

**Action Summary – 7 July 2025 – Analyst: Theodore R. O'Neill**

- **We are raising our price target to \$3.00 from \$2.00 on its commercial order for the ART100.**
- **Major new order.** Last week, IINN announced it has secured a binding \$22.5 million purchase order for its FDA-cleared ART100 system, representing a major commercial inflection point for the Company. The order was placed by a privately held company headquartered outside the United States, in a global strategic hub, with an established track record and active commercial ties to both government entities and institutional healthcare customers.
- **Significant milestone.** Under the terms of the binding purchase order, full payment of \$22.5 million is to be made during 2025. Inspira and the purchasing organization have initiated onboarding, logistics planning, and deployment scheduling, with immediate implementation. This purchase order is a significant commercial milestone for Inspira, marking a clear transition into full-scale revenue generation. We estimate that this purchase order represents only a small portion of the total addressable market the Company is currently targeting globally.
- **Raising rating to Buy and updating estimates.** Our 2025 revenue and EPS estimates are now \$1MM and a loss of \$0.37, respectively, up from \$100K and a loss of \$0.38. For 2026, our new revenue and EPS estimates are now \$21.5MM and a loss of \$0.13, respectively, up from \$300K and a loss of \$0.36. Our new price target is \$3.00, up from \$2.00.
- **Attractive Valuation.** We believe the shares are priced significantly below absolute and comparative metrics. We value this company in two ways. We used a price target model that looks at earnings into the future and discounts them back to today. That determines our price target. We then compare that by looking at the current out year's sales multiple of its peers and what it implies if those multiples hold at the time the company's main product reaches the market. In both cases, the valuations lead us to believe the shares are undervalued in the marketplace.

<b>7/3 price: US\$ 1.19</b>	<b>Market cap: \$30M</b>	<b>2026 Market Cap/Sales: 1.42</b>	<b>2026 EV / Sales: 1.35</b>
<b>Shares outstanding: 29MM</b>	<b>Insider ownership: ~7%</b>	<b>3-mo. avg. trading vol: &gt;1,000</b>	<b>Dividend/Yield: NA/NA</b>

**GAAP estimates (EPS in \$ – Revenue in \$Million)**

Period	EPS	Revenue	Op Margin
1H23A	(\$0.53)	\$0.0	NMF
2H23A	(\$0.26)	\$0.0	NMF
FY23A	(\$0.72)	\$0.0	NMF
1H24A	(\$0.38)	\$0.0	NMF
2H24A	(\$0.15)	\$0.0	NMF
FY24A	(\$0.46)	\$0.0	NMF
1H25E	(\$0.22)	\$0.0	NMF
2H25E	(\$0.16)	\$1.0	NMF
FY25E	(\$0.37)	\$1.0	NMF
1H26E	(\$0.05)	\$12.0	NMF
2H26E	(\$0.08)	\$9.5	NMF
FY26E	(\$0.13)	\$21.5	NMF

Note: December ending year. Numbers may not add due to rounding. See our full model at the back of this report.

**Cash balance (in \$millions)**

• 2023A	• \$7.36
• 2024A	• \$5.78
• 2025E	• \$26.21
• 2026E	• \$12.84

**LT Debt (in \$millions)**

• 2023A	• \$0.0
• 2024E	• \$0.0
• 2025E	• \$0.0
• 2026E	• \$0.0

**Adj. EBITDA (in \$million)**

• 2023A	• (\$9.47)
• 2024E	• (\$9.12)
• 2025E	• (\$8.87)
• 2026E	• (\$2.79)

**Risks/Valuation**

- Risks include competition, regulatory issues, product acceptance and business execution.
- Our USD\$3.00 target is derived using a discounted future earnings model.

**Company description:** Inspira Technologies is a commercial-stage medical device company specializing in advanced respiratory support and real-time blood monitoring solutions. The Company's U.S. FDA (Food and Drug Administration)-cleared INSPIRA ART100 system is approved for cardiopulmonary bypass in the U.S. and ECMO (Extracorporeal Membrane Oxygenation) procedures outside the U.S. and serves as a regulatory foundation for the development of the INSPIRA ART500 -- a next-generation system designed to deliver oxygenation while patients remain awake and spontaneously breathing.

