance services where applicable), and that cut-off errors occur around the year end, especially for goods shipped but not yet delivered.</i></p> <p><i>These matters required significant audit attention and judgement and, accordingly, revenue recognition was considered to be a key audit matter.</i></p>	<ul style="list-style-type: none"> – <i>Obtained an understanding of the Group’s revenue recognition processes, systems, and internal controls, and evaluated the design and implementation of key controls relevant to revenue recognition.</i> – <i>Performed sample testing across all significant revenue streams to test the accuracy, existence, and completeness of revenue recognised, including tracing cash receipts.</i> – <i>Reviewed the contracts with customers for our sample and assessed management’s identification of distinct performance obligations and evaluated the allocation of transaction prices to those obligations. For revenue recognised at a point in time, tested whether revenue was recognised when control transferred to the customer by inspecting underlying approved sales orders, delivery documentation, shipping and customs clearance records.</i> – <i>For revenue recognised over time, including maintenance and rental contracts, assessed whether revenue was recognised appropriately on a straight-line basis over the contractual period.</i> – <i>Performed cut-off testing around the year end, including for overseas contracts, to address the risk of revenue being recognised before control transferred to the customer.</i> – <i>Reviewed post year end credit notes to ascertain if the revenue recognised in the year is overstated.</i> – <i>Evaluated contract assets and contract liabilities recognised at the reporting date, including assessing recoverability and the appropriateness of related accounting entries.</i> – <i>Reviewed manual journal entries posted to revenue accounts to identify indicators of management override or bias.</i> <p><i>We found that revenue recognised during the year was appropriate and identified no material cut-off errors.</i></p>

Independent Auditors' Report to the members of Inspiration Healthcare Group Plc continued

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Capitalisation of project development costs</p> <p>The Group has capitalised a number of development projects during the year, including costs relating to the development of new technology for certain of its core products. This area was determined to be a key audit matter due to the significant judgement involved in assessing whether development expenditure meets the capitalisation criteria set out in IAS 38 Intangible Assets, and the material value of development costs capitalised across multiple projects during the year.</p>	<ul style="list-style-type: none"> – Obtained an understanding of the Group's accounting policy for the capitalisation of development costs and assessed its compliance with IAS 38 Intangible Assets. – Evaluated the design and implementation of controls over the identification, approval, and recording of capitalised development costs. – Held discussions with the Head of R&D in relation to the four key development projects capitalised during the year, obtaining an understanding of how each project is expected to generate future economic benefits, and assessed whether the IAS 38 capitalisation criteria had been met, including technical feasibility, intention and ability to complete, availability of resources, and the existence of expected future economic benefits. – Tested a sample of capitalised development costs to supporting documentation, including payroll records, supplier invoices, and management approvals, to assess accuracy and eligibility for capitalisation. – Assessed whether research expenditure had been appropriately expensed and not incorrectly capitalised as development costs. – Reviewed the financial statements to assess the completeness and accuracy of disclosures relating to development costs, including accounting policies and carrying amounts. <p>We consider the capitalisation of development costs to be appropriate.</p>

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- ▶ the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent Auditors' Report to the members of Inspiration Healthcare Group Plc continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ▶ adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the parent company financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of directors' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 37, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ▶ We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group, and the procedures in place for ensuring compliance. The most significant regulations identified were compliance with the Companies Act 2006 and UK health and safety legislation. Our work included direct enquiry of the directors, who oversee all legal proceedings, reviewing Board minutes and inspection of health and safety registers.
- ▶ We communicated the relevant laws and regulations identified to all members of the engagement team and remained alert to any indication of non-compliance with laws and regulations, or potential fraud, throughout our audit work.
- ▶ As part of our audit planning process we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made of management and those charged with governance concerning both whether they had any knowledge of actual or suspected fraud and their assessment of the susceptibility of fraud. We considered the risk was greater in areas that involve significant management estimate or judgement. Based on this assessment we designed audit procedures to focus on the key areas of estimation or judgement, this included specific testing of journal transactions, both at the year end and throughout the year.

We used data analytic techniques to identify any unusual transactions or unexpected relationships, including considering the risk of undisclosed related party transactions.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditors' Report to the members of Inspiration Healthcare Group Plc continued**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Stallabrass

Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP

Statutory Auditor
London

15 June 2026

Consolidated Income Statement

for the year ended 31 January 2026

	Note	2026 Adjusted £'000	2026 Non-recurring items £'000	2026 Total £'000	2025 Adjusted £'000	2025 Non-recurring items £'000	2025 Total £'000
Revenue	6	47,547	–	47,547	38,251	–	38,251
Cost of sales		(26,786)	–	(26,786)	(21,873)	–	(21,873)
Gross profit		20,761	–	20,761	16,378	–	16,378
Administrative expenses	7, 8	(20,241)	(867)	(21,108)	(18,262)	(12,802)	(31,064)
Other income	10	269	–	269	–	–	–
Operating loss		789	(867)	(78)	(1,884)	(12,802)	(14,686)
Finance income	11	10	–	10	34	–	34
Finance expense	11	(937)	–	(937)	(1,096)	–	(1,096)
Loss before tax		(138)	(867)	(1,005)	(2,946)	(12,802)	(15,748)
Income tax	12	(35)	–	(35)	781	–	781
Loss for the year attributable to owners of the parent Company		(173)	(867)	(1,040)	(2,165)	(12,802)	(14,967)
Loss per share Basic and diluted (pence per share)	13			(1.16p)			(18.82p)

Consolidated Statement of Comprehensive Income

for the year ended 31 January 2026

	2026 Adjusted £'000	2026 Non-recurring items £'000	2026 Total £'000	2025 Adjusted £'000	2025 Non-recurring items £'000	2025 Total £'000
Loss for the year	(173)	(867)	(1,040)	(2,165)	(12,802)	(14,967)
Other comprehensive (expense)/ income						
Currency translation differences	(73)	–	(73)	24	–	24
Total other comprehensive (expense)/ income for the year	(73)	–	(73)	24	–	24
Total comprehensive loss for the year	(246)	(867)	(1,113)	(2,141)	(12,802)	(14,943)

The accompanying notes form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Financial Position

as at 31 January 2026

	Note	31 January 2026 £'000	31 January 2025 £'000
Assets			
Non-current assets			
Intangible assets	14	7,078	5,333
Property, plant and equipment	15	5,651	5,889
Right of use assets	16	4,388	4,709
		17,117	15,931
Current assets			
Inventories	17	8,848	13,083
Trade and other receivables	18	8,574	11,336
Cash and cash equivalents		1,173	733
		18,595	25,152
Total assets		35,712	41,083
Liabilities			
Current liabilities			
Trade and other payables	19	(6,165)	(8,238)
Contract liabilities	20	(818)	(498)
Borrowings	21	(2,289)	(2,089)
Lease liabilities	16	(434)	(540)
Provisions	22	(927)	(467)
		(10,633)	(11,832)
Non-current liabilities			
Contract liabilities	20	(113)	–
Borrowings	21	(4,000)	(6,985)
Lease liabilities	16	(5,044)	(5,361)
Provisions	22	(254)	(270)
		(9,411)	(12,616)
Total liabilities		(20,044)	(24,448)
Net assets		15,668	16,635
Shareholders' equity			
Share capital	25	8,966	8,966
Share premium account	25	19,487	19,487
Reverse acquisition reserve	25	(16,164)	(16,164)
Share-based payment reserve	25	311	165
Foreign exchange reserve		(49)	24
Retained earnings		3,117	4,157
Total equity		15,668	16,635

The accompanying notes form an integral part of these Consolidated Financial Statements.

The Consolidated Financial Statements were approved and authorised for issue by the Board of Directors on 15 June 2026 and signed on its behalf by:

Alan Olby

Director

Raffi Stepanian

Director

Company Number: 03587944

Consolidated Statement of Changes in Equity

for the year ended 31 January 2026

	Note	Share capital £'000	Share premium account £'000	Reverse acquisition reserve £'000	Share based payment reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total £'000
At 1 February 2024		6,823	18,905	(16,164)	280	–	19,124	28,968
Loss for the year		–	–	–	–	–	(14,967)	(14,967)
Exchange differences arising on translation of overseas subsidiaries		–	–	–	–	24	–	24
Total comprehensive loss for the year		–	–	–	–	24	(14,967)	(14,943)
Transactions with owners in their capacity as owners								
Issue of ordinary shares, net of transaction costs and tax		2,143	582	–	–	–	–	2,725
Share based payment credit	26	–	–	–	(115)	–	–	(115)
Total transactions with owners		2,143	582	–	(115)	–	–	2,610
At 31 January 2025		8,966	19,487	(16,164)	165	24	4,157	16,635
Loss for the year		–	–	–	–	–	(1,040)	(1,040)
Exchange differences arising on translation of overseas subsidiaries		–	–	–	–	(73)	–	(73)
Total comprehensive loss for the year		–	–	–	–	(73)	(1,040)	(1,113)
Transactions with owners in their capacity as owners								
Share based payment expense	26	–	–	–	146	–	–	146
Total transactions with owners		–	–	–	146	–	–	146
At 31 January 2026		8,966	19,487	(16,164)	311	(49)	3,117	15,668

The accompanying notes form an integral part of these Consolidated Financial Statements.

