UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of August 2024

Commission file number: 001-41334

RAIL VISION LTD.
(Translation of registrant's name into English)

15 Ha'Tidhar St
Ra'anana, 4366517 Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

CONTENTS

This Report of Foreign Private Issuer on Form 6-K consists of (i) the Registrant's press release issued on August 29, 2024, titled "Rail Vision Announces First Half 2024 Financial Results," which is attached hereto as Exhibit 99.1; (ii) the Registrant's Interim Condensed Financial Statements as of June 30, 2024, which is attached hereto as Exhibit 99.2; and (iii) the Registrant's Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2024, which is attached hereto as Exhibit 99.3.

The first paragraph, the sections titled "First Half 2024 & Recent Highlights," "Forward-Looking Statements," "First Half 2024 Financial Results," the GAAP financial statements and the Reconciliation of GAAP to Non-GAAP Financial Measures table in the press release attached as Exhibit 99.1, Exhibit 99.2, Exhibit 99.3, are incorporated by reference into the Registrant's Registration Statements on Form F-3 (File Nos. 333-271068, 333-278645, 333-272933, 333-276869, 333-277963) and Form S-8 (File Nos. 333-265968 and 333-281329), to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

EXHIBIT INDEX

Exhibit No.	
99.1	Press release issued by Rail Vision Ltd. on August 29, 2024, titled “Rail Vision Announces First Half 2024 Financial Results.”
99.2	Rail Vision Ltd.’s Interim Condensed Financial Statements as of June 30, 2024.
99.3	Rail Vision Ltd.’s Management’s Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2024.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File formatted as Inline XBRL and contained in Exhibit 101

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Rail Vision Ltd.

Date: August 29, 2024

By: /s/ Ofer Naveh
Name: Ofer Naveh
Title: Chief Financial Officer

Rail Vision

Rail Vision Announces First Half 2024 Financial Results

Ra'anana, Israel, August 29, 2024 (GLOBE NEWSWIRE) – Rail Vision Ltd. (Nasdaq: RVSN) ("Rail Vision" or the "Company"), a development stage technology company seeking to revolutionize railway safety and the data-related market, today reported financial results for the first half ended June 30, 2024.

"We continued to strengthen our foundation during 2024, completing a series of financing transactions that raised gross proceeds of over $12 million. On a business level, securing orders from global leaders and successfully delivering our advanced systems have been important milestones for us. I'm proud to say that all installations have been carried out with industry-leading partners, further strengthening our presence in the U.S. market. The positive feedback we're receiving from these esteemed customers aligns with our commitment to excellence and innovation, as we continue to implement solutions that meet and exceed customer expectations. We have also started providing fleet management and data and cloud services that allow our customers to see the actual system performance." commented Shahar Hania, CEO of Rail Vision.

First Half 2024 & Recent Highlights:

Cash position

Rail Vision started 2024 by securing over $12 million in proceeds to fuel its business through a pair of financing transactions, including a private placement of its shares and warrants, a convertible loan credit facility and exercise of warrants.

Executing on sales:

- **Received $1 million order out of a contract valued at up to $5 million in potential follow-on orders with leading US-based rail and leasing services company:** In April, Rail Vision received an initial purchase order amounting to approximately $1 million as part of a contract valued at up to $5 million in potential follow-on orders with a leading US-based rail and leasing services company that the Company initially announced in January 2024.

- In June 2024 Rail Vision **received a follow-on order** from the same customer, in the amount of approximately $200,000, which is in addition to the original agreement and refers to additional services requested by the customer.

Engaging with US and global industry leaders:

- **Rail Vision Successfully Installed its AI-Driven System for Class 1 US Operator:** In June 2024, Rail Vision completed the successful installation of its AI-driven Shunting Yard product for a Class 1 freight rail US-based company. The North American Class 1 rail company will use the system on its locomotives for evaluation in different scenarios related to safety and efficiency. This installation follows the purchase order, which was announced in March 2024.

- **Rail Vision Installed its AI-Driven Product with Loram, a Top US-Based Railway Track Maintenance Supplier:** In June 2024, Rail Vision completed the successful delivery and installation of its AI-driven Shunting Yard product to Loram, a leading US-based provider of railway track maintenance equipment and services. This installation fulfills the purchase order that was announced in April 2024.

- **Rail Vision Successfully Installed its AI-based Product at a Leading Global Mining Company:** In June 2024, Rail Vision successfully installed its product at one of Latin America's leading mining companies. Following a successful delivery, Rail Vision's team arrived at the mining company's installation site, where both sides installed the AI-based MainLine product and Rail Vision led training sessions for the mining company's team.

- **Announced first-ever commercial installation of its AI-driven systems in a national railways line:** In February 2024, Rail Vision announced the first ever commercial installation of its AI-driven Main Line Systems in a national railways line, marking a significant milestone in the Company's journey towards revolutionizing railway safety and efficiency. A successful evaluation process resulted in the purchase of ten Rail Vision Main Line Systems for $1.4 million by Israel Railways.

Strengthening IP protection:

In August 2024, Rail Vision was granted patent approval from the United States Patent and Trademark Office for its innovative AI-based railway obstacle detection system, which followed the Company receiving a notice of allowance from the Japan Patent Office for the same patent application in June 2024.

First Half 2024 Financial Results

- Revenues were $761,000 for the six months ended June 30, 2024, comprised from the mining company that purchased a Rail Vision Main Line System, first installation of Rail Vision's Main Line Systems in Israel Railways and the successful delivery and installation of Rail Vision's Shunting Yard product to Loram.

- Research and development ("R&D") expenses for the six months ended June 30, 2024, were $2,458,000, compared to R&D expenses of $3,682,000 in the six months ended June 30, 2023. The decrease in R&D expenses was primarily attributable to a decrease in R&D salaries due to a reduction in workforce, including a reduction in the Company employee base by 12 R&D employees and R&D equipment purchases.

- General and administrative expenses for the six months ended June 30, 2024, were $2,116,000, compared to $2,303,000 in the six months ended June 30, 2023. The decrease is primarily attributed to a decrease in salaries and other administrative and operational costs, as part of the process of reducing costs as mentioned above.

- As a result of the foregoing, the Company's operating loss for the six months ended June 30, 2024, was $4,185,000 compared to an operating loss of $5,985,000 for the six months ended June 30, 2023.

- Financial expenses amounted to $1,304,000 for the six months ended June 30, 2024, a decrease of $1,454,000, compared to $150,000 financial income for the six months ended June 30, 2023. The decrease was primarily attributable to the amortization of discount related to a convertible loan credit facility that the Company entered into in January 2024.

- GAAP net loss for the six months ended June 30, 2024, was $24,324,000, or $1.99 per ordinary share, compared to a GAAP net loss of $5,835,000, or $2.69 per ordinary share, in the six months ended June 30, 2023.

- Non-GAAP net loss for the six months ended June 30, 2024, was $5,394,000 or $0.44 per ordinary share, compared to a non-GAAP net loss of $5,671,000, or $2.62 per ordinary share, in the six months ended June 30, 2023.

	Six months ended June 30,	
(U.S. dollars in thousands, except share data and per share data)	**2024**	**2023**
GAAP Results		
Net loss	(24,324)	(5,835)
Basic and diluted loss per share	(1.99)	(2.69)
Non-GAAP Results		
Net loss	(5,394)	(5,671)
Basic and diluted loss per share	(0.44)	(2.62)

A reconciliation between GAAP operating results and non-GAAP operating results is provided in the financial statements that are part of this release. Non-GAAP results exclude stock-based compensation expenses and revaluation of derivative warrant liabilities.