Figure 1 – Inspira Technologies – One-Year Trading snapshot



Source: FactSet

## Financial Estimates and Guidance

The company does not provide financial guidance. The company does have a track record of forecasting sales of the ART100, which it announced last week. On May 29th, 2025, the company said “the ART100 has moved beyond the conceptual phase -- it is now a working tool in critical care environments,” The company “is working closely with prospective customers to structure rollouts that align with national and regional clinical priorities.”

With the announcement of commercial sales totaling \$22.5MM, in our estimates, we assume the majority of revenue will occur in 2026. This is because the company has to deliver the product before it can book it as revenue. As such, we have recorded the order in Deferred Revenue.

## Valuation Methodology

We believe IINN is undervalued, and we support that belief with an absolute and relative valuation. To determine our price target, we use a discounted future earnings model. The following valuation techniques are being used:

- 1) The discounted value of all future earnings was used for our price target (see Figure 2)
- 2) Valuation relative to peers (see Figure 3)

### Discounted Future Earnings – Basis for Price Target

Our 12-month price target of \$3.00 is based on a discounted earnings model. For valuation purposes, we sum up all future earnings discounted at 10%, which we feel adequately addresses the risk. We assume the company reaches GAAP breakeven in 2028, exhibits strong topline growth for several years and then we slow growth until it eventually grows at the rate of global GDP. Our valuation model is shown in Figure 2 below. Note, this model understates future new products and growth through acquisitions and probably understates the tax benefits, but offsetting that, the earnings never have a down year. The implied share price is \$2.75, which we round to \$3.00.

*Figure 2 – Inspira Technologies – Price Target Calculation*

Discounted Earnings		\$2.75
Year 1 is	Forecast	Discounted
2025	EPS	EPS
1	(\$0.37)	(\$0.37)
2	(\$0.13)	(\$0.11)
3	(\$0.10)	(\$0.08)
4	\$0.02	\$0.01
5	\$0.20	\$0.12
Terminal Value		\$3.17

Source: Litchfield Hills Research LLC

### Valuation Relative to Peers

Figure 3 is a summary of our IINN peer comparison. We looked at companies in similar lines of work that are worth \$100MM or less. The multiple of sales ranges from 0.21x to 12.7x with an average of 3.57x. We believe that if the ART500 product is approved it will be well accepted and as such, we would expect the shares to trade towards the high end of the range. Assuming it reaches our estimate of BE sales in 2028 of \$50MM, and has a sales multiple of at least 5x, the implied price would be \$5. This broadly confirms our view that, along with our discounted earnings model, the shares are undervalued.

Figure 3 – Inspira Technologies – Comp Tables

FactSet Ticker	Company Name	Closing Price	Market Cap \$MM	EV \$MM	2026 Consensus Estimates	
					Market Cap / Sales	EV /Sales
OWLT-USA	Owlet Inc.	\$8.53	141	214	1.21	1.22
MGRM-USA	Monogram Technologies Inc.	\$2.90	103	125	7.71	6.64
XTNT-USA	Xtant Medical Holdings Inc	\$0.69	96	129	0.71	0.94
ALCJ-PAR	CROSSJECT SA	\$2.00	95	121	1.81	1.88
APYX-USA	Apyx Medical Corporation	\$2.29	87	100	1.68	1.97
ELUT-USA	Elutia Inc	\$2.09	86	105	1.61	2.02
TELA-USA	TELA Bio, Inc.	\$2.04	81	93	0.76	0.87
SRTS-USA	Sensus Healthcare Inc	\$4.66	77	58	1.41	1.07
ZYXI-USA	Zynex Inc.	\$2.40	73	109	0.52	0.90
CREO-LON	Creo Medical Group Plc	\$0.17	72	65	5.17	4.22
NVNO-USA	enVveno Medical Corporation	\$3.99	70	33	10.00	6.18
NSPR-USA	InspireMD Inc.	\$2.24	69	85	4.46	5.74
HYPR-USA	Hyperfine, Inc.	\$0.80	62	31	3.39	1.49
EDAP-USA	Edap TMS Sa (Adr) (Adr)	\$1.59	59	41	0.90	0.67
MLSS-USA	Milestone Scientific Inc.	\$0.67	53	51	4.11	4.13
RBOT-USA	Vicarious Surgical Inc	\$7.61	45	8		
BEAT-USA	HeartBeam, Inc.	\$1.30	44	36	11.88	8.47
FEMY-USA	Femasys, Inc.	\$0.93	27	29	1.68	1.69
TBIO-USA	Telesis Bio, Inc.	\$0.30	24	8,732		
GME-FRA	Geratherm Medical AG	\$3.73	20	17		
HBIO-USA	Harvard Bioscience	\$0.45	20	51	0.21	0.62
RVP-USA	Retractable Technologies Inc	\$0.65	19	(12)		
ALUR-USA	Allurion Technologies, Inc.	\$2.51	19	30	0.43	0.64
KNW-USA	Know Labs, Inc.	\$2.45	18	40		
XAIR-USA	Beyond Air Inc.	\$0.18	17	23	0.52	0.54
LFWD-USA	Lifeward Ltd.	\$0.67	10	5	0.26	0.04
PAVM-USA	PAVmed Inc (US Listing)	\$0.60	10	(9)	12.69	73.83
SINT-USA	SiNtx Technologies Inc	\$3.35	8	8	2.80	1.02
HSDT-USA	Helius Medical Technologies Inc	\$9.40	6	5	9.70	(1.55)
TIVC-USA	Tivic Health Systems, Inc.	\$3.99	4	4		
AEMD-USA	Aethlon Medical Inc.	\$1.24	3	(2)		
SONX-USA	Sonendo Inc	\$1.15	0	3		
WHSI-USA	Wearable Health Solutions Inc	\$0.00	0	3		
UTRS-USA	Minerva Surgical, Inc.	\$0.00	0	28		
<b>AVERAGE</b>					<b><u>3.57</u></b>	<b><u>5.22</u></b>