Consolidated Cash Flow Statement

for the year ended 31 January 2026

	Note	2026 £'000	2025 £'000
Cash flows from operating activities			
Loss for the year		(1,040)	(14,967)
Adjustments for:			
Depreciation and amortisation		1,850	2,209
Remeasurement of leases, including foreign exchange differences		14	13
Impairment of intangible assets	14	–	8,492
Impairment of tangible assets and right of use assets		–	1,808
Employee share scheme expense/(credit)	26	146	(115)
R&D tax credit	10	(262)	–
Loss on disposal of tangible assets	15	76	8
Finance income	11	(10)	(34)
Finance expense	11	937	1,096
Income tax	12	35	(781)
		1,746	(2,271)
Decrease in inventories		4,235	660
Decrease/(increase) in trade and other receivables		2,047	(2,214)
(Decrease)/increase in trade and other payables		(2,140)	1,753
Increase/(decrease) in contract liabilities	20	433	(127)
Increase in provisions		423	737
Cash flows generated from/(used in) operations		6,744	(1,462)
Taxation received/(paid)		796	(87)
Net cash generated from/(used in) operating activities		7,540	(1,549)
Cash flows from investing activities			
Interest received	11	10	34
Proceeds from sale of short-term investments		–	197
Purchase of property, plant and equipment	15	(610)	(529)
Purchase of intangible assets	14	(224)	(62)
Capitalised development costs	14	(2,136)	(1,379)
Net cash used in investing activities		(2,960)	(1,739)
Cash flows from financing activities			
Proceeds from issue of shares		–	2,725
Principal elements of lease payments	16	(579)	(758)
Principal elements of lease receipts	18	140	310
Interest paid on lease liabilities	11	(250)	(253)
Interest paid on loans and borrowings	11	(666)	(833)
Proceeds from invoice financing facility		200	435
Proceeds from revolving credit facility	21	1,015	2,980
Repayment of revolving credit facility	21	(4,000)	(997)
Net cash (used in)/generated from financing activities		(4,140)	3,609
Net increase in cash and cash equivalents		440	321
Cash and cash equivalents at the beginning of the year		733	412
Cash and cash equivalents at the end of the year		1,173	733

The accompanying notes form an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

for the year ended 31 January 2026

1 GENERAL INFORMATION

Inspiration Healthcare Group plc (“Company”) is a public limited company incorporated in England and Wales and domiciled in England. The Company’s registered address is Unit 7/8, Commerce Park, Commerce Way, Croydon, CR0 4YL and the registered number of the Company is 03587944. The Company’s ordinary shares are traded on the AIM Market of the London Stock Exchange plc.

The principal activities of Inspiration Healthcare Group plc and its subsidiaries (together, the “Group”) continue to be the sale, service and support of critical care equipment to the medical sector including hospitals.

2 ACCOUNTING POLICIES

Basis of preparation

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which it operates (the functional currency). The Consolidated Financial Statements are presented in British Pounds Sterling, which is the presentation currency of the Group.

Amounts are rounded to the nearest thousand, unless otherwise stated.

Group

The Consolidated Financial Statements cover the year ended 31 January 2026.

The Consolidated Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The Consolidated Financial Statements are prepared under the historical cost convention, as modified for any financial assets or liabilities which are measured at fair value through operating profit or loss.

New standards, amendments and interpretations

The following amendment was effective during the year. This amendment does not have a material impact on the consolidated financial statements of the Group:

▶ *Lack of Exchangeability* (Amendment to IAS 21).

New standards and interpretations not yet effective

There are a number of standards, amendments to standards and interpretations which have been issued by the UKEB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 February 2026:

- ▶ *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7)
- ▶ *Contracts Referencing Nature-dependent Electricity* (Amendments to IFRS 9 and IFRS 7).

The following standards and amendments are effective for the annual reporting period beginning 1 February 2027:

- ▶ IFRS 18 *Presentation and Disclosure in Financial Statements*
- ▶ IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.

The Group is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 *Presentation and Disclosure in Financial Statements*, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the consolidated income statement, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

Notes to the Consolidated Financial Statements continued

2 ACCOUNTING POLICIES continued

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 including the transfer of the Infusion products to Micrel from 31 January 2027, these include a significant revenue downside versus the budget for the period and certain mitigating actions within the Directors control. 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.

Basis of consolidation

The financial statements of the Group consolidate the financial statements of Inspiration Healthcare Group plc and its subsidiary undertakings (together referred to as the "Group") up to 31 January each year.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. All subsidiaries are 100% owned.

The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases, in accordance with IFRS 10. Intra group transactions and balances, and any unrealised gains or losses arising from intra group transactions, are eliminated in preparing the Consolidated Financial Statements.

Property, plant and equipment

Items of property, plant and equipment are measured at historical cost less accumulated depreciation and any impairment. Costs include expenditure that is directly attributable to the acquisition of the asset. Depreciation is provided to write off the cost, less estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives. The assets residual values and useful economic lives are reviewed, and adjusted as appropriate, at each year-end date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The following rates are applied

Leasehold improvements	Over the term of the lease
Fixtures and fittings	10% – 25% per annum
Motor vehicles	20% per annum
Plant, machinery and office equipment	15% – 33% per annum

Repairs and maintenance are charged to the Consolidated Income Statement during the financial year in which they incurred.

Notes to the Consolidated Financial Statements continued**2 ACCOUNTING POLICIES** continued**Leases**

The Group assesses whether a contract is or contains a lease at inception of a contract. The Group recognises a right of use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate, being the rate the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions. Lease payments are allocated between principle and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a consistent periodic rate of interest on the remaining balance of the liability for each period.

The right of use assets are measured at cost comprising the amount of the initial measurement of the lease liability, initial direct costs incurred and the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (leasehold dilapidations). Right of use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset on a straight-line basis and are reviewed for impairment when objective evidence suggests that events or circumstances have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised in the Consolidated Income Statement.

During the year, the Group continued to lease its patient warming products, acting as the lessor in these arrangements. These contracts contain both lease and non-lease components. The lease component is accounted for as a finance lease in accordance with IFRS 16 'Leases'. On commencement of the lease, the lease component is initially recognised as a receivable at an amount equal to the net investment in the lease, with an equal amount recognised as revenue. The net investment comprises the present value of the lease payments due to the lessor. The Group uses the interest rate implicit in the lease to measure the net investment in the lease. At commencement of the lease, the lease payments included in the measurement of the net investment in the lease comprise the fixed payments for the lease. Finance income is allocated over the lease period so as to produce a consistent periodic rate of interest on the remaining balance of the asset for each period. The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

Intangible Assets

Intangible assets are recognised if it is possible to demonstrate that there will be future economic benefits attributable to the asset, the cost of the asset can be measured reliably, the asset is separately identifiable and there is control over the use of the asset. All intangible assets recognised are considered to have finite lives (unless otherwise stated) and are amortised on a straight-line basis over the period over which the Group expects to benefit from these assets. Amortisation is recognised in operating expenses. A provision is made for any impairment in the carrying amount of the intangible asset if applicable.

Intellectual property

Purchased intellectual property rights are capitalised and amortised over management's estimate of their useful economic life or term of the relevant contract up to a maximum of 10 years.

Other acquired intangibles

Acquired intangibles, including acquired brands and customer relationships, are capitalised and amortised over management's estimate of their useful economic life, which varies between five and 15 years.

Capitalised development costs

Where the criteria for capitalisation in IAS 38 'Intangible assets' are met, costs incurred are capitalised and amortised over their useful economic lives. The capitalised values are reviewed against the discounted future economic value, and adjusted as appropriate, at each year-end date.

Notes to the Consolidated Financial Statements continued

2 ACCOUNTING POLICIES continued

Development expenditure on an individual project is recognised as an intangible asset when the Group can demonstrate:

- ▶ The technical and commercial feasibility of completing the intangible asset so that the asset will be available for use or sale.
- ▶ Its intention to complete and its ability to use or sell the developed asset.
- ▶ Its future economic benefits are probable.
- ▶ The availability of adequate technical, financial and other resources to complete the asset.
- ▶ The ability to measure reliably the expenditure attributable to the asset during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit from the asset which varies between five and 10 years. Amortisation is recorded in operating expenses. During the period of development, the asset is tested for impairment annually.

Research costs

Research expenditure is written off to the Consolidated Income Statement in the year in which it is incurred.

Software costs

Where the criteria for capitalisation in IAS 38 'Intangible assets' are met, software costs incurred are capitalised and amortised over their useful economic lives from the point that the software is brought into service. The estimated useful life is three to five years.

Impairment

Intangible assets and goodwill are considered to be impaired if objective evidence suggests that one or more events have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is estimated at each year end date. Impairment losses are recognised in the Consolidated Income Statement.

Calculation of recoverable amount

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss would be recognised whenever the carrying amount of an intangible asset or its cash generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. In assessing an asset's value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct material and, where applicable, direct labour costs and those overheads that have been incurred in bringing inventories to their present location and condition on a first in, first out basis.

Net realisable value is based on estimated selling price less additional costs to completion or disposal. Allowance is made for obsolete, defective and slow moving items based on estimated future usage.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Trade and other receivables

Trade and other receivables are initially measured at the transaction price.

Notes to the Consolidated Financial Statements continued

2 ACCOUNTING POLICIES continued

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on the payment profile of historic sales and corresponding historical credit losses in addition to considering current and forward macroeconomic factors potentially affecting the customers' ability to settle the amount outstanding.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis and have been grouped based on days past due.

Trade and other payables

Trade payables are obligations to pay for goods and services. The value of trade payables is the value that would be payable to settle the liability at the year-end date.

Provisions

Provisions for liabilities are made where the timing or amount of settlement is uncertain. A provision is recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not discounted on the grounds of materiality as permitted under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Foreign currency transactions and balances

Transactions in foreign currencies are translated to Sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end date are retranslated to Sterling at the foreign exchange rate ruling at that date. Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the Consolidated Income Statement in the year in which they arise.

On consolidation, the results of overseas operations are translated into Sterling at an average rate. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at average rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Employee benefits

Defined contribution pension plans

The costs of contributing to defined contribution stakeholder pension scheme and employees' personal pension schemes are charged to the Consolidated Income Statement in the year in which they relate. The Group has no further legal or constructive obligations once the contributions have been paid.