- As of June 30, 2024, cash and cash equivalents were $9.7 million, compared to $3.1 million as of December 31, 2023. The increase compared to December 31, 2023, is mainly due to the proceeds received from a private placement and credit facility and from warrants exercised by shareholders that occurred in the first half of 2024, totaling $11.5 million gross ($11.3 net proceeds), less cash used during the first half of 2024.

Use of Non-GAAP Financial Results

In addition to disclosing financial results calculated in accordance with United States generally accepted accounting principles (GAAP), the company's earnings release contains non-GAAP financial measures of net loss for the period that excludes the effect of stock-based compensation expenses and revaluation of derivative warrant liabilities. The company's management believes the non-GAAP financial information provided in this release is useful to investors' understanding and assessment of the company's on-going operations. Management also uses both GAAP and non-GAAP information in evaluating and operating business internally and as such deemed it important to provide all this information to investors. The non-GAAP financial measures disclosed by the company should not be considered in isolation or as a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations to those financial statements should be carefully evaluated. Investors are encouraged to review the related U.S. GAAP financial measures and the reconciliation of these Non-GAAP financial measures to their most directly comparable U.S. GAAP financial measures and not rely on any single financial measure to evaluate the company's business. For more information on the non-GAAP financial measures, please see the "Reconciliation of GAAP to Non-GAAP Financial Measures" later in this release. This accompanying table has more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures.

About Rail Vision Ltd.

Rail Vision is a development stage technology company that is seeking to revolutionize railway safety and the data-related market. The company has developed cutting edge, artificial intelligence based, industry-leading technology specifically designed for railways. The company has developed its railway detection and systems to save lives, increase efficiency, and dramatically reduce expenses for the railway operators. Rail Vision believes that its technology will significantly increase railway safety around the world, while creating significant benefits and adding value to everyone who relies on the train ecosystem: from passengers using trains for transportation to companies that use railways to deliver goods and services. In addition, the company believes that its technology has the potential to advance the revolutionary concept of autonomous trains into a practical reality. For more information, please visit https://www.railvision.io/

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act and other securities laws. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions or variations of such words are intended to identify forward-looking statements. For example, the Company is using forward-looking statements when it discusses its commitment to excellence and innovation, as it continues to implement solutions that meet and exceed customer expectations. Forward-looking statements are not historical facts, and are based upon management’s current expectations, beliefs and projections, many of which, by their nature, are inherently uncertain. Such expectations, beliefs and projections are expressed in good faith. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved, and actual results may differ materially from what is expressed in or indicated by the forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the forward-looking statements. For a more detailed description of the risks and uncertainties affecting the Company, reference is made to the Company’s reports filed from time to time with the Securities and Exchange Commission (“SEC”), including, but not limited to, the risks detailed in the Company’s annual report on Form 20-F filed with the SEC on March 28, 2024. Forward-looking statements speak only as of the date the statements are made. The Company assumes no obligation to update forward-looking statements to reflect actual results, subsequent events or circumstances, changes in assumptions or changes in other factors affecting forward-looking information except to the extent required by applicable securities laws. If the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. References and links to websites have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release. Rail Vision is not responsible for the contents of third-party websites.

Contacts

Shahar Hania
Chief Executive Officer
Rail Vision Ltd.
15 Ha’Tidhar St
Ra’anana, 4366517 Israel
Telephone: +972- 9-957-7706

Investor Relations:

Michal Efraty
investors@railvision.io

Rail Vision Ltd.
INTERIM CONDENSED BALANCE SHEETS
(U.S. dollars in thousands, except share data and per share data)

	June 30, 2024	December 31, 2023
	Unaudited	Audited
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,691	$ 3,066
Restricted cash	215	223
Accounts receivable	135	--
Inventories	968	977
Other current assets	354	336
Total current assets	11,363	4,602
Non-current Assets:		
Operating lease - right of use asset	738	889
Fixed assets, net	351	430
	1,089	1,319
Total assets	12,452	5,921
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payables	88	185
Current operating lease liability	282	285
Other accounts payable	1,823	2,140
Total current liabilities	2,193	2,610
Non-current operating lease liability	363	524
Total liabilities	2,556	3,134
Shareholders' equity		
Ordinary shares	--	68
Additional paid in capital	100,182	68,681
Accumulated deficit	(90,286)	(65,962)
Total shareholders' equity	9,896	2,787
Total liabilities and shareholders' equity	12,452	5,921

Rail Vision Ltd.
UNAUDITED INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. dollars in thousands, except share data and per share data)

	Six months ended June 30,	
	2024	**2023**
Revenues	$ 761	$ --
Cost of revenues	(372)	--
Gross profit	389	--
Research and development expenses	(2,458)	(3,682)
General and administrative expenses	(2,116)	(2,303)
Operating loss	(4,185)	(5,985)
Financial (expenses) income:		
Revaluation of derivative warrant liabilities	(18,835)	--
Other financing income (expenses), net	(1,304)	150
Net loss for the period	(24,324)	(5,835)
Basic and diluted loss per share	(1.99)	(2.69)
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	12,193,918	2,167,170

Rail Vision Ltd.

UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN TEMPORARY EQUITY AND SHAREHOLDERS' EQUITY

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

	Ordinary Shares		Additional		Total
	Number of shares	USD	paid in capital	Accumulated Deficit	shareholders' equity
Balance as of January 1, 2024	2,998,278	68	68,681	(65,962)	2,787
Cancelation of the par value of ordinary shares	--	(68)	68	--	--
Issuance of units of ordinary shares and pre-funded warrants, net of issuance costs (*)	3,554,200(**)	--	1,404	--	1,404
Exercise of warrants to ordinary shares, net of issuance costs (***)	12,258,487	--	23,791	--	23,791
Classification of warrant liabilities to equity warrants	--	--	6,143	--	6,143
Share-based payment	--	--	95	--	95
Net loss for the period	--	--	--	(24,324)	(24,324)
Balance as of June 30, 2024	18,810,965	--	100,182	(90,286)	9,896

(*) Issuance costs in the amount of approximately $39.

(**) Including 1,902,742 Pre-funded Warrants which were exercised to 1,902,742 ordinary shares during February and March 2024.

(***) Issuance costs in the amount of approximately $187.

Rail Vision Ltd.
UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN TEMPORARY EQUITY AND SHAREHOLDERS' EQUITY (Cont.)
(U.S. dollars in thousands, except share data and per share data)

	Ordinary Shares		Additional paid in capital	Accumulated Deficit	Total shareholders' equity
	Number of shares	USD			
Balance as of January 1, 2023	1,987,005	46	63,033	(54,814)	8,265
Issuance of shares as a result of exercise of warrants	24,431	1	(1)	--	--
Issuance of units of ordinary shares and warrants, net of issuance costs (*)	986,842	21	5,374	--	5,395
Share-based payment	--	--	165	--	165
Net loss for the period	--	--	--	(5,835)	(5,835)
Balance as of June 30, 2023	2,998,278	68	68,571	(60,649)	7,990

(*) Issuance expenses in the amount of approximately $603.

