

2 October 2019

## Inspiration Healthcare Group plc

(“Inspiration Healthcare” the “Group” or the “Company”)

### Interim Results

Inspiration Healthcare Group plc (AIM: IHC), the global medical device company, today announces its unaudited interim results for the six months ended 31 July 2019 (“H1 2019/20”).

#### Financial Highlights:

- Revenue up 9% to £8.1m in line with our expectations (H1 2018/19: £7.4m)
- International revenue was up 18% in the period to £4.8m (H1 2018/19: £4.4m); Domestic revenue grew by 5% to £5.2m
- Improved Gross Margin of 46.8% (H1 2018/19: 45.0%) as a result of increased sales of Inspiration branded products
- EBITDA<sup>1</sup> increased by 21% to £0.8m (H1 2018/19: £0.7m)
- Operating profit, excluding one-off acquisition costs, increased by 12% to £0.6m (H1 2018/19: £0.5m)
- Outlook for the full year remains unchanged

#### Operational Highlights:

- Products developed in the previous 24 months contributed 17% of revenue
- Shipped largest ever order for our AlphaCore<sup>5</sup> Patient Warming System
- Received Queen’s Award for Enterprise: International Trade
- Post period end, the Company raised £4.3m via placing to complete the acquisition of Vio Holdings Limited

<sup>1</sup> Earnings before interest, tax depreciation, amortisation, share based payments and exceptional items on a basis consistent with prior year which is before applying IFRS 16, Leases (see note 8 for analysis of the impact of IFRS 16 on the interim results)

**Neil Campbell, Chief Executive Officer, said today:** *“The first half started well with a large patient warming system order from Poland. We maintained this momentum in the second quarter to achieve 9% revenue growth for the period. Our exports have continued to flourish with international sales up 18%. Furthermore, we were proud to win the Queen’s Award for Enterprise: International Trade, resulting from the growth track record over the previous years.*

*We have continued to advance our novel R&D projects including Project Wave and we are making good progress towards filing our application to start clinical trials. Elsewhere, we are working hard on opportunities in our domestic market with our distributed products as well as developing more interest in our products in key export markets as we maintain our progress towards achieving double digit revenue growth.*

*Since the period end we were pleased to complete the acquisition of Vio Holdings Ltd and their subsidiary Viomedex Ltd, a long-time partner of Inspiration Healthcare. We are excited by the opportunity to develop sales of Viomedex’s products through our distribution network as well as adding Viomedex’s recently launched products to our portfolio. The enlarged group will also benefit from the added manufacturing capability, which will help increase gross margins of the Group.*

*“We had a strong take up for our first fundraise, in September, allowing us to strengthen our balance sheet to take advantage of new opportunities and further invest in our business to drive revenue growth in future years.”*

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**About Inspiration Healthcare**

Inspiration Healthcare (AIM: IHC) is a global supplier of medical technology for critical care, operating theatre and other medical applications. The Company provides high quality innovative products to patients and caregivers around the world that help to improve patient outcomes and efficiencies of healthcare organisations with patient focused customer service and technical support.

The Company's own brand of critical care solutions span non-invasive respiratory management, thermoregulation and diagnostics, and patient warming for newborns through to adults in intensive care and the operating theatre, whilst the distribution business supplies solutions to support specialised surgical procedures and infusion therapies.

Present in over 50 countries worldwide, Inspiration Healthcare's success has been built on continuous innovation, excellent customer service and an inherent commitment to improving the quality of life of patients, working in close collaboration with key opinion leaders and stakeholders in the clinical and medical community across the globe.

Further information on Inspiration Healthcare can be seen at [www.inspiration-healthcare.com](http://www.inspiration-healthcare.com)

## Chairman's Statement

I am pleased to confirm that the Group continued to trade in line with our expectations as set out in our AGM Statement of 27 June 2019, with revenue for the first half up 9% on the equivalent period last year.