Share-based incentives

The Group operates an equity settled share scheme for certain employees. The cost of equity settled share based payments is measured at fair value at the date of grant, excluding the effect of non-market based vesting conditions. The cost is recognised in the Consolidated Income Statement on a straight-line basis over the vesting period with the corresponding amount credited to equity, based on an estimate of the number of shares that will eventually vest. The fair values are measured using the Black-Scholes model. Please refer to note 26 for more information.

Notes to the Consolidated Financial Statements continued

2 ACCOUNTING POLICIES continued

Revenue recognition

The Group either recognises revenue from contracts with customers at a point in time or over time as outlined below.

Under IFRS 15 any one of the 3 criteria below must be met in order for revenue to be categorised as “over time”. If none are met then the transaction is deemed to be at a “point in time”.

- ▶ customer receives benefits as performed/another would need to re-perform
- ▶ create/enhance an asset a customer controls
- ▶ does not create an asset with alternative use and a right to payment for work to date.

The Group recognises revenue at a point in time where there is a distinct obligation to transfer goods to the customer, none of the above criteria are met and the transfer to the customer of control of the goods has taken place. The Group exercises judgement on the point at which transfer of control has taken place, which is, dependent upon individual contract shipment terms, typically assessed to be when risk in the goods has been assumed by the customer, which is either when delivered or when collected under ex-works arrangements. The goods supplied are primarily medical devices or parts used in medical devices.

The Group recognises revenue over time where there is an obligation to transfer a service to the customer. This applies to the provision of technical support of products which are owned by the customer, under a service contract running for a contract period, which provides for service visits as well as attendance for non-routine faults during the term of the contract. The Group recognises the revenue evenly over the duration of the contract as the timing of the visits and provision of the service is not predetermined and this, in the judgement of the Directors, is the most appropriate reflection of the service being provided. The recognition of revenue over time results in contract liabilities being recognised on the Balance Sheet.

The transaction price applied to recognise revenue is the price reflected in the sales invoice submitted to the customer, both for at the point of sale and over time which are invoiced separately.

Revenue is shown net of value added tax, returns, rebates and discounts.

Provisions for costs are charged to the Consolidated Income Statement when incurred. No provision is made for future costs on service and maintenance contracts. Provision is made in full for any losses as soon as they can be foreseen. Any provisions for foreseeable losses in excess of contract balances are included in current liabilities.

The performance of products is warranted for 12 months against clearly defined performance specifications established by reference to the technical and development testing carried out at the manufacturing facility. The estimated cost of the work to be performed under warranty on items sold by the Group would be provided for if management were aware of any field issues that needed rectification.

The Group also recognises revenue from the rental of its patient warming equipment. These rental contracts contain both lease and non-lease (service) components. The Group applies IFRS 15 to allocate the consideration relating to the service component of the contracts, over the contract term. The lease component is accounted for as a finance lease in accordance with IFRS 16. On commencement of the lease, the lease component is initially recognised as a receivable at an amount equal to the net investment in the lease, with an equal amount recognised as revenue.

Dividends

Dividends proposed by the Board are recognised in the financial statements when they have been approved by shareholders at the AGM. Interim dividends are recognised when they are paid.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. The Board of Directors consider that it is appropriate to report results as one single business segment. This is consistent with management accounting information reported regularly to the Board. The Group's Chief Operating Decision Maker is considered to be the Board.

Notes to the Consolidated Financial Statements continued

2 ACCOUNTING POLICIES continued

Taxation

Tax on the profit or loss for the year comprises the current and deferred tax. Tax is recognised in the Consolidated Income Statement except to the extent that it relates to items directly recognised in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the year end date and any adjustment in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- ▶ the initial recognition of goodwill
- ▶ the initial recognition of an asset or liability in a transaction that is not a business combination, where at the time of the transaction it affects neither accounting profit nor taxable profit, unless the transaction gives rise to equal taxable and deductible temporary differences; and
- ▶ the differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected amount of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the year end date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised within a reasonable future timescale.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The presentation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Judgements

The Group applies judgement in how it applies its accounting policies, which could materially affect the numbers disclosed in these financial statements. The key accounting judgements that have been applied in these financial statements are as follows:

▶ Capitalisation of development costs

In order to capitalise product development costs, there is a requirement for detailed analysis of the technical feasibility and judgement on the commercial viability of the project. The Board regularly reviews this judgement in respect of relevant development projects. Commercial viability is based on the future prospects for revenue generated through sales of the products that are being developed and expected costs to complete the development, as well as costs to make the products. These estimates are based on historical experience and other factors, including the achievement and timing of regulatory and registration requirements as well as other expectations of future events that are believed to be reasonable under the circumstances. Actual results may not be in line with the estimates made. The value of product development costs capitalised during the year was £2,136,000 (2025: £1,379,000) which includes £1,321,000 (2025: £826,000) of employee time spent on development projects. See Note 14.

Notes to the Consolidated Financial Statements continued**3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS** continued**▶ Non-recurring items**

Non-recurring items are items which given their nature the Group believes should be disclosed separately for the purposes of presenting the results of the Group. Management believes that presenting these items separately enables users of the financial statements to obtain a clear and consistent view of the Group's underlying operating performance. In identifying the non-recurring items, management have applied judgement including whether i) the item is related to underlying trading of the Group; and/or ii) how often the item is expected to occur. Details of non-recurring items incurred in the year are set out in Note 8.

▶ Leases

Termination options are included in a number of property leases across the Group. This option is used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive not to exercise a termination option. Termination options are only included in the lease term if the lessee is reasonably certain to exercise the option to terminate before the end of the lease term. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that it is within the control of the Group.

▶ Revenue

In accordance with IFRS 15, when the criteria for recognising revenue over time is not met, revenue is recognised at the point in time when control of the goods or services are passed to the customer. The Group exercises judgement on the point at which transfer of control has taken place, which is, dependent upon individual contract shipment terms, typically assessed to be when risk in the goods has been assumed by the customer. Control of the goods or services may pass to the customer at the point of physical delivery of the goods or for ex-works shipments, at the point of collection by the customer.

Accounting Estimates

The Group is required to make judgements based on estimates and assumptions concerning the future in order to fully comply with Adopted IFRSs. These judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future periods affected. The following are areas that are deemed to require the most complex judgements about matters that have potential material impacts on the amounts recognised in the financial statements.

The key estimates applicable to the financial statements, which have a significant risk of resulting in a material adjustment in future financial years are as follows:

Impairment**▶ Carrying value of capitalised development costs**

Capitalised development costs are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

When impairment indicators are identified, the recoverable amount of capitalised development costs is determined by discounting estimated future net cash flows generated by the asset where no active market for the asset exists. A weighted average cost of capital of 12.5% is used. See Note 14 for more information on capitalised development costs. Additionally, judgement is required on the appropriate amortisation rates applied to the capitalised product development costs of completed developments, which are based on estimates of useful lives of between five to 10 years and residual values of the assets involved. Actual product lives may vary from estimates made.

Notes to the Consolidated Financial Statements continued

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS continued

▶ Goodwill

Impairment testing is an area involving management's judgement, requiring assessment as to whether the carrying value of each of the Group's cash-generating units ("CGUs") can be supported by the net present value of estimated future cash flows derived from the CGU using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectation of:

- ▶ the selection of discount rates to reflect the risks involved
- ▶ future revenue and costs
- ▶ long term growth rates

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's impairment evaluation and hence results. See Note 14 for further information on the assumptions used in the Group's impairment models.

4 ALTERNATIVE FINANCIAL MEASURES

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. The Directors believe that these non-GAAP measures assist with the understanding of the performance of the business. These non-GAAP measures are not a substitute for, or superior to, any IFRS measures of performance but they have been included as the Directors consider them to be an important means of comparing performance year-on-year and they include key measures used within the business for assessing performance.

The Group refers to the following alternative financial measures:

Measure	Definition
Adjusted EBITDA	Earnings before interest, tax, depreciation, amortisation, share based payments and non-recurring items
Adjusted Operating Profit/(Loss)	Operating profit/(loss) before non-recurring items
Net Debt excluding IFRS 16 lease liabilities.	Cash and cash equivalents less revolving credit facility and invoice financing borrowings

Please refer to the Operating and Financial review in this Annual Report for a reconciliation of operating profit/(loss) to adjusted operating profit/(loss) and adjusted EBITDA. For further detail on the net debt measure, please refer to Note 21 Borrowings.

5 SEGMENTAL ANALYSIS

Inspiration Healthcare Group operates in a single business segment, providing essential medical equipment. Within this segment the Group's sales are analysed across three product areas: SLE products, Inspiration Healthcare (Medtech distribution) and Airon. These products areas are defined and reported in Our business strategy and the Operating and financial review sections of the Strategic Report.

Notes to the Consolidated Financial Statements continued

6 REVENUE

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following product and geographical split:

Products	2026 £'000	2025 £'000
- SLE products	31,562	20,222
- Inspiration Healthcare (Medtech distribution)	13,898	15,631
- Airon	2,087	2,398
Total	47,547	38,251

Geography	2026 £'000	2025 £'000
Domestic		
- UK	17,093	19,629
- Ireland	1,032	656
International		
- Europe	4,046	5,325
- Asia Pacific	18,657	7,204
- Middle East & Africa	3,185	1,907
- Americas	3,534	3,530
Total	47,547	38,251

During the year ended 31 January 2026, the two largest customers equated to 17% and 10% of total revenue respectively. No other individual customer accounted for 10% or more of total revenue (2025: none).

All revenue reported by the Group is from contracts with customers.