Source: Litchfield Hills Research LLC and FactSet

Figure 4 – Inspira Technologies – Income Statement (US\$000)

December year-end	2023A	2024A		2024A	2025E		2025E	2026E		2026E
	Year	1H24A	2H24A	Year	1H25E	2H25E	Year	1H26E	2H26E	Year
<b>Total revenue</b>	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$12,000	\$9,500	\$21,500
<i>Growth</i>										
Cost of Goods						560	560	6,720	5,320	12,040
<b>Gross Profit</b>						<b>440</b>	<b>440</b>	<b>5,280</b>	<b>4,180</b>	<b>9,460</b>
<b>Gross Margin</b>									<b>44.0%</b>	<b>44.0%</b>
Research and development	\$7,320	\$3,270	\$3,053	\$6,323	\$3,200	\$3,500	\$6,700	\$3,600	\$3,800	\$7,400
% of total expense	60%	56%	56%	56%	55%	56%	56%	49%	49%	49%
General and administrative	\$4,063	\$2,182	\$2,003	\$4,185	\$2,100	\$2,200	\$4,300	\$2,400	\$2,500	\$4,900
% of total expense	33%	38%	37%	37%	36%	35%	36%	33%	32%	33%
Sales and marketing	\$746	\$349	\$405	\$754	\$500	\$500	\$1,000	\$550	\$600	\$1,150
% of total expense	6%	6%	7%	7%	9%	8%	8%	8%	8%	8%
Other oper.(income)/expense	\$4	\$5	\$0	\$5	\$4	\$4	\$8	\$750	\$850	\$1,600
% of total expense	0%	0%	0%	0%	0%	0%	0%	10%	11%	11%
Total Operating Expenses	12,133	5,806	5,461	11,267	5,804	6,204	12,008	7,300	7,750	15,050
<b>Operating Income</b>	<b>(12,133)</b>	<b>(5,806)</b>	<b>(5,461)</b>	<b>(11,267)</b>	<b>(5,804)</b>	<b>(5,764)</b>	<b>(11,568)</b>	<b>(2,020)</b>	<b>(3,570)</b>	<b>(5,590)</b>
<b>Operating Margin</b>										
<b>Adjusted EBITDA</b>	<b>(9,478)</b>			<b>(9,120)</b>			<b>(8,868)</b>			<b>(2,790)</b>
Total Other Items	847	(434)	648	214	100	100	200	100	100	200
<b>Pre-Tax Income</b>	<b>(11,286)</b>	<b>(6,240)</b>	<b>(4,813)</b>	<b>(11,053)</b>	<b>(5,704)</b>	<b>(5,664)</b>	<b>(11,368)</b>	<b>(1,920)</b>	<b>(3,470)</b>	<b>(5,390)</b>
<b>Pre-Tax Margin</b>										
Taxes (benefit)	0	0	0	0	0	0	0	0	0	0
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Net Income (loss)</b>	<b>(11,286)</b>	<b>(6,240)</b>	<b>(4,813)</b>	<b>(11,053)</b>	<b>(5,704)</b>	<b>(5,664)</b>	<b>(11,368)</b>	<b>(1,920)</b>	<b>(3,470)</b>	<b>(5,390)</b>
<b>Net Margin</b>										
<b>EPS, as reported</b>	<b>(0.72)</b>	<b>(0.38)</b>	<b>(0.15)</b>	<b>(0.46)</b>	<b>(0.22)</b>	<b>(0.16)</b>	<b>(0.37)</b>	<b>(0.05)</b>	<b>(0.08)</b>	<b>(0.13)</b>
Diluted Shares Outstanding	15,652	16,629	31,875	24,252	26,000	35,000	30,500	36,000	45,000	40,500