During the first half the Group has realised the benefits of the investment made in recent years to develop new products and strengthen the regulatory, R&D and operational teams. It is pleasing that we achieved healthy growth in both our domestic and international markets, leading to overall revenues of £8.1m in the first half.

Critical Care revenue showed significant growth (aided by our largest ever order for our Patient Warming System in Poland) which contributed to an improved Gross Margin of 46.8% from 45.0% in the equivalent period. Operating Theatre revenue also showed growth and our Home Healthcare products continue to perform strongly.

The Group is now in a strong position to increase revenue from higher margin Inspiration branded products, particularly internationally, as well as to take advantage of a number of opportunities for distributed products in our domestic market. That combined with the acquisition of Viomedex will give us the platform, and together with further acquisition opportunities will enable the Group to move towards our long-term goal of becoming a world leader in Neonatal Intensive Care.

## Financial Review

Revenue for the six months to 31 July 2019 was £8.1 million (H1 2018/19: £7.4 million), an increase of 9% over the equivalent period for the previous year. EBITDA<sup>1</sup> on a like-for-like basis with prior year improved by 21% to £0.8m as a result of growing gross profit and limiting the increase in cash-based overheads.

In this accounting period we have, for the first time, been required to apply IFRS 16, Leases. Having applied IFRS 16 EBITDA is £0.9m, an increase of 31% over prior year. See note 8 for the impact of IFRS 16 on these results.

Operating profit before exceptional items for the period was £0.6m, an increase of 12% over the equivalent period of the previous year.

Revenue from our Own Brand Products increased 13% year on year to £3.6m (H1 2018/19: £3.2m) and accounted for 45% of revenue, up from 44% in the equivalent period. This was boosted by revenue from new products launched during the previous 24 months accounting for 17% of revenue for the period. Revenue from our Distributed Products was up by 5% to £3.3m, with particularly good sales in Home Healthcare.

Gross margin of 46.8% increased from 45.0% in the equivalent period due to the improved product mix towards Inspiration Branded Products. The continued investment in personnel throughout the Group resulted in an increase of operating expenses of 14%. Investment in R&D amounted to approximately 3% of revenue in the first half however we expect total spend on R&D to increase in the second half.

Exceptional items of £75k represent expenses incurred to 31 July 2019 in relation to the acquisition of Vio Holdings Limited which completed on 24 September 2019.

Profit after tax of £0.4m was slightly down on the same period last year due mainly to the exceptional item expense as outlined above and a small increase in the tax charge arising from lower relief on the reduced R&D spend referred to above.

Adjusting for the exceptional items diluted earnings per share was 1.5p. The resulting diluted earnings per share was 1.3p (H1 2018/19: 1.4p).

Cash at 31 July 2019 was £2.6 million, a net inflow of £0.1m. Inventories increased £0.5m as a result Brexit planning. Trade and other payables are lower due to reduced capital spend.

### **Operational Review**

Both domestic and international revenue grew, by 5% and 18% respectively, as a result of our new products launches made during the previous 24 months. We expect to continue to increase the level of international sales as we work with our distributors to develop markets, whilst progressing the registration of devices for the US market.

As with many companies exporting to and importing from the European Union, we continue to monitor the potential impact of Brexit. Clearly uncertainty remains about the future relationship between the UK and the EU, although we do not anticipate any material impact in the longer term, we will continue to explore all options to mitigate the short-term effects that disruption to the border and the flow of goods may have.

Critical Care revenue was up 5% to £5.4m due to the factors outlined above and Operating Theatre revenue was up 6% to £0.8m. Home Healthcare revenue was up 25% to £1.9m. These figures were in line with our expectations with the opportunities that were known in the various segments.

### **Acquisition of Viomedex Limited**

The Group has acquired the entire share capital of Vio Holdings Limited, which included its subsidiary Viomedex Limited, a long-standing trading partner of Inspiration Healthcare, which completed on 24 September 2019. This will give us an increased range of products for Neonatal Intensive Care and added manufacturing capability to drive the Group forward.