The relationship between the timing of the satisfaction of the Group's performance obligations and the typical timing of payments from contracts with customers is as follows:

- ▶ Revenue for sale of goods and rental contracts is recognised at the point in time when the goods are delivered or collected under ex-works arrangements, which completes our performance obligation. At this point in time the consideration is unconditional because only the passage of time is required before payment is due. Payment is typically due between 30 and 60 days following delivery of the goods
- ▶ For revenue recognised over time, payment is typically received annually in advance of the service contract commencing. The performance obligations are met over the duration of the contract. A Contract Liability is recognised and adjusted at each reporting period to reflect unsatisfied performance obligations based on a straight-lined apportioned basis over the term of the customer contract. Included in revenue for the year is £498,000 which had been included in Contract Liabilities at 1 February 2025 (1 February 2024: £625,000). See Note 20 on Contract Liabilities.

The Group does not currently have any material value of contracts where the period between the transfer of the goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The contracts from customers do not include any variable consideration. There are no obligations for returns or refunds other than any required by law in the United Kingdom.

Costs associated with the fulfilment of the contracts from customers are either, in the case of revenue recognised at a point in time, recognised at the same time as the revenue is recognised, or, in the case of revenue recognised over time, as incurred. No costs of obtaining contracts are capitalised.

Notes to the Consolidated Financial Statements continued

7 EXPENSES BY NATURE

	Note	2026 £'000	2025 £'000
Cost of Sales		26,786	21,873
Employee benefit expense	9	11,406	10,991
Depreciation			
– property, plant and equipment	15	766	741
– right of use assets	16	469	574
Amortisation			
– intangible fixed assets	14	158	289
– acquisition related intangible assets	14	457	605
Trade receivables loss allowance		25	55
Loss on disposal of intangible and tangible assets		76	8
Foreign exchange losses/(gains)		631	(26)
R&D expenditure ¹		173	247
Non-recurring costs	8	867	12,802
Other expenses		6,080	4,778
Total cost of sales and operating expenses		47,894	52,937

¹ Wages and salaries of R&D employees have been included in Employee benefit expense above, net of amounts capitalised as development costs.

The numbers above include:

	2026 £'000	2025 £'000
Auditors' remuneration		
Audit fees payable to the Group's auditor – Group	146	220
Audit fees payable to the Group's auditor – Company	22	34
Total audit fees payable to the Group's auditor	168	254
Non-audit services provided by the Group's auditor	–	–

8 NON-RECURRING ITEMS

During the year, the Group recognised the following non-recurring items:

	2026 £'000	2025 £'000
Impairment of goodwill and other assets	–	10,300
Restructuring	895	1,584
Contingent consideration, including foreign exchange gains	(74)	813
Other	46	105
Total	867	12,802

Restructuring costs of £895,000 (2025: £1,584,000) largely relate to severance payments arising from the restructuring of the Group's operations, as well as legal expenses associated with lease exits and exercising break options. These costs also include dilapidation provisions of £584,000 (2025: £415,000) associated with the exit of vacated premises in Hailsham and Croydon.

A credit of £74,000 was recognised in the year relating to the foreign exchange gains arising on the settlement of the contingent consideration due to the former shareholders of Airon. The maximum consideration of \$1,000,000 was paid during the year on the basis that Airon revenue targets for the 12-month period ended 30 April 2025 were fully met.

Other non-recurring costs of £46,000 (2025: £105,000) comprise of settlement expenses and legal and professional fees associated with a contract dispute.

Notes to the Consolidated Financial Statements continued

9 EMPLOYEES

Aggregate employee costs are as follows:

	2026 £'000	2025 £'000
Wages and salaries	10,701	10,341
Social security costs	1,365	1,113
Defined contribution pension scheme cost	515	478
Share based payment expense/(credit)	146	(115)
Total employee costs	12,727	11,817
Employee costs capitalised as development costs	(1,321)	(826)
Total employee costs recognised in Consolidated Income Statement	11,406	10,991

At the year-end the amount of pension contributions unpaid was £77,000 (2025: £43,000).

Monthly average number of persons employed (including Executive and Non-Executive Directors) analysed by category:

	2026	2025
Management and Administration	32	35
Sales and Marketing (including service)	59	61
Development and Quality	54	56
Production	49	51
Total	194	203

Key management

Key management comprises the Group's Executive and Non-Executive Directors, as well as the Group's Chief Commercial Officer (until their departure in September 2025).

The aggregate compensation for key management personnel is as follows:

	2026 £'000	2025 £'000
Salaries and benefits	1,173	929
Payments for loss of office	175	359
Contributions to defined contribution pension scheme	28	27
Share based payment expense	100	–
Total	1,476	1,315

Directors' remuneration for the year was as follows:

	2026 £'000	2025 £'000
Salaries and benefits	1,057	829
Payments for loss of office	–	359
Contributions to defined contribution pension scheme	22	22
Share based payment expense	100	–
Total	1,179	1,210

The total remuneration of the highest paid director in the year was £553,000 (2025: £402,000), which included £nil (2025: £237,000) relating to payments for loss of office.

The number of Directors for whom retirement benefits are accruing under defined contribution pension schemes during the year were 2 (2025: 3). No directors exercised share options during the year (2025: nil).

Please refer to the Directors' Remuneration Report for further detail.

Notes to the Consolidated Financial Statements continued

10 OTHER INCOME

	2026 £'000	2025 £'000
Other income	269	–
Total	269	–

Included within other income in the year is £262,000 relating to Research and Development (“R&D”) tax credits.

During the current year, the Group has applied the UK’s new R&D tax relief regime as set out in Chapter 1A of Part 13 of the Corporation Tax Act 2009 as introduced by the Finance Act 2024 (the “merged R&D scheme”). This regime is effective for accounting periods beginning on or after 1 April 2024. Under the merged R&D scheme, the R&D tax credit is presented in other income in the Consolidated Income Statement. In prior year, the Group accounted for R&D relief under the SME R&D tax relief scheme, under which the R&D tax credit of £701,000 was presented within income tax.

11 FINANCE INCOME AND EXPENSE

	2026 £'000	2025 £'000
Finance income		
Interest receivable – Leases	5	24
Bank interest receivable	5	10
Total finance income	10	34
Finance expense		
Interest payable on loans and borrowings	(666)	(833)
Interest payable – Leases	(250)	(253)
Other interest payable	(21)	(10)
Total finance expense	(937)	(1,096)

12 INCOME TAX**Analysis of tax for the year**

	2026 £'000	2025 £'000
Current tax		
UK corporation tax		
Current year	45	(134)
Prior year adjustment	7	(647)
Overseas income tax		
Current year	(17)	–
Tax charge/(credit) on loss on ordinary activities	35	(781)

Notes to the Consolidated Financial Statements continued

12 INCOME TAX continued**Factors affecting tax for the year**

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax applied to the Group's losses for the year are as follows:

	Effective Tax Rate			
	2026 £'000	2025 £'000	2026 %	2025 %
Loss on ordinary activities before taxation	(1,005)	(15,748)		
Tax using the effective UK corporation tax rate of 25.00% (2025: 25.00%)	(252)	(3,937)	25.0	25.0
Effects of:				
Non-deductible items	62	2,832	(6.1)	(18.0)
Additional deduction for research and development	–	(155)	–	1.0
Fixed asset differences	3	1	(0.3)	–
R&D expenditure credits	66	–	(6.6)	–
Surrender of tax losses for R&D tax credit refund	–	202	–	(1.3)
Adjustment in respect of prior periods	7	(647)	(0.7)	4.1
Unrecognised temporary differences	166	923	(16.5)	(5.9)
Overseas tax refund	(17)	–	1.7	–
Total tax expense/(credit)	35	(781)		
Effective tax rate			(3.5)	4.9

13 LOSS PER ORDINARY SHARE

Basic loss per share for the year 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 separate diluted loss per share is presented in the current and prior year as the exercise of share options would have the effect of reducing loss per share and is therefore not dilutive.

	2026	2025
Loss attributable to equity holders of the Company £'000	(1,040)	(14,967)
Weighted average number of ordinary shares in issue during the year	89,663,372	79,534,567
Dilutive effect of potential ordinary shares	n/a	n/a
Diluted weighted average number of shares in issue during the year	n/a	n/a

The basic and diluted loss per share for the year is as follows:

	2026	2025
Loss per share (pence)	(1.16)	(18.82)

Notes to the Consolidated Financial Statements continued

14 INTANGIBLE ASSETS

	Goodwill £'000	Intangible assets £'000	Development Costs £'000	Intellectual Property £'000	Software costs £'000	Total £'000
Cost						
At 1 February 2024	7,938	5,540	7,232	276	959	21,945
Capitalised in the year	–	–	1,379	–	62	1,441
At 1 February 2025	7,938	5,540	8,611	276	1,021	23,386
Capitalised in the year	–	–	2,136	–	224	2,360
Disposals	–	–	–	(139)	–	(139)
At 31 January 2026	7,938	5,540	10,747	137	1,245	25,607
Accumulated Amortisation						
At 1 February 2024	–	2,238	5,395	276	758	8,667
Charge in the year	–	605	144	–	145	894
Impairments	7,610	403	461	–	18	8,492
At 1 February 2025	7,610	3,246	6,000	276	921	18,053
Charge in the year	–	457	105	–	53	615
Disposals	–	–	–	(139)	–	(139)
At 31 January 2026	7,610	3,703	6,105	137	974	18,529
Net book value						
At 31 January 2026	328	1,837	4,642	–	271	7,078
At 31 January 2025	328	2,294	2,611	–	100	5,333

The Group tests goodwill and other intangible assets for impairment on an annual basis, or more frequently if there are indications that assets may be impaired. Goodwill and intangible assets are allocated on an individual basis to individual Cash Generating Units ('CGU'). The Directors have allocated the business to two CGUs being the legacy business created from the combination of Inspiration Healthcare, Viomedex and SLE, and Airon Corporation.

