

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

**Full year trading update**  
***Strong second half with momentum carried into the current year***

**Highlights**

- Strong H2 revenue of £21.3 million (H1: £17.0 million) and full year revenue of £38.3 million
- Annualised cost reductions of £1.25 million implemented in the period
- Return to profit with EBITDA positive for the year
- Strong sales momentum in Q4 2025 expected to continue into H1 FY26
- FY26 growth underpinned by recent 6 million contract win and 4.3 million Middle Eastern contract awarded in FY25 with revenues expected to be recognised in FY26
- New CEO, Raffi Stepanian, in place from January 2025

Inspiration Healthcare Group plc (AIM: IHC), the global medical technology company pioneering best-in-class, specialist neonatal intensive care medical devices, provides a trading update for year ended 31 January 2025.

Revenues for the year were £38.3 million (FY24 £37.6 million) following a strong second half across the Group. EBITDA is expected to be positive (FY24: £2.0 million), with H2 gross margin benefitting from an improved sales mix of higher margin neonatal products, and the initial effects of cost savings.

No revenue was recognised from the 4.3 million Middle Eastern SLE6000 ventilator contract during the FY25 period despite the first part of this order having been shipped prior to the year end as this initial shipment was held awaiting customs clearance. The revenue from this initial shipment of circa 2 million is expected to be recognised in early FY26 on receipt of the goods by the customer, with the second and final shipment expected to be made in FY26, following receipt of the final letter of credit.

Despite this, sales for the fourth quarter were strong, with January delivering the highest sales of the period, and management expect this momentum to continue into FY26. Business performance continues to improve, with management focusing on driving core activities as part of the Company's 'Back to Basics' strategy. Encouragingly, prior to the year end, the Company secured its largest single contract to date, at 6 million for SLE6000 and SLE1500 ventilators plus associated accessories and consumables, with a trusted global humanitarian aid organisation focusing on child and infant welfare. Delivery of this contract is anticipated to be in the first half of this financial year.

A cost reduction programme was implemented during the second half of last year delivering annualised savings of £1.25 million which, alongside expected growth in revenue underpinned by the contract win noted above and the recognition of the Middle Eastern order is expected to contribute to increased profitability in the current year.

At 31 January 2025, the Group's net debt (excluding IFRS16 lease liabilities) was £8.3 million (31 January 2024: £6.0 million). This was a result of working capital remaining high at the year end following strong Q4 trading. We anticipate strong operating cash flow in the first half of this year as our inventory continues to reduce and our higher year end debtor balances convert to cash. As a result of the strong trading performance, all covenants on the Group's debt facilities are expected to be met.

**Commenting, Roy Davis, Non Executive Chair of Inspiration Healthcare, said:** *"I am pleased to report a strong second half performance despite not being able to recognise the partial Middle Eastern contract shipment made in the period. While revenues were therefore slightly behind market expectations we have delivered a positive EBITDA for the full year.*

*"While frustrated with the delays to the Middle Eastern contract, this has been outside of our control and having secured the first shipment it is now expected to be fully executed in FY26. We are also delighted to have secured in H2 our largest single contract to date for 6 million with an international trusted Non-Governmental humanitarian aid organisation, for delivery in the first half of FY26. Combined, these contracts provide a strong platform to the first half of FY26.*

*"Overall, we have had a very busy year implementing our 'Back to Basics' strategy, delivering savings through restructuring and recently welcomed a new CEO, Raffi Stepanian, who joined us in January. Our goal is to build on the momentum from the second half of last year to deliver sustained growth in revenue, profit and cash generation."*

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**About Inspiration Healthcare**

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

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

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

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

Further information on Inspiration Healthcare can be found at [www.inspirationhealthcaregroup.com](http://www.inspirationhealthcaregroup.com)

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