### **Outlook**

The Group has achieved its first half expectations and as we enter the second half, we are encouraged by the take up of our new products and expect them to create a basis for growth over the coming years. As past trends have shown, our revenues are weighted towards the second half and we expect this to continue.

The acquisition of Viomedex Limited will provide some exciting new neonatal intensive care products, strengthen management and add production capability to our core business and we expect to realise the main benefits of this acquisition from next financial year, thereby moving us closer to our goal of being the market leader in Neonatal Intensive Care.

Our overall expectations for the financial year remain unchanged and we remain on track to deliver double-digit growth over the full year.

### **MARK ABRAHAMS Chairman**

2 October 2019

<sup>1</sup> Earnings before interest, tax depreciation, amortisation, share based payments and exceptional items on a basis consistent with prior year which is before applying IFRS 16, Leases (see note 8 for analysis of the impact of IFRS 16 on the interim results)

## Unaudited Consolidated Income Statement

For the six months ended 31 July 2019

	Notes	Unaudited 6 months ended 31-Jul 2019 £'000	Unaudited 6 months ended 31-Jul 2018 £'000	Audited Year ended 31-Jan 2019 £'000
<b>Revenue</b>		<b>8,057</b>	7,391	15,487
Cost of sales		(4,288)	(4,072)	(8,445)
<b>Gross profit</b>		<b>3,769</b>	3,319	7,042
Operating expenses		(3,281)	(2,817)	(5,829)
<b>Operating profit</b>		<b>488</b>	502	1,213
Analysed as:				
Operating profit before exceptional items		563	502	1,213
Exceptional items		(75)	-	-
Finance income		4	2	6
Finance cost		(9)	-	-
<b>Profit before tax</b>		<b>483</b>	504	1,219
Income tax expense	4	(79)	(70)	(116)
<b>Profit attributable to the owners of the parent company</b>		<b>404</b>	434	1,103
<b>Earnings per share, attributable to owners of the parent company</b>				
Basic expressed in pence per share	6	1.32p	1.42p	3.60p
Diluted expressed in pence per share	6	1.29p	1.40p	3.56p

## Unaudited Consolidated Statement of Comprehensive Income

For the six months ended 31 July 2019

	Notes	<b>Unaudited 6 months ended 31-Jul 2019 £'000</b>	Unaudited 6 months ended 31-Jul 2018 £'000	Audited Year ended 31-Jan 2019 £'000
Profit for the period/year		404	434	1,103
Other comprehensive income/(expense) Items that may be reclassified to profit or loss				
Cash flow hedges		13	3	(6)
<b>Total other comprehensive income/(expense) for the period/year</b>		<b>13</b>	<b>3</b>	<b>(6)</b>
<b>Total comprehensive income for the period/year</b>		<b>417</b>	<b>437</b>	<b>1,097</b>

## Unaudited Consolidated Statement of Financial Position

As at 31 July 2019

(Registered Number: 03587944)

Notes	Unaudited As at 31-Jul 2019 £'000	Unaudited As at 31-Jul 2018 £'000	Audited As at 31-Jan 2019 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	1,212	1,306	1,293
Property, plant and equipment	397	407	408
Right of use asset	448	-	-
8			
Investments	111	111	111
	<b>2,168</b>	<b>1,824</b>	<b>1,812</b>
<b>Current assets</b>			
Inventories	1,225	769	718
Trade and other receivables	3,107	3,161	3,107
Financial asset	4	-	-
Cash and cash equivalents	2,646	2,389	2,539
7			
	<b>6,982</b>	<b>6,319</b>	<b>6,364</b>
<b>Total assets</b>	<b>9,150</b>	<b>8,143</b>	<b>8,176</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	(2,059)	(2,765)	(2,210)
Lease liabilities	(86)	-	-
8			
Financial liability	-	-	(9)
Contract liabilities	(505)	(507)	(319)
	<b>(2,650)</b>	<b>(3,272)</b>	<b>(2,538)</b>
<b>Non-current liabilities</b>			
Lease liabilities	(367)	-	-
8			
Deferred tax liability	(105)	(34)	(105)
	<b>(472)</b>	<b>(34)</b>	<b>(105)</b>
<b>Total liabilities</b>	<b>(3,122)</b>	<b>(3,306)</b>	<b>(2,643)</b>
<b>Net assets</b>	<b>6,028</b>	<b>4,837</b>	<b>5,533</b>
<b>Shareholders' equity</b>			
Called up share capital	3,067	3,067	3,067
Reverse acquisition reserve	(16,164)	(16,164)	(16,164)
Share based payment reserve	169	55	91
Other reserves	4	-	(9)
Accumulated profit	18,952	17,879	18,548
<b>Total equity attributable to owners of the parent company</b>	<b>6,028</b>	<b>4,837</b>	<b>5,533</b>