The recoverable amount of each CGU has been determined from value in use calculations. The key assumptions for the value in use calculations are the discount rate and growth rates used for future cash flows and the anticipated future changes in revenue and costs.

As a result of the impairment review for the year ended 31 January 2025, an impairment charge has been recognised in relation to the legacy business of £10,300,000 following a reassessment of the future cash flows and taking account past performance. This impairment loss has been allocated firstly against the £7,610,000 goodwill of this CGU which has been fully written down and then on a pro rata basis against other non-current assets of the CGU. No further impairment testing has been undertaken for this CGU in FY26 on the basis that the goodwill has been fully written down and there has been no significant change in future forecast cash flows that would result in a change in this assessment.

The forecasts for the Airon CGU cover a five-year period are based on the detailed budget for the year ended 31 January 2027 approved by the Board. The cashflows beyond the budget are extrapolated for a further four-year period based on future expectations. This forecast is then extrapolated to perpetuity using a 2.0% (FY25: 2.5%) growth rate.

Annual growth rates for revenues for the five-year forecast period have been included at 5% year-on-year and costs at 5% year-on-year. A post-tax discount rate of 12.5% (FY25: 12.5%) has been used in these calculations, equivalent to 15.3% on a pre-tax basis. The discount rate uses weighted average cost of capital which is reflective of a medical device Company operating in the USA.

For the Airon CGU, there is no reasonably foreseeable increase in the discount rate that would need to be applied for headroom to be eliminated.

Notes to the Consolidated Financial Statements continued

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £'000	Fixtures and fittings £'000	Plant, machinery, office equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 February 2024	6,919	87	2,479	50	9,535
Additions	46	3	442	38	529
Disposals	–	(6)	(6)	(50)	(62)
At 1 February 2025	6,965	84	2,915	38	10,002
Additions	135	–	475	–	610
Foreign exchange differences	–	–	(7)	–	(7)
Reclassification	47	(34)	(13)	–	–
Disposals	–	(2)	(1,157)	–	(1,159)
At 31 January 2026	7,147	48	2,213	38	9,446
Accumulated Depreciation					
At 1 February 2024	553	31	1,764	50	2,398
Charge in the year	352	10	375	4	741
Disposals	–	(2)	(2)	(50)	(54)
Impairments	908	7	108	5	1,028
At 1 February 2025	1,813	46	2,245	9	4,113
Charge in the year	319	2	437	8	766
Foreign exchange differences	–	–	(1)	–	(1)
Disposals	–	(1)	(1,082)	–	(1,083)
At 31 January 2026	2,132	47	1,599	17	3,795
Net book value					
At 31 January 2026	5,015	1	614	21	5,651
At 31 January 2025	5,152	38	670	29	5,889

Depreciation charged for the financial year is split between cost of sales £79,000 (2025: £104,000) and administrative expense £687,000 (2025: £637,000) in the Consolidated Income Statement.

16 RIGHT OF USE ASSETS AND LEASES

The Group has annual commitments under non-cancellable leases relating primarily to land and buildings, motor vehicles and office equipment. Land and buildings have been considered separately for lease classification. Land and buildings amounts relate to leasehold property at Croydon and Melbourne, Florida.

Right of use assets

	Land and buildings £'000	Plant, machinery and motor vehicles £'000	Total £'000
At 1 February 2024	5,333	245	5,578
Additions	290	195	485
Depreciation	(413)	(161)	(574)
Impairments	(741)	(39)	(780)
At 31 January 2025	4,469	240	4,709
Additions	–	196	196
Depreciation	(310)	(159)	(469)
Foreign exchange differences	(35)	–	(35)
Disposal	–	(13)	(13)
At 31 January 2026	4,124	264	4,388

Notes to the Consolidated Financial Statements continued

16 RIGHT OF USE ASSETS AND LEASES continued**Lease liability**

	Land and buildings £'000	Plant, machinery and motor vehicles £'000	Total £'000
At 1 February 2024	5,920	254	6,174
Additions	289	196	485
Interest expense	233	20	253
Lease payments	(823)	(188)	(1,011)
At 31 January 2025	5,619	282	5,901
Additions	–	196	196
Interest expense	227	23	250
Lease payments	(640)	(189)	(829)
Foreign exchange differences	(27)	–	(27)
Disposal	–	(13)	(13)
At 31 January 2026	5,179	299	5,478
		2026 £'000	2025 £'000
Current		434	540
Non-current		5,044	5,361
Total		5,478	5,901

The total cash outflow for leases during the year was £829,000 (2025: £1,011,000).

At 31 January 2026 and 31 January 2025, the Group's cash commitments relating to leases are as follows:

	Total £'000	1 year or less £'000	1 to 2 years £'000	2 to 5 years £'000	Over 5 years £'000
At 31 January 2026	7,273	670	595	1,479	4,529
At 31 January 2025	7,531	678	554	1,371	4,928

17 INVENTORIES

	2026 £'000	2025 £'000
Raw materials	4,421	7,233
Work in progress	673	337
Finished goods	3,754	5,513
Total	8,848	13,083

Inventories are presented net of provisions of £805,000 (2025: £544,000) to write down the values to management's estimate of net realisable value.

Notes to the Consolidated Financial Statements continued

18 TRADE AND OTHER RECEIVABLES

	2026 £'000	2025 £'000
Trade receivables	7,571	9,594
Loss allowance	(162)	(247)
Net trade receivables	7,409	9,347
Corporation tax receivable	211	786
Other taxes and social security	317	319
Net investment in leases	20	166
Other receivables	75	93
Prepayments and accrued income	542	625
Total	8,574	11,336

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and are generally due for settlement within 30-60 days. Other receivables are generally due for settlement within three to twelve months. Trade and other receivables are therefore all classified as current. Trade and other receivables are non-interest bearing and receivable under normal commercial terms. The Directors consider that the carrying value of trade and other receivables approximates their fair value. Specific provisions are made against doubtful debts arising from contracts with customers taking the value based on the most likely outcome.

At 31 January 2026, the Group uses a customer invoice discounting facility with recourse, under which the Group can borrow against certain notifiable trade receivables. The Group is committed to underwrite any of the debts transferred and therefore continues to recognise the trade receivables until the debtors repay or default. Since the trade receivables continue to be recognised, the business model of the Group is not affected.

The loss allowance as at 31 January 2026 and 31 January 2025 was determined as follows for trade receivables:

31 January 2026 – £ 000's	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Additional	Total
Expected loss rate	0.12%	0.38%	2.59%	3.58%		
Gross carrying amount – Trade receivable	6,026	671	240	506	128	7,571
Loss allowance	7	3	6	18	128	162

31 January 2025 – £ 000's	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Additional	Total
Expected loss rate	0.37%	1.04%	0.66%	1.62%		
Gross carrying amount – Trade receivable	7,559	371	749	717	198	9,594
Loss allowance	28	4	5	12	198	247

Additional loss allowance represents provisions against specific trade receivables.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable shown above. The Group does not insure receivables or hold any collateral as security.

The carrying amounts of the Group's receivables are denominated in the following currencies:

	2026 £'000	2025 £'000
Pounds Sterling	6,275	9,407
Euro	928	1,250
US Dollars	1,368	679
Swiss Franc	3	–
Total	8,574	11,336

Notes to the Consolidated Financial Statements continued

18 TRADE AND OTHER RECEIVABLES continued**Net Investment in leases**

During the year, the Group held net investments in leases relating to the leasing of the Group's patient warming equipment and the sub lease of two of its properties. The net investment recognised in respect of these leases has been included in trade and other receivables.

	Patient warming rentals	Sub-lease of properties	Total
At 1 February 2024	326	163	489
Remeasurement	(13)	–	(13)
Interest Income	20	4	24
Lease receipts	(201)	(133)	(334)
At 31 January 2025	132	34	166
Remeasurement	(6)	–	(6)
Interest Income	5	–	5
Lease receipts	(111)	(34)	(145)
At 31 January 2026	20	–	20

19 TRADE AND OTHER PAYABLES

	2026 £'000	2025 £'000
Trade payables	3,196	5,661
Other taxes and social security	344	404
Other payables	208	184
Accrued expenses	2,417	1,989
Total	6,165	8,238

The fair value of trade and other payables approximates to book value at 31 January 2026. Trade payables are non-interest bearing and the average credit period taken for trade purchases is 36 days (2025: 77 days). Accruals are normally settled monthly throughout the financial year.

20 CONTRACT LIABILITIES

Contract Liabilities arise from unsatisfied performance obligations on rental, service, maintenance and extended warranty contracts where revenue is recognised over time.

	2026 £'000	2025 £'000
Current – to be recognised within one year or less	818	498
Non current – to be recognised within two to five years	113	–
Total	931	498

Notes to the Consolidated Financial Statements continued

21 BORROWINGS

	2026 £'000	2025 £'000
Current liabilities		
Invoice Financing Facility	2,289	2,089
Non-current liabilities		
Revolving Credit Facility	4,000	6,985
Total	6,289	9,074

Revolving Credit Facility (“RCF”):

The Group has a committed RCF of £10,000,000 with a three-year term expiring in February 2027 with the option to extend for a further year. Covenants over interest cover and leverage are in place and are tested quarterly. Interest on borrowings from the RCF is charged at 3.25% over SONIA.

Covenants in place for 2026 and beyond require interest cover of greater than 3.0x and leverage of less than 2.0x with drawings from the invoice finance facility being excluded from the value of borrowings for the purposes of the leverage test.

A temporary cap on drawings from the RCF at £7,800,000 implemented in late 2024, has now been removed, allowing the Group access to the full facility, subject to ongoing covenant compliance.

