InspireMD, Inc. Form 10-Q

May 07, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: March 31, 2018
OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number: 001-35731
InspireMD, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	26-2123838 (I.R.S. Employer Identification No.)
4 Menorat Hamaor St.	
Tel Aviv, Israel 6744832	
(Address of principal executive	e offices)
(Zip Code)	
(888) 776-6204	
(Registrant's telephone number	r, including area code)
Securities Exchange Act of 193	er registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the 34 during the preceding 12 months (or for such shorter period that the registrant was nd (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []
any, every Interactive Data File	or the registrant has submitted electronically and posted on its corporate Web site, if the required to be submitted and posted pursuant to Rule 405 of Regulation S-T during or such shorter period that the registrant was required to submit and post such files). Yes
smaller reporting company, or	er the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a an emerging growth company. See definitions of "large accelerated filer," "accelerated any" and "emerging growth company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer [] Non-accelerated filer [] Smaller reporting company [X]	Accelerated filer [] (Do not check if a smaller reporting company) Emerging growth company []
	y, indicate by check mark if the registrant has elected not to use the extended transition new or revised financial accounting standards provided pursuant to Section 13(a) of the

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes $[\]$ No [X]

The number of shares of the registrant's common stock, \$0.0001 par value, outstanding as of May 4, 2018: 6,449,832

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

March 31, 2018

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The amounts are stated in U.S. dollars in thousands

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CONSOLIDATED BALANCE SHEETS

(Unaudited)

(U.S. dollars in thousands)

	March 31, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$4,637	\$ 3,710
Accounts receivable:		
Trade, net	754	643
Other	238	207
Prepaid expenses	53	62
Inventory	517	533
TOTAL CURRENT ASSETS	6,199	5,155
NON-CURRENT ASSETS:		
Property, plant and equipment, net	444	476
Deferred issuance costs	155	_
Funds in respect of employee rights upon retirement	487	476
TOTAL NON-CURRENT ASSETS	1,086	952
TOTAL ASSETS	\$7,285	\$ 6,107

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(U.S. dollars in thousands other than share and per share data)

LIABILITIES AND EQUITY	March 31, 2018	December 31, 2017
CURRENT LIABILITIES: Accounts payable and accruals: Trade Other Contract Liability	\$ 512 2,417 26	\$328 2,134 20
LONG-TERM LIABILITIES Liability for employees rights upon retirement Derivative Liability TOTAL LONG TERM LIABILITIES	2,955 635 872	2,482
TOTAL LONG-TERM LIABILITIES COMMITMENTS AND CONTINGENT LIABILITIES (Note 8) TOTAL LIABILITIES REDEEMARK E PRESERVED SHADES	1,507 4,462	624 3,106 274
REDEEMABLE PREFERRED SHARES EQUITY:	1,779	274
Common stock, par value \$0.0001 per share; 150,000,000 shares authorized at March 31, 2018 and December 31, 2017, respectively; 3,501,331 and 1,483,556 shares issued and outstanding at March 31, 2018 and December 31, 2017, respectively Preferred B shares, par value \$0.0001 per share;	-	-
500,000 shares authorized at March 31, 2018 and December 31, 2017, respectively; 17,303 and 27,075 shares issued and outstanding at March 31, 2018 and December 31, 2017, respectively Preferred C shares, par value \$0.0001 per share;	-	-
1,172,000 shares authorized at March 31, 2018 and December 31, 2017, respectively; 451,695 and 741,651 shares issued and outstanding at March 31, 2018 and December 31, 2017, respectively Preferred D shares, par value \$0.0001 per share; 750 shares authorized at March 31, 2018	-	-
and December 31, 2017, respectively; 300 and 750 issued and outstanding at March 31, 2018 and December 31, 2017, respectively	-	-

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Additional paid-in capital	143,785	143,079
Accumulated deficit	(142,741)	(140,352)
Total equity	1,044	2,727
Total liabilities, redeemable preferred shares and equity	\$ 7,285	\$ 6,107

The accompanying notes are an integral part of the interim consolidated financial statements.

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CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(U.S. dollars in thousands, except per share data)

	Three Mo	nths Ended
	2018	2017
REVENUES	\$1,007	\$569
COST OF REVENUES	714	495
GROSS PROFIT	293	74
OPERATING EXPENSES:		
Research and development	252	350
Selling and marketing	492	532
General and administrative	1,502	1,596
Total operating expenses	2,246	2,478
LOSS FROM OPERATIONS	(1,953) (2,404)
FINANCIAL EXPENSES, net:		
Interest expenses	-	119
Other financial expenses	436	35
Total financial expenses	436	154
LOSS BEFORE TAX EXPENSES	(2,389) (2,558)
TAX EXPENSES	-	1
NET LOSS	\$(2,389) \$(2,559)
NET LOSS PER SHARE - basic and diluted	(1.08) (28.31)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED IN COMPUTING	2 252 0	15 110 756
NET LOSS PER SHARE - basic and diluted	2,253,94	15 112,756

The accompanying notes are an integral part of the interim consolidated financial statements.

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited)

(U.S. dollars in thousands, except share data)

Common stock	Series B Preferred Stock	Series C Preferred Stock	Additional paid-in	Accumulated	Total
Shares Amount	Shares Amount	Shares			