Rail Vision Ltd.
INTERIM CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(U.S. dollars in thousands)

	Six months ended June 30,	
	2024	**2023**
Cash flows from operating activities		
Net loss for the period	$ (24,324)	$ (5,835)
Adjustments to reconcile loss to net cash used in operating activities:		
Depreciation	85	80
Share-based payment	95	165
Change in operating lease liability	(13)	(39)
Effect of exchange rate changes on cash and cash equivalents	56	--
Revaluation of derivative warrant liabilities	18,835	--
Amortization of a discount related to a convertible loan credit facility	1,229	--
Changes in operating assets and liabilities:		
Increase in accounts receivables	(135)	--
Increase in other current assets	(18)	(80)
Decrease (increase) in Inventories	9	(491)
Increase (decrease) in trade accounts payable	(97)	167
Increase (decrease) in other accounts payable	(317)	624
Net cash used in operating activities	(4,595)	(5,409)
Cash flows from investing activities		
Purchase of fixed assets	(6)	(137)
Net cash used in investing activities	(6)	(137)
Cash flows from financing activities:		
Proceeds from a convertible loan credit facility and issuance of warrants	1,500	--
Payments on convertible loan credit facility	(1,000)	--
Proceeds from exercise of warrants, net of issuance expenses	7,813	--
Proceeds from issuance of shares and warrants, net of issuance expenses	2,961	5,460
Net cash provided by financing activities	11,274	5,460
Effect of exchange rate changes on cash and cash equivalents	(56)	--
Increase (Decrease) in cash, cash equivalents and restricted cash	**6,617**	**(86)**
Cash, cash equivalents and restricted cash at the beginning of the period	3,289	8,492
Cash, cash equivalents and restricted cash at the end of the period	**$ 9,906**	**$ 8,406**
Non Cash Activities:		
Conversion of a convertible loan credit facility to ordinary shares	500	--
Issuance expenses recorded in other accounts payables	--	65

Rail Vision Ltd.
RECONCILIATION OF GAAP TO NON-GAAP Financial Measures
(U.S. dollars in thousands, except share data and per share data)

	Six months ended June 30,	
	2024	**2023**
GAAP operating loss	(4,185)	(5,985)
Stock-based compensation in research and development expenses	18	28
Stock-based compensation in general and administrative expenses	77	136
Non-GAAP operating loss	(4,090)	(5,821)
GAAP Revaluation of derivative warrant liability expenses	(18,835)	--
Revaluation of derivative warrant liabilities	18,835	--
Non-GAAP Revaluation of derivative warrant liabilities expenses	--	--
GAAP net loss	(24,324)	(5,835)
Stock-based compensation expenses	95	164
Revaluation of derivative warrant liability expenses	18,835	--
Non-GAAP net loss	(5,394)	(5,671)
GAAP Basic and diluted loss per share	(1.99)	(2.69)
Non-GAAP Basic and diluted loss per share	(0.44)	(2.62)
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	12,193,918	2,167,170

Rail Vision Ltd.

INTERIM CONDENSED FINANCIAL STATEMENTS
As of June 30, 2024

U.S. DOLLARS IN THOUSANDS
(Except share and per share data)

(UNAUDITED)

Rail Vision Ltd.

INTERIM CONDENSED FINANCIAL STATEMENTS
As of June 30, 2024

U.S. DOLLARS IN THOUSANDS
(Except share and per share data)

(UNAUDITED)

INDEX

	Page
INTERIM CONDENSED BALANCE SHEETS	3
UNAUDITED INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE LOSS	4
UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY	5 – 6
UNAUDITED INTERIM CONDENSED STATEMENTS OF CASH FLOWS	7
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)	8 – 13

Rail Vision Ltd.
INTERIM CONDENSED BALANCE SHEETS
(U.S. dollars in thousands, except share data and per share data)

	June 30, 2024	December 31, 2023
	Unaudited	Audited
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,691	$ 3,066
Restricted cash	215	223
Accounts receivable	135	–
Inventories	968	977
Other current assets	354	336
Total current assets	11,363	4,602
Non-current Assets:		
Operating lease - right of use asset	738	889
Fixed assets, net	351	430
	1,089	1,319
Total assets	12,452	5,921
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payables	88	185
Current operating lease liability	282	285
Other accounts payable	1,823	2,140
Total current liabilities	2,193	2,610
Non-current operating lease liability	363	524
Total liabilities	2,556	3,134
Shareholders' equity		
Ordinary shares	--	68
Additional paid in capital	100,182	68,681
Accumulated deficit	(90,286)	(65,962)
Total shareholders' equity	9,896	2,787
Total liabilities and shareholders' equity	12,452	5,921

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

Rail Vision Ltd.
UNAUDITED INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. dollars in thousands, except share data and per ordinary share data)

	Six months ended June 30,	
	2024	**2023**
Revenues	$ 761	$ –
Cost of revenues	(372)	–
Gross profit	389	–
Research and development expenses	(2,458)	(3,682)
General and administrative expenses	(2,116)	(2,303)
Operating loss	(4,185)	(5,985)
Financial (expenses) income:		
Revaluation of derivative warrant liabilities	(18,835)	–
Other financing income (expenses), net	(1,304)	150
Net loss for the period	(24,324)	(5,835)
Basic and diluted loss per share	(1.99)	(2.69)
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	12,193,918	2,167,170

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

Rail Vision Ltd.
UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(U.S. dollars in thousands, except share data and per share data)

	Ordinary Shares		Additional paid in capital	Accumulated Deficit	Total shareholders' equity
	Number of shares	USD			
Balance as of January 1, 2024	2,998,278	68	68,681	(65,962)	2,787
Cancelation of the par value of ordinary shares (See Note 3E)	–	(68)	68	–	–
Issuance of units of ordinary shares and pre-funded warrants, net of issuance costs (*)	3,554,200(**)	–	1,404	–	1,404
Exercise of warrants to ordinary shares, net of issuance costs (***)	12,258,487	–	23,791	–	23,791
Classification of warrant liabilities to equity warrants (See Note 3A)	–	–	6,143	–	6,143
Share-based payment	–	–	95	–	95
Net loss for the period	–	–	–	(24,324)	(24,324)
Balance as of June 30, 2024	18,810,965	–	100,182	(90,286)	9,896

(*) Issuance costs in the amount of approximately $39.
(**) Including 1,902,742 Pre-funded Warrants which were exercised to 1,902,742 ordinary shares during February and March 2024 (see Note 3B).
(***) Issuance costs in the amount of approximately $187.

Rail Vision Ltd.
UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Cont.)
(U.S. dollars in thousands, except share data and per share data)

	Ordinary Shares		Additional paid in capital	Accumulated Deficit	Total shareholders' equity
	Number of shares	USD			
Balance as of January 1, 2023	1,987,005	46	63,033	(54,814)	8,265
Issuance of shares as a result of exercise of warrants	24,431	1	(1)	–	–
Issuance of units of ordinary shares and warrants, net of issuance costs (*)	986,842	21	5,374	–	5,395
Share-based payment	–	–	165	–	165
Net loss for the period	–	–	–	(5,835)	(5,835)
Balance as of June 30, 2023	2,998,278	68	68,571	(60,649)	7,990

(*) Issuance costs in the amount of approximately $603.