The movement in the RCF borrowings during the year was as follows:

	2026 £'000	2025 £'000
At 1 February	6,985	5,002
Proceeds from drawdown of loans	1,015	2,980
Repayment of loans	(4,000)	(997)
At 31 January	4,000	6,985

Invoice Financing Facility

The Group continues to benefit from an invoice financing facility to borrow against notifiable trade receivables. The arrangement with the bank is such that the customers remit cash directly with the bank and invoices are settled against the facility directly. The Group continues to bear the credit risk relating to any defaulting customers and therefore the related trade receivables continue to be recognised on the Group's Statement of Financial Position. Availability under the facility is capped at £5,000,000 and borrowings bear interest at 2.05% over base rate. There are no covenants relating to this facility.

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:

	2026 £'000	2025 £'000
Cash and cash equivalents	1,173	733
Revolving credit facility	(4,000)	(6,985)
Invoice financing borrowings	(2,289)	(2,089)
Net debt (excluding IFRS 16 lease liabilities)	(5,116)	(8,341)

Notes to the Consolidated Financial Statements continued

22 PROVISIONS

	2026 £'000	2025 £'000
At 1 February	737	–
Reallocation from trade and other payables	–	312
Unwinding of discount	10	10
Utilised in year	(165)	–
Charged to Consolidated Income Statement	599	415
At 31 January	1,181	737
Due within one year or less	927	467
Due after more than one year	254	270
Total	1,181	737

The Group has recognised provisions of £1,181,000 (2025: £737,000) relating to leasehold dilapidations. Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

23 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group holds the following financial instruments:

	Note	2026 £'000	2025 £'000
Financial assets at amortised cost			
Trade receivables	18	7,409	9,347
Other receivables	18	75	93
Cash and cash equivalents		1,173	733
Total Financial assets		8,657	10,173
Financial liabilities at amortised cost			
Trade payables	19	3,196	5,661
Other payables	19	208	184
Accrued expenses	19	2,417	1,989
Lease liabilities	16	5,478	5,901
Borrowings	21	6,289	9,074
Total Financial liabilities		17,588	22,809

The policies to address the risks associated with the Group's financial instruments are reviewed and approved by the Board. The main risks arising from the Group's financial instruments are liquidity risk and credit risk. A summary of the risks are set out below.

The Group has not disclosed the fair values for financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of fair values.

Derivatives

Where necessary, the Group uses forward currency contracts to hedge its financial risks of changes in foreign exchange rates, in relation to Euro inventory purchases during the year. Derivatives are only used for economic hedging purposes and not as speculative investments.

The Group did not have any forward currency contracts in FY2026 and FY2025.

Credit risk

Credit risk principally arises on cash deposits and trade receivables.

The Group monitors defaults of customers and other counterparties and incorporates this information into credit risk controls. Ongoing credit evaluation is performed on the financial condition of accounts receivable taking into account independent ratings (where available), its financial position, past experience and other factors.

Notes to the Consolidated Financial Statements continued

23 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

The carrying value of financial assets recorded in the financial statements, represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

The credit risk for liquid funds and other short term financial assets relates to the banking institutions holding such funds and assets on behalf of the Group and may therefore be higher in conditions of general banking uncertainty. The counterparties are considered to be reputable banks with high quality external risk ratings.

Liquidity risk

In the normal course of business the Group is exposed to liquidity risk. The Group's objective is to ensure that sufficient resources are available to fund short term working capital and longer-term strategic requirements.

The Group manages its liquidity needs by monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis. Long-term liquidity needs are monitored monthly.

At 31 January 2026 and 31 January 2025, the Group's liabilities had contractual maturities which are summarised as follows:

	Carrying amount £'000	Total £'000	1 year or less £'000	1 to 2 years £'000	2 to 5 years £'000	Over 5 years £'000
2026						
Trade payables	(3,196)	(3,196)	(3,196)	–	–	–
Lease liabilities	(5,478)	(5,478)	(434)	(393)	(964)	(3,687)
2025						
Trade payables	(5,661)	(5,661)	(5,661)	–	–	–
Lease liabilities	(5,901)	(5,901)	(540)	(393)	(1,001)	(3,967)

Interest rate risk

The interest rates on the Group's revolving credit facility and invoice financing borrowings are linked to the Bank of England SONIA rate and base rate, respectively and therefore fluctuations in interest rates are not considered a significant risk to the Group, as even an unexpected market increase of 1.0% on both these rates, would not have a material impact on the Group's performance, please refer to interest rate sensitivity below. The Board keeps this risk under regular review, and will, as appropriate, enter into derivative financial instruments in order to manage any significant risks.

Interest rate sensitivity

If the Bank of England base rate and SONIA interest rate were to both increase by 1.0% and all other variables remained constant, the Group's loss after tax for the year and reserves would have increased by £82,000 (2025: £83,000).

Foreign currency risk

Although the Group has some exposure to foreign currency risk from trading transactions in currencies other than GBP, the Directors do not believe that the Group's financial stability is threatened because of an exposure to this risk as there is a natural hedge due to the balance of imports and exports.

The Group holds cash balances in foreign currencies and is therefore exposed to foreign exchange risk arising from fluctuations in exchange rates. The principal foreign currencies in which the Group holds cash balances are US Dollars and Euros.

The Board keeps this risk under regular review, and will, as appropriate, enter into derivative financial instruments in order to manage any significant risks.

Capital management

The Directors' objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares, adjust the amount of dividends paid to shareholders, return capital to shareholders or sell assets to reduce debt.

Notes to the Consolidated Financial Statements continued

24 DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting year.

Note that the effective future tax rate is 25% (2025: 25%).

	2026 £'000	2025 £'000
Asset at beginning of year	1,568	1,304
Credit to the Income Statement for the year	33	264
Asset at end of year	1,601	1,568

	2026 £'000	2025 £'000
Liability at beginning of year	(1,568)	(1,304)
Charge to the Income Statement for the year	(33)	(264)
Liability at end of year	(1,601)	(1,568)

The elements of deferred taxation provided for are as follows:

	2026 £'000	2025 £'000
Tax losses	1,097	1,311
Short term timing differences	504	257
Deferred tax asset	1,601	1,568

	2026 £'000	2025 £'000
Accelerated capital allowances	(726)	(779)
Intangible assets	(416)	(216)
Intangibles arising on business combinations	(459)	(573)
Deferred tax liability	(1,601)	(1,568)

The deferred tax asset and deferred tax liability are presented on a net basis, and therefore no balances are shown on the Consolidated Statement of Financial Position.

At the year end date the Group had gross tax losses of £20,475,000 (2025: £20,793,000) potentially available to offset against future profits. These losses can be carried forward indefinitely with no expiry.

Following a review of the future taxable profits of the above business streams, the Group has concluded that no deferred tax asset should be recognised in the year in respect of gross losses of £16,086,000 in excess of the existing taxable temporary differences, due to significant uncertainty in relation to their future utilisation.

Notes to the Consolidated Financial Statements continued

25 SHAREHOLDERS' EQUITY**Share capital**

Share Capital	Number of shares (Allotted & Issued)	Share capital £'000
At 1 February 2025 and 31 January 2026 – Ordinary Shares of 10p each	89,663,372	8,966

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. Ordinary shares have the same rights.

For the purpose of preparing the Consolidated Financial Statements of the Group, the Share Capital represents the nominal value of the issued share capital of 10p per share.

Share premium

Share Premium	£'000
At 1 February 2025 and 31 January 2026	19,487

Reverse acquisition reserve

The reverse acquisition reserve of £(16,164,000) (2025: £(16,164,000)) arose on the reverse acquisition of Inditherm plc in 2015.

Share based payment reserve

The share based payment reserve of £311,000 (2025: £165,000), represents the cumulative expense recognised in the Consolidated Income Statement in relation to the Group's share awards. See Note 26.

26 SHARE BASED PAYMENTS**Share Incentive Plan**

The Group operates an employee share option scheme which is available to a number of employees and Directors and is designed to provide long-term incentives for award holders to deliver long-term shareholder returns. Under the plan, participants are granted nil cost options which only vest if certain performance standards are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or receive any guaranteed benefits.

The amount of options that will vest depends on performance measures including length of service and targets relating to EBITDA, revenue growth and operating cash generation, or other measures determined by the Remuneration Committee. Options vest over a performance period of two or three years. Once vested, the options remain exercisable for a period of two years.

When exercisable, each option is convertible into one ordinary share of 10p each.

A Black Scholes model is used to determine fair value of awards issued.

Details of the share options outstanding at 31 January 2026 and movements during the year by exercise price is shown below:

	2026		2025	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Outstanding as at 1 February	£nil	993,302	£nil	1,495,859
Granted during the year	£nil	1,098,039	£nil	672,415
Exercised during the year	£nil	–	£nil	–
Lapsed during the year	£nil	(235,798)	£nil	(409,876)
Forfeited during the year	£nil	(113,750)	£nil	(765,096)
Outstanding as at 31 January	£nil	1,741,793	£nil	993,302
Exercisable as at 31 January	£nil	–	£nil	–

Notes to the Consolidated Financial Statements continued

26 SHARE BASED PAYMENTS continued

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant Date	Expiry date	Exercise price	Share options 31 January 2026	Share options 31 January 2025
08 June 2023	30 April 2028	£nil	–	349,548
12 June 2023	04 June 2028	£nil	222,222	222,222
03 July 2024	02 July 2028	£nil	421,532	421,532
24 March 2025	07 January 2030	£nil	1,098,039	–
Total			1,741,793	993,302
Weighted average remaining contractual life of options outstanding at the end of the year			3.4 years	3.5 years

The assessed fair value at grant date of options granted during the year ended 31 January 2026 was £0.13 (2025: £0.17).