Unaudited Consolidated Statement of Changes in Shareholders' Equity

For the six months ended 31 July 2019

	Called up Share Capital £000's	Reverse acquisition reserve £000's	Share based payment reserve £000's	Other reserves £000's	Retained earnings £000's	Total equity £000's
<b>At 31 January 2018</b>	<b>3,067</b>	<b>(16,164)</b>	<b>20</b>	<b>(3)</b>	<b>17,445</b>	<b>4,365</b>
Profit for the period 1 February 2018 to 31 July 2018	-	-	-	-	434	434
Other comprehensive income	-	-	-	3	-	3
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>434</b>	<b>437</b>
<b>Transactions with owners in their capacity of owners</b>						
Employee share scheme expense	-	-	35	-	-	35
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>
<b>At 31 July 2018</b>	<b>3,067</b>	<b>(16,164)</b>	<b>55</b>	<b>-</b>	<b>17,879</b>	<b>4,837</b>
Profit for the period 1 August 2018 to 31 January 2019	-	-	-	-	669	669
Other comprehensive income	-	-	-	(9)	-	(9)
<b>Total comprehensive income/(expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9)</b>	<b>669</b>	<b>660</b>
<b>Transactions with owners in their capacity of owners</b>						
Employee share scheme expense	-	-	36	-	-	36
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>
<b>At 31 January 2019</b>	<b>3,067</b>	<b>(16,164)</b>	<b>91</b>	<b>(9)</b>	<b>18,548</b>	<b>5,533</b>
Profit for the period 1 February 2019 to 31 July 2019	-	-	-	-	404	404
Other comprehensive income	-	-	-	13	-	13
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>404</b>	<b>417</b>
<b>Transactions with owners in their capacity of owners</b>						
Employee share scheme expense	-	-	78	-	-	78
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>78</b>
<b>At 31 July 2019</b>	<b>3,067</b>	<b>(16,164)</b>	<b>169</b>	<b>4</b>	<b>18,952</b>	<b>6,028</b>

**Unaudited Consolidated Statements of Cash flows**  
For the six months ended 31 July 2019

	Notes	<b>Unaudited 6 months ended 31-Jul 2019 £'000</b>	Unaudited 6 months Ended 31-Jul 2018 £'000	Audited Year ended 31-Jan 2019 £'000
<b>Cash flows from operating activities</b>				
Cash generated from operations	9	261	571	995
Interest paid		(9)	-	-
Taxation received		105	-	-
Taxation paid		(75)	(69)	(147)
<b>Net cash inflow from operating activities</b>		<b>282</b>	<b>502</b>	<b>848</b>
<b>Cash flow from investing activities</b>				
Interest received		4	2	6
Purchase of property, plant and equipment		(71)	(23)	(101)
Purchase of intangible assets		(12)	(17)	(24)
Capitalised development costs		(33)	(161)	(276)
<b>Net cash used in investing activities</b>		<b>(112)</b>	<b>(199)</b>	<b>(395)</b>
<b>Cash flow from financing activities</b>				
Principle elements of lease payments		(63)	-	-
<b>Net cash used in financing activities</b>		<b>(63)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>107</b>	<b>303</b>	<b>453</b>
Cash and cash equivalents at the beginning of the period		2,539	2,086	2,086
<b>Cash and cash equivalents at the end of the period</b>		<b>2,646</b>	<b>2,389</b>	<b>2,539</b>



## Notes to the Unaudited Interim Financial Statements

For the six months ended 31 July 2019

### 1. Basis of Preparation

This condensed consolidated interim financial information for the six months ended 31 July 2019 have been prepared in accordance with AIM rule 18 in relation to half year reports. This information should be read in conjunction with the annual financial statements for the year ended 31 January 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

### 2. Going concern basis

The Group meets its day-to-day working capital requirements through its cash resources. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated interim financial statements.