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

Rail Vision Ltd.
INTERIM CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(U.S. dollars in thousands)

	Six months ended June 30,	
	2024	**2023**
Cash flows from operating activities		
Net loss for the period	$ (24,324)	$ (5,835)
Adjustments to reconcile loss to net cash used in operating activities:		
Depreciation	85	80
Share-based payment	95	165
Change in operating lease liability	(13)	(39)
Effect of exchange rate changes on cash and cash equivalents	56	–
Revaluation of derivative warrant liabilities	18,835	–
Amortization of a discount related to a convertible loan credit facility	1,229	–
Changes in operating assets and liabilities:		
Increase in accounts receivables	(135)	–
Increase in other current assets	(18)	(80)
Decrease (increase) in Inventories	9	(491)
Increase (decrease) in trade accounts payable	(97)	167
Increase (decrease) in other accounts payable	(317)	624
Net cash used in operating activities	(4,595)	(5,409)
Cash flows from investing activities		
Purchase of fixed assets	(6)	(137)
Net cash used in investing activities	(6)	(137)
Cash flows from financing activities:		
Proceeds from a convertible loan credit facility and issuance of warrants	1,500	–
Payments on convertible loan credit facility	(1,000)	–
Proceeds from exercise of warrants, net of issuance expenses	7,813	–
Proceeds from issuance of shares and warrants, net of issuance expenses	2,961	5,460
Net cash provided by financing activities	11,274	5,460
Effect of exchange rate changes on cash and cash equivalents	(56)	–
Increase (Decrease) in cash, cash equivalents and restricted cash	**6,617**	**(86)**
Cash, cash equivalents and restricted cash at the beginning of the period	3,289	8,492
Cash, cash equivalents and restricted cash at the end of the period	**$ 9,906**	**$ 8,406**
Non Cash Activities:		
Conversion of a convertible loan credit facility to ordinary shares	500	–
Issuance expenses recorded in other accounts payables	--	65

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

Rail Vision Ltd.
Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)
(U.S. dollars in thousands, except share and per share data and exercise prices)

NOTE 1 – GENERAL

A. Reporting Entity

Rail Vision Ltd. (the "Company") was incorporated and registered in Israel on April 18, 2016. The Company is a development-stage technology company that is engaged in the design, development and assembly of railway detection systems designed to solve the challenges in railway operational safety, efficiency and predictive maintenance. The Company's railway detection systems include different types of cameras, including optics, visible light spectrum cameras (video) and thermal cameras that transmit data to a ruggedized on-board computer which is designed to be suitable for the rough environment of a train's locomotive.

These interim condensed financial statements should be read in conjunction with the Company's audited financial statements as of December 31, 2023 and for the year ended on that date, and the accompanying notes included in the Company's Annual Report on Form 20-F, filed with the Securities and Exchange Commission on March 28, 2024.

The Company's activities are subject to significant risks and uncertainties. The Company has incurred significant losses since the date of its inception, and anticipates that it will continue to incur significant losses until it will be able to successfully commercialize its products. Failure to obtain this necessary capital when needed may force the Company to delay, limit or terminate its product development efforts or other operations. In addition, the Company is subject to risks from, among other things, competition associated with the industry in general, other risks associated with financing, liquidity requirements, rapidly changing customer requirements, the loss of key personnel and the effect of planned expansion of operations on the future results of the Company.

To date, the Company has not generated significant revenues from its activities and has incurred substantial operating losses. Management expects the Company to continue to generate substantial operating losses and to continue to fund its operations primarily through the utilization of its current financial resources, sales of its products, and through additional raises of capital.

As described in note 3A and note 3B, during the reported period and subsequent to the balance sheet date, the Company raised approximately $12 million as part of issuance of shares, proceeds from a convertible loan credit facility and exercises of warrants, and according to the current monthly burn rate, the management anticipates that its cash and cash equivalents as of the issuance date of the financial statements and the future expected cash flow from sales will be sufficient for 12 months of operations.

NOTE 2 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Unaudited Interim Financial Statements

The accompanying unaudited interim condensed financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all the information and footnotes required by GAAP for complete financial statements. In management's opinion, the unaudited interim financial statements have been prepared on the same basis as the annual financial statements and reflect all adjustments, which include only normal recurring adjustments necessary for the fair presentation of the Company's financial position as of June 30, 2024, and the Company's results of operations and cash flows for the six months ended June 30, 2024, and 2023. For further information, reference is made to the financial statements and footnotes thereto included in the Company's Annual Report on Form 20-F for the year ended December 31, 2023.

The results of operations for the six months ended June 30, 2024, are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

NOTE 2 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont.)

B. Significant Accounting Policies

The significant accounting policies followed in the preparation of these unaudited interim condensed financial statements are identical to those applied in the preparation of the latest annual financial statements, other than:

Warrants liabilities

The Company evaluated the warrants in accordance with ASC 815 "Derivatives and Hedging - Contracts in Entity's Own Equity" ("ASC 815") and concluded that a provision in the warrant agreement related to certain tender or exchange offers precludes the warrants from being accounted for as components of equity. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent period end date while the warrants are outstanding. As the warrants meet the definition of a derivative as contemplated in ASC 815, the warrants are recorded as derivative liabilities on the balance sheet and measured at fair value at inception and at each reporting date thereafter in accordance with ASC 820 "Fair Value Measurement" ("ASC 820"), with changes in fair value recognized in the condensed statements of comprehensive loss in the period of change.

Fair Value of Financial Instruments

ASC 820 "Fair Value Measurements and Disclosures" ("ASC 820"), defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact. The Company also considers assumptions that market participants would use when pricing the asset or liability, such as, inherent risk, transfer restrictions and risk of nonperformance. Hierarchical levels are directly related to the amount of subjectivity with the inputs to the valuation of these assets or liabilities as follows:

Level 1 - Observable inputs such as unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable inputs for similar assets or liabilities. These include quoted prices for identical or similar assets or liabilities in active markets and quoted prices for identical or similar assets of liabilities in markets that are not active;

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, trade accounts payable, accrued expenses and employees and related expenses recorded in other accounts payable, approximate their fair value due to the short-term maturity of these instruments.

The Company's warrants liability was classified within Level 3 of the fair value hierarchy because of the volatility input incorporated in the Company's Black-Scholes model at inception and on subsequent valuation dates involves unobservable inputs. The warrant liability was classified to equity on June 29, 2024. As of June 30, 2024, no liabilities were classified within level 3 of the fair value hierarchy.

C. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates, judgments and assumptions used are reasonable based upon information available at the time they are made. Actual results could differ from those estimates.

NOTE 3 – SIGNIFICANT EVENTS IN THE REPORTING PERIOD

A. Execution of Credit Facility Agreement and Issuance of Facility Warrant

On January 9, 2024, the Company entered into the Facility Agreement for a $6,000 credit facility (the "Credit Facility") and an additional amount up to $3,000, subject to certain conditions (the "Additional Loans") with a global investment firm (the "Lender").

The Credit Facility, which had an initial term of 10 months, accrued interest at a rate of 8% per annum. The first payment of $1,500 was drawn down upon execution of the Facility Agreement and the remaining amount was able to be drawn down in eight equal installments as of March 7, 2024. As detailed below, the Facility Agreement terminated on March 1, 2024.

After the Credit Facility was exhausted, the Company was able to draw down the Additional Loans in an aggregate amount up to $3,000. The Additional Loans included two initial installments of up to $750, and two additional installments of up to $750, the latter of which were subject to certain conditions. The Additional Loans accrued interest at a rate of 12% per annum.

In the event that the Company entered into an alternate credit facility on more favorable terms, the Lender's funding obligations under the Credit Facility were to decrease with respect to the amount actually received by the Company under such alternate credit facility. The Lender's financing obligations were to terminate in the event the Company drew down $7,500 or more pursuant to an alternate credit facility or closed one or more equity financing transaction in an aggregate amount of at least $5,000 (including the conversion of the Credit Facility as mentioned below). As of March 1, 2024, in connection with the January 2024 PIPE (as defined in note 3B), the Company received aggregate gross proceeds of more than $5,000 from the purchase of Units and exercise of warrants (see Note 3B below), and accordingly, the Lender's financing obligations terminated.