Sharesave Plan

The Group also operates an employee Sharesave scheme which is available to all employees subject to qualifying conditions. The scheme encourages wider employee share ownership of the Company.

The options are exercisable after three years from date of grant. When exercisable, each option is convertible into one ordinary share of 10p each.

Details of the share options outstanding at 31 January 2026 and movements during the year by exercise price is shown below:

	2026		2025	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Outstanding as at 1 February	£0.38	354,868	£0.58	358,185
Granted during the year	–	–	£0.28	318,730
Exercised during the year	–	–	–	–
Forfeited during the year	£0.52	(96,373)	£0.51	(322,047)
Outstanding as at 31 January	£0.32	258,495	£0.38	354,868

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant Date	Expiry date	Exercise price	Share options 31 January 2026	Share options 31 January 2025
31 March 2022	30 March 2025	£0.82	–	37,934
06 April 2023	05 April 2026	£0.40	80,190	113,157
28 March 2024	27 March 2027	£0.28	178,305	203,777
Total			258,495	354,868

The inputs into the Black-Scholes model for issuance of share options were as follows for 2026 and 2025:

	2026	2025
Weighted average share price (p)	24.8	31.3
Weighted average expected volatility (%)	67.8	62.7
Weighted average expected life (years)	2.8	2.9
Weighted average risk free rate (%)	4.2	3.9
Expected dividends (%)	–	0.5

The risk-free rate is based on the UK gilt rate as at the grant date with a period to maturity commensurate with the expected term of the relevant option tranche.

The fair value charge is spread evenly over the period between the grant of the option and the earliest exercise date.

The expected volatility is based on the historical volatility of the company's share price over the previous two years.

Notes to the Consolidated Financial Statements continued

26 SHARE BASED PAYMENTS continued

Share based payment expense

A charge of £146,000 (2025: credit of £115,000) has been recognised within administrative expenses in the Consolidated Income Statement as a result of the share awards set out above.

There were no cash settled share-based payment transactions.

27 COMMITMENTS

Capital commitments

At 31 January 2026, the Company had capital expenditure commitments totalling £nil (2025: £55,000).

Lease commitments

The total amount included within administrative expenses in relation to short term leases during the year was £13,000 (2025: £27,000). All balances are due within 12 months.

28 CONTINGENT LIABILITIES

During the normal course of business, the Group offers warranties on its products against clearly defined performance specifications.

As at 31 January 2026 management are not aware of any material field issues that would require provision to be made for products supplied for distribution outside of manufacturers warranties (2025: none).

29 RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries and with its Directors and Key management. A list of subsidiaries is shown on page 78 of these financial statements. Transactions between subsidiaries for the sale and purchase of products or for management charges are priced on an arm's length basis. Benefit expenses in respect of key management are shown in Note 9.

The Company entered into a one-year consultancy agreement in July 2024 with Neil Campbell, Director, as a Global Advocate to support key relationships and support business development opportunities. Under the terms of this agreement the Company was invoiced £35,000 (FY25: £36,580) in the year by Enojize Limited, a company controlled by Neil Campbell. There was nothing owed to Enojize Limited at 31 January 2026 (£6,932 at 31 January 2025) as the contract has now ended.

30 ULTIMATE CONTROLLING PARTY

The Company's shares are listed on the Alternative Investment Market ("AIM") and are held widely. There is no single ultimate controlling party

31 SUBSEQUENT EVENTS

On 1 June 2026, the Group entered into a framework agreement with Micrel Medical Devices SA ("Micrel") for the transfer of the distribution of Micrel's infusion products to an entity controlled by Micrel effective from 31 January 2027. The infusion products generated revenue of £9.7million for the Group in the year ended 31 January 2026. Under the terms of the framework agreement, the existing distribution agreement will expire on 31 January 2027 with Micrel taking full control for the sale and distribution of the products in the UK. The Group's employees responsible for the infusion products will transfer to Micrel under TUPE from 1 July 2026. In addition, Micrel will buy back unsold inventory on the final transfer date and make a compensation payment to the Group in exchange for the orderly transition of the business and reflecting the goodwill generated during Inspiration's tenure as UK distributor.

Company Statement of Financial Position

as at 31 January 2026

	Note	2026 £'000	2025 Restated £'000
Assets			
Non-current assets			
Investments	4	20,193	22,136
Right of use assets	5	15	34
		20,208	22,170
Current assets			
Trade and other receivables	6	6,630	6,298
Cash and cash equivalents		8	45
		6,638	6,343
Total assets		26,846	28,513
Liabilities			
Current liabilities			
Trade and other payables	7	(16,504)	(10,834)
Lease liabilities	5	(16)	(18)
		(16,520)	(10,852)
Non-current liabilities			
Lease liabilities	5	–	(16)
Borrowings	8	(4,000)	(6,985)
		(4,000)	(7,001)
Total liabilities		(20,520)	(17,853)
Net assets		6,326	10,660
Shareholders' equity			
Share capital	9	8,966	8,966
Share premium account	9	19,487	19,487
Share based payment reserve	9	311	320
Retained earnings		(22,438)	(18,113)
Total equity		6,326	10,660

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the Company profit and loss account. The Company's loss for the year ended 31 January 2026 is £4,480,000 (2025: loss of £8,603,000).

The accompanying notes form an integral part of these Financial Statements.

The Company Financial Statements were approved and authorised for issue by the Board of Directors on 15 June 2026 and signed on its behalf by:

Alan Olby

Director

Raffi Stepanian

Director

Company number 03587944

Company Statement of Changes in Equity

For the year ended 31 January 2026

	Share capital £'000	Share premium account £'000	Share based payment reserve £'000	Retained earnings £'000	Total £'000
At 1 February 2024	6,823	18,905	435	(9,510)	16,653
Loss for the year	–	–	–	(8,603)	(8,603)
Total comprehensive loss for the year	–	–	–	(8,603)	(8,603)
Transactions with owners in their capacity as owners					
Issue of ordinary shares, net of transaction costs and tax	2,143	582	–	–	2,725
Share based payment credit	–	–	(115)	–	(115)
Total transactions with owners	2,143	582	(115)	–	2,610
At 31 January 2025	8,966	19,487	320	(18,113)	10,660
Loss for the year	–	–	–	(4,480)	(4,480)
Total comprehensive loss for the year	–	–	–	(4,480)	(4,480)
Transactions with owners in their capacity as owners					
Reserve transfer	–	–	(155)	155	–
Share based payment expense	–	–	146	–	146
Total transactions with owners	–	–	(9)	155	146
At 31 January 2026	8,966	19,487	311	(22,438)	6,326

The accompanying notes form an integral part of these Financial Statements.

Notes to the Company Financial Statements

for the year ended 31 January 2026

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The Company Financial Statements cover the year ended 31 January 2026.

The Financial Statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The Financial Statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed elsewhere in this note.

The following exemptions from the requirements of IFRS have been applied in the preparation of the Company Financial Statements, in accordance with FRS 101:

- ▶ Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- ▶ IFRS 7, 'Financial Instruments: Disclosures';
- ▶ Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- ▶ Paragraph 38 of IAS 1, 'Presentation of Financial Statements' comparative information requirements in respect of:
 - ▶ paragraph 79(a)(iv) of IAS 1;
 - ▶ paragraph 73(e) of IAS 16 Property, plant and equipment;
- ▶ The following paragraphs of IAS 1, 'Presentation of Financial Statements':
 - ▶ 10(d) (statement of cash flows);
 - ▶ 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - ▶ 16 (statement of compliance with all IFRS);
 - ▶ 38A (requirement for minimum of two primary statements, including cash flow statements);
 - ▶ 38B-D (additional comparative information);
 - ▶ 40A-D (requirements for a third statement of financial position);
 - ▶ III (cash flow statement information), and
 - ▶ 134-136 (capital management disclosures);
- ▶ IAS 7, 'Statement of cash flows';
- ▶ Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- ▶ Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- ▶ The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted by the Company are the same as those disclosed in Note 2 to the Consolidated financial statements. The relevant accounting policies for the Company that are disclosed in Note 2 to the Consolidated financial statements are as follows:

- ▶ Cash and cash equivalents
- ▶ Trade and other receivables
- ▶ Trade and other payables
- ▶ Share capital
- ▶ Taxation

Notes to the Company Financial Statements continued

1. Accounting policies continued

The accounting policies relevant only to the Company are as follows:

Investments

Investments are initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

CRITICAL ESTIMATE AND JUDGEMENTS

Impairment of investments in subsidiaries

The carrying value of investments in subsidiaries is disclosed in note 4 of the Company Financial Statements. Determining whether an investment is impaired involves management's judgement, requiring assessment of the recoverable amount.

PRIOR YEAR RESTATEMENT

The Company has identified that for the comparative year, the year ended 31 January 2025, an adjustment is required in relation to the cost and net book value of investments which was previously recorded incorrectly. The Company has restated the prior year balance sheet to reflect the correct treatment as at 31 January 2025.

The restatement has resulted in an increase in the cost and net book value of investments presented within the Company balance sheet as at 31 January 2025 of £2,094,000. This has been offset by a reduction in trade and other receivables of £1,281,000 and an increase in trade and other payables of £813,000. There is no impact on overall net assets, total equity or on the loss for the prior year. Further details are provided in note 4.

2 EMPLOYEES

Aggregate employee costs are as follows:

	2026 £'000	2025 £'000
Wages and salaries	926	812
Social security costs	138	128
Defined contribution pension scheme cost	22	12
Share based payment expense/(credit)	146	(115)
Total	1,232	837

Company employment costs are recharged from its subsidiary company, Inspiration Healthcare Limited, and include the costs of the Directors of the Group. No employees are directly employed by the Company.