Source: Company reports and Litchfield Hills Research LLC

Figure 5 – Inspira Technologies – Balance Sheet (US\$000)

	FY2026E	FY2025E	FY2024A	FY2023A
Current Assets				
Cash and S.T.I.	\$12,835	\$26,208	\$5,779	\$7,361
Trade receivables	600	600	587	432
Inventories	500	450	444	0
Other assets	0	0	0	0
<b>Total Current Assets</b>	<b>13,935</b>	<b>27,258</b>	<b>6,810</b>	<b>7,793</b>
Net PP&E	500	500	499	506
Right-of-use assets	700	700	761	1,011
Other non-current assets	0	0	0	0
<b>Total Assets</b>	<b>\$15,135</b>	<b>\$28,458</b>	<b>\$8,070</b>	<b>\$9,310</b>
Current Liabilities				
Trade payables	\$400	\$200	\$154	\$198
Other payables and accruals	\$1,500	\$1,400	\$1,364	\$1,026
Financial Liabilities at fair value	\$1,600	\$1,600	\$1,575	\$1,470
Deferred revenue	\$0	\$22,500	\$0	\$0
Other current liabilities	\$350	\$300	\$277	\$290
<b>Total current liabilities</b>	<b>3,850</b>	<b>26,000</b>	<b>3,370</b>	<b>2,984</b>
Long-term liabilities, net	0	0	0	0
Other Liabilities	1,200	400	378	588
<b>Total Liabilities</b>	<b>5,050</b>	<b>26,400</b>	<b>3,748</b>	<b>3,572</b>
Stockholders' Equity				
Preferred stock	0	0	0	0
Share Capital	417	0	0	0
Additional paid-in-capital	93,000	80,000	70,896	61,259
Retained earnings	(83,332)	(77,942)	(66,574)	(55,521)
Cum. Other comp and treasury stock	0	0	0	0
Total stockholders' equity	10,085	2,058	4,322	5,738
<b>Total Liabilities and equity</b>	<b>\$15,135</b>	<b>\$28,458</b>	<b>\$8,070</b>	<b>\$9,310</b>

Source: Company reports and Litchfield Hills Research LLC

Figure 6 – Inspira Technologies – Cash Flow (US\$000)

	FY26E	FY25E	FY24A
Net Income	(\$5,390)	(\$11,368)	(\$11,053)
Trade receivables	0	(13)	(155)
Inventories	(50)	(6)	(444)
Other assets	0	0	0
Net PP&E	0	(1)	7
Right-of-use assets	0	61	250
Other non-current	0	0	0
Trade payables	200	46	(44)
Financial Liabilities at fair value	0	25	105
Other payables and accruals	100	36	338
Deferred revenue	(22,500)	22,500	0
Other current liabilities	50	23	(13)
Long-term liabilities, net	0	0	0
Other Liabilities	800	22	(210)
Preferred stock	0	0	0
Share Capital	417	0	0
Additional paid-in-capital	13,000	9,104	9,637
Cum. trans. adj. and treasury stock	0	0	0
Other	0	0	0
Total Cash Flow	(\$13,373)	\$20,429	(\$1,582)

Source: Litchfield Hills Research LLC

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## Inspira Technologies OXY B.H.N Ltd. IINN - Rating-Buy – US\$3 PT

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