Until the Company closed one or more equity financing transactions in an aggregate amount of at least $5,000, it had the right to convert an amount of up to $1,500 out of the outstanding loan (including accrued interest) into ordinary shares of the Company, in connection with and in the framework of a financing transaction of the Company on the date that followed the date upon which the Company notified the Lender of such financing transaction, which conversion was to occur upon the same terms. In connection with the January 2024 PIPE (as defined in note 3B), the Company converted $500 of the outstanding loan and issued to the Lender the Facility Conversion Pre-Funded Warrant and the Facility Conversion Common Warrant (see Note 3B below).

In addition, the loan, together with accrued interest, was required to be repaid at a rate of 30% of the gross proceeds of any equity financing transactions consummated by the Company during the term of the Credit Facility, which met a minimum threshold aggregate amount (initially, $5,000 and increasing by an additional $500 for each month during the term) until the loan is repaid in full. The repayment of the Credit Facility was required to be made on the last day of each calendar month during which the sources for repayment specified above were actually received by the Company. The loan was permitted be prepaid early without any penalty.

NOTE 3 – SIGNIFICANT EVENTS IN THE REPORTING PERIOD (Cont.)

A. Execution of Credit Facility Agreement and Issuance of Facility Warrant (Cont.)

As part of the Facility Agreement, the Company issued a warrant (the "Facility Warrant") to the Lender to purchase 2,419,354 ordinary shares of the Company representing an aggregate exercise amount of $7,500, with a per share exercise price of $3.10, subject to certain adjustments and certain anti-dilution protection. The Facility Warrant was exercisable upon issuance and has a term of 5 years from the date of issuance.

The Facility Warrants were classified on the issuance date to warrant liabilities, as they were not considered indexed to the Company's own equity.

The fair value of the Facility Warrants at issuance date was $1,229 and the remaining amount of $271 was allocated to the convertible loan credit facility. On March 1, 2024, the date of termination of the Credit Facility (as detailed above), the discount amount of $1,229 was fully amortized. As a result the Company recorded an amount of $1,229 in "Other financing income (expenses), net".

The January 2024 PIPE, as defined and detailed in Note 3B below, triggered an anti-dilution protection and accordingly the exercise price of the Facility Warrant was adjusted to $0.408 and the amount of ordinary shares issuable upon the exercise of the Facility Warrant was adjusted to 18,382,353 shares.

As of June 30, 2024, 6,720,000 Facility Warrants have been exercised resulting in gross proceeds of approximately $2,742 to the Company.

The Facility Warrant agreement includes some provisions that expired on June 29, 2024. The Company reassessed the Facility Warrants' current terms and concluded that they were no longer classified as a liability and that they are considered indexed to the Company's own equity. As a result, the Company classified its warrant liabilities to additional paid in capital in the amount of $6,143.

Subsequent to June 30, 2024 additional 1,300,000 Facility Warrants have been exercised resulting in additional gross proceeds of approximately $530 to the Company.

B. January 2024 private placement ("PIPE")

On January 18, 2024, the Company entered into a binding term sheet directly with a global investment firm (the "Lead Investor") for the purchase and sale in a private placement (the "January 2024 PIPE") of units (the "Units") to the Lead Investor and other investors (collectively, the "Investors"). Each Unit consists of (i) one ordinary share of the Company and (ii) one and a half warrants to purchase ordinary shares of the Company of a minimum of $2,500 of Units and up to a maximum of $3,000 of Units. The January 2024 PIPE closed on January 31, 2024 following the execution of definitive documentation between the Company and the Investors.

On January 30, 2024, the Company entered into the definitive securities purchase agreement with the Investors for the issue of 3,046,457 Units consisting of (A) (i) 1,651,458 of the Company's ordinary shares, and/or (ii) pre-funded warrants (the "PIPE Pre-Funded Warrants") to purchase up to 1,394,999 ordinary shares and (B) common warrants (the "PIPE Common Warrants") to purchase up to 4,569,688 ordinary shares. The purchase price per Unit is $0.98475. The aggregate gross proceeds from the January 2024 PIPE were $3,000. $2,961 net of issuance costs.

The PIPE Pre-Funded Warrants are immediately exercisable at an exercise price of $0.0001 per ordinary share, subject to certain adjustments and certain anti-dilution protection set forth therein and will not expire until exercised in full. The PIPE Common Warrants are exercisable upon issuance at an exercise price of $0.98475 per ordinary share, subject to certain adjustments and certain anti-dilution protection set forth therein and will have a 5.5-year term from the issuance date.

NOTE 3 – SIGNIFICANT EVENTS IN THE REPORTING PERIOD (Cont.)

B. January 2024 private placement ("PIPE") (Cont.)

In connection with the closing of the January 2024 PIPE, the Company exercised its conversion right pursuant to the Credit Facility to convert $500 of the outstanding convertible loan credit facility that was extended to the Company by the Lender of the Credit Facility. Following such conversion, the Company issued to the Lender 507,743 Units consisting of (i) a pre-funded warrant (the "Facility Conversion Pre-Funded Warrant") to purchase up to 507,743 ordinary shares and (ii) a common warrant (the "Facility Conversion Common Warrant") to purchase up to 761,615 ordinary shares. The Facility Conversion Pre-Funded Warrant and the Facility Conversion Common Warrant are in substantially the same form and on substantially the same terms as the PIPE Pre-Funded Warrant and PIPE Common Warrant, respectively.

The PIPE Common Warrants and the Facility Conversion Common Warrant were classified on the issuance date to warrant liabilities, as they were not considered indexed to the Company's own equity.

As of June 30, 2024, all of the January 2024 PIPE Pre-Funded Warrants, the Facility Conversion Pre-Funded Warrants, the Facility Conversion Common Warrants and the January 2024 PIPE Warrants have been exercised resulting in gross proceeds of approximately $5,250 to the Company ($5,063 net of issuance costs).

C. A Leading US-Based Rail & Leasing Services Company Orders Rail Vision Switch Yard Systems Valued at Up to $5 Million

On January 17, 2024, a leading US-based rail and leasing services company signed a supply contract with the Company for the purchase of the Company's Switch Yard Systems.

The first phase of the contract is valued at $1,000. Follow-on orders for additional Switch Yard Systems, valued at up to $4,000, are subject to customer approval. The contract also includes specific purchase quotas that, if met, provide the customer with exclusivity in the North American industrial railyards switching segment.

In April 2024, the Company received an initial purchase order amounting to approximately $1,000 as part of this contract. The order is for the purchase of the Company's Shunting Yard systems, which are expected to be installed during the third quarter of this year.

In June 2024, the Company received a follow-on order from this customer in the amount of approximately $200, which is in addition to the existing contract and refers to additional services requested by the customer.

As of June 30, 2024, a payment received from this customer in the amount of $375, was recorded as deferred revenues in other accounts payable.

D. In January 2024, investors from a private placement from May 2023 exercised 493,424 warrants to purchase ordinary shares on a cashless basis. As a result of the cashless exercises, the Company issued 181,002 ordinary shares to such investors.

E. On February 21, 2024, the Company convened an extraordinary general meeting of shareholders (the "Meeting"). At the Meeting, the shareholders of the Company approved (i) the cancelation of the par value of the Company's registered and issued ordinary shares; (ii) an increase of the Company's registered share capital from 12,500,000 ordinary shares to 100,000,000 ordinary shares; and to amend the Company's Amended and Restated Articles of Association accordingly.

NOTE 3 – SIGNIFICANT EVENTS IN THE REPORTING PERIOD (Cont.)

F. Purchase Order from Loram, a Top US-Based Railway Track Maintenance Supplier

In April 2024, the Company received an order for its Switch Yard System from Loram, a leading US- based provider of railway track maintenance equipment and services.

