

InspireMD, Inc.
Form 10-Q
May 07, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

**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)

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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

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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INSPIREMD, INC.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

March 31, 2018

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

F-1

INSPIREMD, INC.**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

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INSPIREMD, INC.**CONSOLIDATED BALANCE SHEETS****(Unaudited)**

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

	March 31, 2018	December 31, 2017
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accruals:		
Trade	\$ 512	\$ 328
Other	2,417	2,134
Contract Liability	26	20
TOTAL CURRENT LIABILITIES	2,955	2,482
LONG-TERM LIABILITIES-		
Liability for employees rights upon retirement	635	624
Derivative Liability	872	
TOTAL LONG-TERM LIABILITIES	1,507	624
COMMITMENTS AND CONTINGENT LIABILITIES (Note 8)		
TOTAL LIABILITIES	4,462	3,106
REDEEMABLE PREFERRED SHARES	1,779	274
EQUITY:		
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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INSPIREMD, INC.**CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

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

	Three Months Ended March 31	
	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 NET LOSS PER SHARE - basic and diluted	2,253,945	112,756

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

INSPIREMD, INC.

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	Series D Preferred Stock	Additional paid-in	Accumulated	Total
Shares	Amount	Shares	Amount	Shares				