### 3. Interim financial information

The interim financial information for the period ended 31 July 2019 is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim financial information for the period ended 31 July 2018 is also unaudited. The audited accounts for the year ended 31 January 2019 for Inspiration Healthcare Group plc were approved by its Board of Directors on 30 April 2019 and have been delivered to the Registrar of Companies with an unqualified audit report.

The Company's annual report and financial statements for the year ended 31 January 2019 were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The standards used are those published by the International Accounting Standards Board (IASB) and endorsed by the EU at the time of preparing those statements.

The following standards have been adopted for the first time in the current financial year.

#### IFRS 16 Leases

IFRS 16 (effective 1 January 2019) deals with the classification, measurement and recognition of leases and replaces IAS 37. The impact of implementation of IFRS 16 is disclosed in note 8.

### 4. Taxation

A provision has been made for corporation tax at the rate of 19% on the estimated taxable profits for the period.

### 5. Dividends Paid

There are no immediate plans to pay dividends for Inspiration Healthcare Group plc.

The Board expects the Company to be capable of paying a nominal dividend for the fiscal year ended 31 January 2021

### 6. Earnings per ordinary share

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

Basic diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares.

The calculation of earnings per ordinary share is based on a profit of £404k (31 July 2018: £434k and 31 January 2019: 1,103k)

Notes to the Unaudited Interim Financial Statements (continued)  
For the six months ended 31 July 2019

6. Earnings per ordinary share (continued)

The weighted average number of shares in issue and the diluted weighted average number of shares in issue were as follows:

	Unaudited 6 months Ended 31-Jul 2019	Unaudited 6 months Ended 31-Jul 2018	Audited Year Ended 31-Jan 2019
<b>Shares</b>			
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share	30,667,548	30,667,548	30,667,548
Dilutive effect of potential Ordinary shares:			
Share options	583,941	260,338	316,520
<b>Diluted weighted number of shares in issue for the purpose of diluted earnings per share</b>	<b>31,251,489</b>	30,927,886	30,984,068

The number of share options for the year ended 31 January 2019 have been pro-rated for the time they have been in place.

The basic and diluted earnings per share are as follows:

	Unaudited 6 months Ended 31-Jul 2019 Pence	Unaudited 6 months Ended 31-Jul 2018 Pence	Audited Year Ended 31-Jan 2019 pence
Basic	1.32	1.42	3.60
Diluted	1.29	1.40	3.56

7. Cash and cash equivalents

Cash and cash equivalents comprise solely of cash and cash in hand and held by the Group.

The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

	Unaudited 6 months Ended 31-Jul 2019 £'000	Unaudited 6 months Ended 31-Jul 2018 £'000	Audited Year Ended 31-Jan 2019 £'000
Pound Sterling	1,755	1,974	1,946
Euro	638	82	328
US Dollars	243	331	259
Japanese Yen	10	2	6
<b>Net cash inflow from operating activities</b>	<b>2,646</b>	2,389	2,539

## 8. Changes in accounting policies

This note explains the impact of the adoption of IFRS 16, 'Leases', on the group's financial statements.

The group has adopted IFRS 16 under the modified retrospective approach from 1 February 2019 and has therefore not restated comparatives for the prior reporting periods. The reclassification and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 February 2019.

### Adjustments recognised on adoption of IFRS 16

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under IAS 17, 'Leases'. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at 1 February 2019 of between 3.50% to 3.75%.