In June 2024, the Company completed the successful delivery and installation of its Shunting Yard product to Loram. This installation fulfills the above mentioned purchase order and marks the beginning of a pilot project aimed at enhancing Loram's rail track maintenance operations with the Company's advanced technology. During the six months ended June 30, 2024, the Company recognized revenues from the sale of the system and the related services in the total amount of approximately $145.

G. Israel Railways Commercial Agreement:

In January 2023, the Company signed an agreement with Israel Railways for the purchase by Israel Railways of ten Rail Vision Main Line Systems and related services for a total amount of approximately $1,400.

In February 2024, the Company completed the first installation of its Main Line Systems in Israel Railways. During the six months ended June 30, 2024, the Company recognized revenues from this agreement in the total amount of approximately $101.

H. Purchase Order from a Leading Latin America Mining Company

On October 17, 2023, the Company received a purchase order in the amount of $492 for a single Main Line system and related services from a leading Latin American ("LATAM") mining company. On December 11, 2023, the Company completed the delivery of the Main Line system to the LATAM mining company but hadn't fully transferred the control on the system to the customer. In addition to the delivery of the system, the Company is providing supervision, guidance, and training services as part of the $492 purchase order.

In June 2024, the Company received a follow-on order from this customer for additional services, in the amount of approximately $24.

In June 2024, the Company completed a successfully installation of its system at the LATAM mining company and led training sessions for the mining company's team. Accordingly, during the six months ended June 30, 2024, the Company recognized revenues from the above mentioned purchase orders, in the total amount of approximately $516.

I. Purchase Order from a Class 1 US Railroad Company

On March 11, 2024, the Company received an order for its Switch Yard System from a Class 1 freight rail company in the US. The freight rail company will install and use the system on its locomotive for evaluation and testing different scenarios related to safety.

On June 10, 2024, the Company completed the successful installation of its Shunting Yard product for this customer and the customer will use the system on its locomotive for evaluation in different scenarios related to safety and efficiency during a few months trial, expected to be completed in November 2024. As the delivery of the system and the provision of services during the trial period were identified by the Company as a single performance obligation, as of June 30, 2024, a payment received from this customer in the amount of $81, was recorded as deferred revenues in other accounts payable. In addition, the Company recorded an amount of approximately $61 as deferred expenses

NOTE 4 – SUBSEQUENT EVENTS

A. Exercise of Facility Warrants - see Note 3A above.

Exhibit 99.3

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward Looking Statements

The following discussion contains "forward-looking statements," including statements regarding expectations, beliefs, intentions or strategies for the future. These statements may identify important factors which could cause our actual results to differ materially from those indicated by the forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to:

- our lack of operating history;
- our current and future capital requirements and our belief that our existing cash will be sufficient to fund our operations for more than one year from the date that the financial statements are issued;
- our ability to manufacture, market and sell our products and to generate revenues;
- our ability to maintain our relationships with key partners and grow relationships with new partners;
- our ability to maintain or protect the validity of our U.S. and other patents and other intellectual property;
- our ability to launch and penetrate markets in new locations and new market segments;
- our ability to retain key executive members and hire additional personnel;
- our ability to maintain and expand intellectual property rights;
- interpretations of current laws and the passages of future laws;
- our ability to achieve greater regulatory compliance needed in existing and new markets;
- the overall demand for passenger and freight transport;
- our ability to achieve key performance milestones in our planned operational testing;
- our ability to establish adequate sales, marketing and distribution channels;
- acceptance of our business model by investors;
- our ability to maintain the listing of our ordinary shares on the Nasdaq Capital Market;
- security, political and economic instability in the Middle East that could harm our business, including due to the current war between Israel and Hamas; and
- other risks and uncertainties, including those listed in the section titled "Risk Factors" in our Annual Report on Form 20-F filed with the SEC on March 28, 2024, or the Annual Report.

The preceding list is not intended to be an exhaustive list of any forward-looking statements and are based on our beliefs, assumptions and expectations of future performance, taking into account the information available to us. These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results to differ materially from the results expressed or implied by the forward-looking statements.

The forward-looking statements contained herein are based upon information available to our management as of the date hereof and, while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Except as required by law, we undertake no obligation to update publicly any forward-looking statements after the date hereof to conform these statements to actual results or to changes in our expectations.

Operating Results.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes included in our Annual Report, as well as our unaudited condensed financial statements and the related notes thereto for the six months ended June 30, 2024, included elsewhere in this Report on Form 6-K. The discussion below contains forward-looking statements that are based upon our current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to inaccurate assumptions and known or unknown risks and uncertainties.

The following financial data in this narrative are expressed in thousands of U.S. dollars, except for share and per share data or as otherwise noted.

Overview

We are a development stage technology company that is seeking to revolutionize railway safety and the data-related market. We have developed cutting edge, artificial intelligence based, industry-leading technology specifically designed for railways. We have developed our railway detection and systems to save lives, increase efficiency, and dramatically reduce expenses for the railway operators. We believe that our technology will significantly increase railway safety around the world, while creating significant benefits and adding value to everyone who relies on the train ecosystem: from passengers using trains for transportation to companies that use railways to deliver goods and services. In addition, we believe that our technology has the potential to advance the revolutionary concept of autonomous trains into a practical reality.

Operating Expenses

Our current operating expenses consist of two components — research and development expenses and general and administrative expenses. To date, we have not generated significant revenues.

Research and Development Expenses

Our research and development expenses consist primarily of salaries and related personnel expenses (including share-based payments) and other related research and development expenses.

The following table discloses the breakdown of research and development expenses:

(in thousands of USD)	Six months ended June 30, 2024	Six months ended June 30, 2023
Depreciation	$ 76	$ 71
Share-based payment	18	28
Payroll and related expenses	2,036	2,867
Equipment	89	442
Rent and office maintenance	202	208
Other	37	66
Total	2,458	3,682

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related expenses, professional service fees for accounting, legal and bookkeeping, facilities, travel expenses and other general and administrative expenses.

The following table discloses the breakdown of general and administrative expenses:

(in thousands of USD)	Six months ended June 30, 2024	Six months ended June 30, 2023
Payroll and related expenses	$ 871	$ 920
Share-based payment	77	136
Professional services	932	911
Travel expenses	29	30
Rent and office maintenance	67	66
Marketing and other	140	240
Total	2,116	2,303

Comparison of the Six Months Ended June 30, 2024, to the Six Months Ended June 30, 2023

Results of Operations

(in thousands of USD)	Six months ended June 30, 2024	Six months ended June 30, 2023
Revenues	$ 761	$ --
Cost of sales	(372)	--
Gross profit	389	--
Research and development expenses	(2,458)	(3,682)
General and administrative expenses	(2,116)	(2,303)
Operating loss	(4,185)	(5,985)
Financial (expenses) income:		
Revaluation of derivative warrant liabilities	(18,835)	--
Other financing income (expenses), net	(1,304)	150
Total Loss	(24,324)	(5,835)

Revenues

During the six months ended June 30, 2024, we recognized revenues in amount of $761,000. During the six months ended June 30, 2023, we did not recognize any revenues. The increase was primarily attributable to a mining company that purchased a Rail Vision Main Line System, the first installation of Rail Vision's Main Line Systems for Israel Railways and the successful delivery and installation of Rail Vision's Shunting Yard product to Loram, during the six months ended June 30, 2024.