3 AUDITOR'S REMUNERATION

The auditor's remuneration relating to audit services to the Company has been disclosed in note 7 to the Consolidated Financial Statements.

Notes to the Company Financial Statements continued

4 INVESTMENTS

	Note	£'000
Cost		
At 31 January 2025 (restated)		36,223
Additions in the year		–
At 31 January 2026		36,223
Accumulated amortisation and impairment		
At 31 January 2025		14,087
Impairment		1,943
At 31 January 2026		16,030
Net Book Value		
At 31 January 2026		20,193
At 31 January 2025 (restated)		22,136

A prior year adjustment of £2,094,000 was made to the cost of investment at 31 January 2025 to reflect a reclassification of investment in Viomedex of £1,281,000 from trade and other receivables to Investment in Subsidiary and to recognise contingent consideration of £813,000 due to the former shareholders of Airon, which was omitted in prior year company level Balance Sheet.

The contingent consideration was settled in full during the current year.

At 31 January 2026, an impairment review was carried out on the Company's investment in Vio Holdings Limited following the cessation of trading of Viomedex Limited, a subsidiary of Vio Holdings Limited, during the year. The business of Viomedex Limited was transferred to SLE Limited, a fellow subsidiary undertaking during the year as part of an internal Group re-organisation. The investment was assessed based on the expected recovery of Viomedex Limited's net assets to be distributed to Vio Holdings Limited and, as a result, an impairment of £1,943,000 has been recognised against the Company's investment in Vio Holdings Limited to reflect its estimated recoverable amount at the reporting date.

The Company has the following interests in subsidiary undertakings registered and operating in England and Wales:

Name	Nature of business	Direct/ indirect ownership	% of total issued share capital	Class of share
Inspiration Healthcare Limited	Sale of medical goods	Direct	100	Ordinary
Inspiration Homecare Limited *	Dormant	Indirect	100	Ordinary
Inditherm Limited *	Dormant	Indirect	100	Ordinary
Inditherm (Medical) Limited *	Dormant	Direct	100	Ordinary
Inditherm (UK) Limited *	Dormant	Direct	100	Ordinary
Inditherm Construction Limited *	Dormant	Direct	100	Ordinary
Vio Holdings Limited	Holding Company	Direct	100	Ordinary
Viomedex Limited	Sale and manufacture of medical goods	Indirect	100	Ordinary
SLE Limited	Sale and manufacture of medical goods	Direct	100	Ordinary
The registered office of the above companies is: Unit 7/8 Commerce Park, Commerce Way, Croydon, CR0 4YL				
Anaesthetic Services Systems Limited*	Dormant	Indirect	100	Ordinary
The registered office of the above Company is: C10 Strangford Park Ards Business Centre, Jubilee Road, Newtownards, Co Down, BT23 4YH				
Inspiration Healthcare Ireland Limited*	Dissolved	Indirect	100	Ordinary
The registered office of the above Company is: The Black Church, St. Mary's Place, Dublin, D07 P4AX The Company was dissolved in November 2025.				
Airon Corporation *	Sale and manufacture of medical goods	Direct	100	Ordinary
The registered office of the above Company is: 751 North Dr STE 6, Melbourne, FL 32934, United States				

* Entities exempt from the requirement to have a statutory audit

Notes to the Company Financial Statements continued

4. INVESTMENTS continued**AUDIT EXEMPTION FOR SUBSIDIARY COMPANIES**

Under section 479A of the Companies Act 2006, exemptions from an audit of the financial statements for the financial year ended 31 January 2026 have been taken by Inspiration Healthcare Limited (04753818), SLE Limited (01649988), Viomedex Limited (01310102) and Vio Holdings Limited (06489214). As required, the Company guarantees all outstanding liabilities to which the subsidiary companies listed above are subject at the end of the financial year, until they are satisfied in full and the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary companies listed above is liable in respect of those liabilities.

5 RIGHT OF USE ASSETS AND LEASES

The Company has annual commitments under non-cancellable leases relating to motor vehicles.

Right of use assets

	Total £'000
At 1 February 2024	53
Depreciation	(19)
At 31 January 2025	34
Depreciation	(19)
At 31 January 2026	15

Lease liability

	Total £'000
At 1 February 2024	50
Interest expense	3
Lease payments	(19)
At 31 January 2025	34
Interest expense	2
Lease payments	(20)
At 31 January 2026	16

	2026 £'000	2025 £'000
Current	16	18
Non-current	–	16
Total	16	34

The total cash outflow for leases during the year was £20,000 (2025: £19,000).

At 31 January 2026 and 31 January 2025, the Company's cash commitments relating to leases are as follows:

	Total £'000	1 year or less £'000	1 to 2 years £'000	2 to 5 years £'000	Over 5 years £'000
At 31 January 2026	16	16	–	–	–
At 31 January 2025	36	20	16	–	–

Notes to the Company Financial Statements continued

6 TRADE AND OTHER RECEIVABLES

	2026 £'000	2025 Restated £'000
Amounts receivable from subsidiary undertakings	6,479	6,119
Other taxes and social security	38	17
Other receivables	–	10
Prepayments and accrued income	113	152
Total	6,630	6,298

Trade and other receivables are non-interest bearing and receivable under normal commercial terms. The Directors consider that the carrying value of trade and other receivables approximates their fair value.

The carrying amounts of the Company's receivables are denominated in Pound Sterling.

7 TRADE AND OTHER PAYABLES

	2026 £'000	2025 Restated £'000
Trade payables	135	187
Amounts payable to subsidiary undertakings	15,793	9,457
Other payables	–	3
Accrued expenses	576	1,187
Total	16,504	10,834

The fair value of trade and other payables approximates to book value at 31 January 2026. Amounts due to Group undertakings are non-interest bearing, unsecured and repayable on demand.

8 Borrowings

	2026 £'000	2025 £'000
Revolving Credit Facility	4,000	6,985
Total	4,000	6,985

The Company has a committed Revolving Credit Facility ("RCF") of £10,000,000 with a three-year term expiring in February 2027 with the option to extend for a further year. Covenants over interest cover and leverage are in place and are tested quarterly. Interest on borrowings from the RCF is charged at 3.25% over SONIA.

Covenants in place for 2026 and beyond, tested on the consolidated position of the Group, require interest cover of greater than 3.0x and leverage of less than 2.0x. Drawings from the invoice finance facility of subsidiary undertakings are excluded from the value of borrowings for the purposes of the leverage test.

A temporary cap on drawings from the RCF at £7,800,000 implemented in late 2024, has now been removed, allowing the Group access to the full facility, subject to ongoing covenant compliance.

The movement in RCF borrowings during the year was as follows:

	2026 £'000	2025 £'000
At 1 February	6,985	5,002
Proceeds from drawdown of loans	1,015	2,980
Repayment of loans	(4,000)	(997)
At 31 January	4,000	6,985

Notes to the Company Financial Statements continued

9 SHAREHOLDERS' EQUITY

Share capital and share premium

The Share Capital and Share Premium amounts have been disclosed in note 25 to the Consolidated Financial Statements.

Share based payment reserve

The share based payment reserve of £311,000 (2025: £320,000), represents the cumulative expense recognised in the Company level Income Statement in relation to the Company's share awards.

Shareholder Information

Registrars

The Company's registrars, MUFG Corporate Markets (UK) Limited (MUFG), provide a number of services that, as a shareholder, might be useful to you:

Registrar's online service

By logging onto Investor Centre app or web browser at <https://uk.investorcentre.mpms.mufg.com/>, You will need to log into your Investor Centre account or register if you have not previously done so. Once you have setup your account you will need to add your shareholding by clicking 'Add Holding' in the 'Portfolio' section and following the on-screen instructions. You will require your Investor Code (IVC) to add your shareholding. You can find your IVC on your share certificate or by contacting our Registrar, MUFG Corporate Markets.

Share dealing services

You can buy and sell shares through any authorised stockbroker or bank that offers a share dealing service in the UK, or in your country of residence if outside the UK.

MUFG also provides a share dealing service to private shareholders in the UK, the Channel Islands or the Isle of Man.

For further information on the share dealing service provided by MUFG, or to buy and sell shares, visit <https://dealing.cm.mpms.mufg.com/> or call 0371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 08:00 – 16:30, Monday to Friday (excluding public holidays in England and Wales).

This is not a recommendation to buy and sell shares and this service may not be suitable for all shareholders. The price of shares can go down as well as up and you are not guaranteed to get back the amount you originally invested. Terms, conditions and risks apply.

MUFG is a trading name of MUFG Corporate Markets Trustees (UK) Limited (registered in England and Wales No. 2729260), which is authorised and regulated by the Financial Conduct Authority. This service is only available to private shareholders resident in the United Kingdom, the Channel Islands or the Isle of Man.

The registered office for MUFG is Central Square, 29 Wellington Street, Leeds LS1 4DL.

Duplicate share register accounts

If you are receiving more than one copy of our report, it could be that your shares are registered in two or more accounts on our register of members. If that was not your intention, please contact MUFG who will be pleased to merge your accounts.

For general shareholder enquiries, please contact:

MUFG Corporate Markets (UK) Limited, Central Square, 29 Wellington Street, Leeds LS1 4DL

Tel: **0371 664 0300**

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 – 17:30, Monday to Friday (excluding public holidays in England and Wales).

Email: shareholderenquiries@cm.mpms.mufg.com

Advisors

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Bankers	HSBC Bank plc, 1st Floor, First Point, Buckingham Gate, London Gatwick Airport, West Sussex RH6 0NT
Nominated advisor and broker	Singer Capital Markets broker, 1 Bartholomew Lane, London, EC2N 2AX
Joint broker	Cavendish Capital Markets, 1 Bartholomew Close, London, EC1A 7BL
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