The associated right of use assets were measured at the amount equal to the lease liability. There were no onerous lease contracts that would have required an adjustment to the right-of-use asset at the date of initial application.

The tables below details the impact of IFRS 16 to both the Consolidated Income Statement and Consolidated Statement of Financial Position:

Consolidated Income Statement	EBITDA £'000	Operating profit £'000	Finance cost £'000	Profit attributable to the owners of the parent company £'000
<b>6 months ended 31 July 2019 - Pre IFRS 16 adjustment</b>	<b>843</b>	<b>484</b>	-	<b>409</b>
<b>IFRS 16 adjustments</b>				
Depreciation	68	(68)	-	(68)
Reclassification of rental payments from operating expense to lease liabilities	-	72	-	72
Change in operating profit	4	-	-	-
Interest	-	-	(9)	(9)
<b>Total IFRS 16 adjustments</b>	<b>72</b>	<b>4</b>	<b>(9)</b>	<b>(5)</b>
<b>6 months ended 31 July 2019 - Post IFRS 16 adjustment</b>	<b>915</b>	<b>488</b>	<b>(9)</b>	<b>404</b>

Notes to the Unaudited Interim Financial Statements (continued)  
For the six months ended 31 July 2019

8. Changes in accounting policies (continued)

Consolidated Statement of Financial Position	Right of use asset £'000	Lease liability £'000
<b>6 months Ended 31 July 2019 - Pre IFRS 16 adjustment</b>	-	-
<b>IFRS 16 adjustments</b>		
Recognised right of use asset and lease liability	516	(516)
Depreciation	(68)	-
Reclassification of Rental payments from operating expense to lease liabilities	-	72
Interest	-	(9)
<b>Total IFRS 16 adjustments</b>	<b>488</b>	<b>(453)</b>
<b>6 months ended 31 July 2019 - Post IFRS 16 adjustment</b>	<b>448</b>	<b>(453)</b>

9. Note to the Consolidated Statement of Cash flows

	Unaudited 6 months Ended 31-Jul 2019 £'000	Unaudited 6 months Ended 31-Jul 2018 £'000	Audited Year Ended 31-Jan 2019 £'000
<b>Profit before taxation</b>	<b>483</b>	504	1,219
Adjustments for:			
Net finance cost/(income)	5	(2)	(6)
Depreciation and amortisation	273	158	364
Employee share scheme expense	78	35	71
Loss on disposal of tangible asset	3	-	3
Loss on disposal of intangible asset	-	-	3
Increase in inventories	(507)	(209)	(158)
Increase in trade and other receivables	(30)	(95)	(11)
(Decrease)/increase in trade and other payables	(230)	8	(474)
Increase / (decrease) in contract liabilities	186	172	(16)
<b>Net cash inflow from operating activities</b>	<b>261</b>	571	995

## 10. Related party transactions

- Investment in Neuroprotexon Limited

As at 31 July 2019 the company has a holding of 9.6% (2018: 10.0%) of the issued ordinary share capital of Neuroprotexon Limited (8.6% on a fully diluted basis taking into account share options and loan conversion rights of other investors).

- Lease of Leicestershire facility

The Leicestershire facility at Earl Shilton is rented on an arms length basis from a self-invested pension plan controlled by Neil Campbell, Toby Foster and others. The lease was renewed on an arms length basis in April 2018.

- Key management

Directors control 28% of the voting shares of the Company as at 31 July 2019.

## 11. Post balance sheet event

On 24 September 2019 the Group completed the acquisition of the entire share capital of Vio Holdings Limited, the Holding company of Viomedex Limited for a consideration of £4m, satisfied by £3m in cash and £1m of Consideration Shares. The Consideration Shares, issued at a price of 64.8 pence per share, are split, with 385,802 Initial Consideration Shares issued on completion, and up to 1,157,407 Deferred Consideration Shares to be issued subject to certain conditions being met by Vio Holdings Limited. The acquisition was funded by a placement of 7,327,586 shares at 58p per share generating £3.9m net of expenses.

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