Research and Development Expenses

Our research and development expenses for the six months ended June 30, 2024, amounted to $2,458,000, a decrease of $1,224,000, or 33%, compared to $3,682,000 for the six months ended June 30, 2023. The decrease was primarily attributable to a decrease of $831,000 in salaries and related personnel expenses due to a reduction in workforce, including a reduction in our employee base by 12 R&D employees, and a decrease of $353,000 in R&D equipment purchases.

General and administrative expenses

Our general and administrative expenses totaled $2,116,000 for the six months ended June 30, 2024, a decrease of $187,000, or 8%, compared to $2,303,000 for the six months ended June 30, 2023. The decrease was primarily attributable to a decrease in salaries and other administrative and marketing costs, as part of the process of reducing costs as mentioned above.

Operating loss

As a result of the foregoing, our operating loss for the six months ended June 30, 2024, was $4,185,000 compared to an operating loss of $5,985,000 for the six months ended June 30, 2023, a decrease of $1,800,000, or 30%.

Revaluation of derivative warrant liabilities expenses

For the six months ended June 30, 2024, we recorded expenses in amount of $18,835,000 due to the revaluation of derivative warrant liability in connection with warrants issued in a private placement and a convertible loan credit facility that we entered into in January 2024. For the six months ended June 30, 2023, we did not incur any expenses related to revaluation of derivative warrant liability.

Other financial expenses and income

Our other financial expenses amounted to $1,304,000 for the six months ended June 30, 2024, a decrease of $1,454,000, or 969%, compared to $150,000 other financial income for the six months ended June 30, 2023. The decrease was primarily attributable to the full amortization of discount related to a convertible loan credit facility that we entered into in January 2024.

Net Loss

As a result of the foregoing, our total net loss for the six months ended June 30, 2024, was $24,324,000 compared to $5,835,000 for the six months ended June 30, 2023, an increase of $18,489,000 or 317%.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date(s) of the financial statements and the reported amounts of revenues and expenses during the reporting period(s). A comprehensive discussion of our critical accounting policies is included in "Item 5. Operating and Financial Review and Prospects – Management's Discussion and Analysis of Financial Condition and Results of Operations" section in our Annual Report, as well as our unaudited condensed financial statements and the related notes thereto for the six months ended June 30, 2024, included elsewhere in this Report Form 6-K.

Liquidity and Capital Resources.

Overview

Since our inception through June 30, 2024, we have funded our operations principally with approximately $77.3 million (net of issuance expenses) from the issuance of our equity securities and exercise of warrants and options. As of June 30, 2024, we had approximately $9,691,000 in cash and cash equivalents.

The table below presents our cash flows for the periods indicated:

	Six months ended June 30,	
(in thousands of USD)	**2024**	**2023**
Operating activities	(4,595)	(5,409)
Investing activities	(6)	(137)
Financing activities	11,274	5,460
Net increase (decrease) in cash and cash equivalents	6,617	(86)

Operating Activities

Net cash used in operating activities of $4,595,000 during the six months ended June 30, 2024, was primarily used for payment of an aggregate of approximately $2,907,000 in salaries and related personnel expenses. The remaining amount of approximately $1,688,000 was used for professional services, travel, rent and other miscellaneous expenses.

Net cash used in operating activities of $5,409,000 during the six months ended June 30, 2023, was primarily used for payment of an aggregate of approximately $3,718,000 in subcontractors and salaries and related personnel expenses. The remaining amount of approximately $1,692,000 was used for professional services, travel, rent and other miscellaneous expenses.

Investing Activities

Net cash used in investing activities of $6,000 during six months ended June 30, 2024, reflected the purchase of fixed assets, as well as $137,000 during six months ended June 30, 2023.

Financing Activities

Net cash provided by financing activities during the six months ended June 30, 2024, consisted of $11,274,000 of net proceeds from our issuance of ordinary shares and warrants in a private placement and credit facility that we entered into in January 2024.

Net cash provided by financing activities during the six months ended June 30, 2023, consisted of $5,460,000 of net proceeds from our issuance of shares and warrants in a registered direct offering and in concurrent private placements.

Execution of Credit Facility Agreement and Issuance of Warrant (January 2024)

On January 9, 2024, we entered into a facility agreement, or the Facility Agreement, for a $6 million credit facility, or the Credit Facility, and an additional amount up to $3 million, subject to certain conditions, or the Additional Loans, with a global investment firm, or the Lender, who was also an Investor in the January 2024 PIPE. The Credit Facility, which had an initial term of 10 months, accrued interest at a rate of 8% per annum, and the first payment of $1.5 million was drawn down upon execution of the Facility Agreement and the remaining amount was able to be drawn down in eight equal installments as of March 7, 2024. As detailed below, the Facility Agreement terminated on March 1, 2024.

Pursuant to the Facility Agreement, the Lender's financing obligations terminated in the event we drew down $7.5 million or more pursuant to an alternate credit facility or closes one or more equity financing transaction in an aggregate amount of at least $5 million. As of March 1, 2024, we had received aggregate gross proceeds of more than $5 million from the purchase of Units in the January 2024 PIPE, the exercise of warrants issued in the January 2024 PIPE and our exercise of the Conversion Right in the amount of $500,000. As a result, the Lender's financing obligations have terminated pursuant to the terms of the Facility Agreement.

Until we closed one or more equity financing transactions in an aggregate amount of at least $5 million (including the conversion of the Credit Facility), we had the right to convert into ordinary share up to $1.5 million, including accrued interest, of a loan extended or to be extended to us by the Lender, or the January 2024 Conversion Loan Amount, in connection with and in the framework of a financing transaction of ours on the date that follows the date upon which we notified the Lender of such financing transaction, which conversion will occur upon the same terms. As of the date hereof, we had converted $500,000 of the Credit Facility as a portion of the January 2024 Conversion Loan Amount.

As part of the Facility Agreement, we issued a warrant, or the Facility Warrant, to the Lender to purchase 2,419,354 of our ordinary shares representing an aggregate exercise amount of $7.5 million, with a per share exercise price of $3.10, subject to certain adjustments and certain anti-dilution protection. The Facility Warrant is immediately exercisable upon issuance and has a term of 5 years from the date of issuance. Following the closing of the January 2024 PIPE, the exercise price of the Facility Warrant was adjusted to $0.408 which is the effective price per ordinary share in the January 2024 PIPE, or the Facility Warrant Adjusted Exercise Price, and the number of ordinary shares issuable upon the exercise of the Facility Warrant was also adjusted to a total 18,382,353, or the Facility Warrant Adjusted Shares, such that the product of the Facility Warrant Adjusted Exercise Price and the Facility Warrant Adjusted Shares is equal to an aggregate exercise amount of $7.5 million. As of the date of this Report on Form 6-K, 8,020,000 Facility Warrants have been exercised resulting in gross proceeds of approximately $3.3 million to the Company.

Private Placement (January 2024)

On January 18, 2024, we entered into a binding term sheet directly with a global investment firm, or the Lead Investor, for the purchase and sale in a private placement, or the January 2024 PIPE, of units, or the Units, consisting of (i) one of our ordinary shares and/or pre-funded warrants to purchase our ordinary shares and (ii) one and a half warrants to purchase our ordinary shares to the Lead Investor and other investors, collectively, the Investors, of a minimum of $2.5 million of Units and up to a maximum of $3 million of Units. The January 2024 PIPE closed on January 31, 2024 following the execution of definitive documentation between us and the Investors.

In the January 2024 PIPE, the Investors purchased $3.0 million of Units consisting of (A) (i) 1,651,458 of ordinary shares and/or (ii) pre-funded warrants to purchase up to 1,394,999 ordinary shares, or the PIPE Pre-Funded Warrants and (B) common warrants to purchase up to 4,569,688 ordinary shares, or the PIPE Common Warrants. The purchase price per Unit is $0.98475. The PIPE Pre-Funded Warrants are immediately exercisable at an exercise price of $0.0001 per ordinary share, subject to certain adjustments and certain anti-dilution protection set forth therein, and will not expire until exercised in full. The PIPE Common Warrants are exercisable upon issuance at an exercise price of $0.98475 per ordinary share, subject to certain adjustments and certain anti-dilution protection set forth therein, and have a 5.5-year term from the issuance date.

In connection with the closing of the January 2024 PIPE, we exercised our conversion right, or the Conversion Right, pursuant to the Facility Agreement (as defined below) to convert $500,000 of the Credit Facility (as defined below) as a portion of the January 2024 Conversion Loan Amount (as defined below). Following such conversion, we issued to the Lender (as defined below) (i) a pre-funded warrant to purchase up to 507,743 ordinary shares, or the Facility Conversion Pre-Funded Warrant and (ii) a common warrant to purchase up to 761,615 ordinary shares, or the Facility Conversion common Warrant. The Facility Conversion Pre-Funded Warrant and the Facility Conversion Common Warrant are in substantially the same form and on substantially the same terms as the PIPE Pre-Funded Warrant and PIPE Common Warrant, respectively.

As of June 30, 2024, all of the January 2024 PIPE Pre-Funded Warrants, the Facility Conversion Pre-Funded Warrants, the Facility Conversion Common Warrants and the January 2024 PIPE Warrants have been exercised resulting in gross proceeds of approximately $5,250 to the Company ($5,063 net of issuance costs).

Cashless Exercise of Warrants (January 2024)

As of the date of this Report on Form 6-K, investors from our Private Placement (as defined below) from May 2023 exercised 493,424 warrants to purchase ordinary shares on a cashless basis. As a result of the cashless exercise, we issued 181,002 ordinary shares to such investors.

Registered Direct Offering and Concurrent Private Placement of Warrants (May 2023)

On May 10, 2023, we entered into definitive securities purchase agreements with investors for the purchase and sale of 493,421 ordinary shares, at a purchase price of $6.08 per unit in a registered direct offering, or the Registered Direct Offering. In a concurrent private placement, or the Private Placement, we also agreed to issue to the same investors a total of warrants to purchase an aggregate of 493,424 ordinary shares, or the Concurrent Warrants, at an exercise price of $6.72 per ordinary share. The Concurrent Warrants will be exercisable upon issuance and will have a 5-year term from the initial issuance date. The transactions closed on May 11, 2023.

Private Placement of Ordinary Shares and Warrants (May 2023)

In an additional concurrent private placement with the Registered Direct Offering and Private Placement, or the KB Private Placement, we entered into a definitive securities purchase agreement for the purchase and sale of an aggregate of 493,421 ordinary shares and 5-year term common warrants to purchase an aggregate of 493,421 ordinary shares, or the KB Warrants, at a purchase price of $6.08 per unit, to Knorr-Bremse. The KB Warrants are exercisable at $6.72 per ordinary share. The KB Private Placement closed on June 21, 2023, following approval of such transaction by our shareholders.

Current Outlook

We have financed our operations to date primarily from sales of our equity securities in public and private offerings, as well as proceeds from a convertible loan credit facility.. We have incurred losses and generated negative cash flows from operations since inception in April 2016. Since inception, we have not generated any significant revenues from the sale of products and we do not expect to generate significant revenues from the sale of our products in the near future.

As of June 30, 2024, our cash and cash equivalents were $9,691,000. We expect that we will require substantial additional capital to complete the development of additional features of our system according to customers' requirements, including algorithm optimization, cognitive layer development, system minimization and optical development, as well as to commercialize our products. In addition, our operating plans may change as a result of many factors that may currently be unknown to us, and we may need to seek additional funds sooner than planned. Our future capital requirements will depend on many factors, including:

- the progress and costs of our research and development activities;
- the costs of manufacturing our products;
- the costs of filing, prosecuting, enforcing and defending patent claims and other intellectual property rights;
- the potential costs of contracting with third parties to provide marketing and distribution services for us or for building such capacities internally; and
- the magnitude of our general and administrative expenses.

In January 2024, we completed the January 2024 PIPE resulting in aggregate gross proceeds approximately $3.5 million, which includes approximately $0.5 million that we received upon the partial conversion of the Credit Facility. In addition, to date, we have received approximately $5.25 million as a result of the exercise of warrants issued in the January 2024 PIPE and approximately $3.3 million as a result of the exercise of warrants issued in the Credit Facility.

We expect that our cash and cash equivalents as of the date of this Report on Form 6-K and the future expected cash flow from sales will be sufficient for 12 months of operations. Without derogating from the foregoing estimate regarding our existing capital resources and cash flows from operations, we may decide to raise additional funds in 2024. We believe that, if required, we will be able to raise additional capital or reduce discretionary spending to provide the required liquidity beyond the next twelve months.

Our future capital requirements will depend on many factors, including our revenue growth, the timing and extent of investments to support such growth, the expansion of sales and marketing activities, increases in general and administrative costs and many other factors as described under "Item 3.D —Risk Factors" in the Annual Report.

To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. If we are unable to raise additional funds when desired, our business, financial condition and results of operations could be adversely affected.

Risks Factors

Any investment in our business involves a high degree of risk. Before making an investment decision, you should carefully consider the information we include in this Report on Form 6-K, including our unaudited condensed consolidated financial statements and accompanying notes, and the additional information in the other reports we file with the Securities and Exchange Commission along with the risks described in our Annual Report on Form 20-F filed with the SEC on March 28, 2024. These risks may result in material harm to our business and our financial condition and results of operations. In this event, the market price of our ordinary shares may decline and you could lose part or all of your investment. We have described below those risks that reflect substantive changes from, or additions to, the risks described in our Annual Report.

If we are unable for any reason to meet the continued listing requirements of Nasdaq, such action or inaction could result in a delisting of the ordinary shares.

On July 22, 2024, we received an initial notification letter from Nasdaq's Listing Qualifications Department notifying us that we had 180 days to regain compliance with the minimum bid price requirement set forth in Nasdaq's continued listing rules. Nasdaq's continued listing rules require that listed securities maintain a minimum bid price of $1.00 per share, and that a failure to meet the minimum bid price requirement exists if the deficiency continues for a period of 30 consecutive business days or more. We have until January 21, 2025, to regain compliance with the minimum bid price requirement in order to maintain the listing. To regain compliance with the minimum bid price requirement, the ordinary shares must have a closing bid price of at least $1.00 for a minimum of 10 consecutive business days. In the event that we do not regain compliance by January 21, 2025, we may then be eligible for additional 180 days if we meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for the Nasdaq Capital Market, with the exception of the bid price requirement, and will need to provide written notice of our intention to cure the deficiency during the second compliance period. If we do not qualify for the second compliance period or fail to regain compliance during the second compliance period, then Nasdaq will notify us of its determination to delist our ordinary shares, at which point we will have an opportunity to appeal the delisting determination to a hearings panel.

If we fail to satisfy the continued listing requirements of Nasdaq, such as the minimum closing bid price requirement, Nasdaq may take steps to delist the ordinary shares. Such a delisting would likely have a negative effect on the price of the ordinary shares and would impair your ability to sell or purchase the ordinary shares when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow the ordinary shares to become listed again, stabilize the market price or improve the liquidity of the ordinary shares, prevent the ordinary shares from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements.