
**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 2025

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 22, 2025, titled “Rail Vision Announces First Half 2025 Financial Results,” which is attached hereto as Exhibit 99.1; (ii) the Registrant’s Interim Condensed Financial Statements as of June 30, 2025, 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, 2025, which is attached hereto as Exhibit 99.3.

The first paragraph, the sections titled “First Half 2025 & Recent Highlights,” “Forward-Looking Statements,” “First Half 2025 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](#), [333-272933](#), [333-276869](#), [333-277963](#) and [333-278645](#)) and Form S-8 (File Nos. [333-265968](#), [333-281329](#) and [333-286652](#)), to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.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 22, 2025, titled "Rail Vision Announces First Half 2025 Financial Results."
99.2	Rail Vision Ltd.'s Interim Condensed Financial Statements as of June 30, 2025.
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, 2025.
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 22, 2025

By: /s/ Ofer Naveh

Name: Ofer Naveh

Title: Chief Financial Officer



Rail Vision Announces First Half 2025 Financial Results

Ra'anana, Israel, August 22, 2025 (GLOBE NEWSWIRE) – Rail Vision Ltd. (Nasdaq: RVSN) (“Rail Vision” or the “Company”), an early commercialization stage technology company seeking to revolutionize railway safety and the data-related market, today reported financial results for the first half ended June 30, 2025.

“Before joining Rail Vision, I recognized the company’s strong technological foundation and its potential to transform rail safety and efficiency. After several months inside the organization, my confidence in that potential has only grown,” commented David BenDavid, CEO of Rail Vision. “We have a talented, driven team, innovative technology, and now, with a solid cash position, we believe that we are well-positioned to expand our market reach while continuing to allocate resources to ensure we remain at the forefront of innovation in the rail industry.”

First Half 2025 & Recent Highlights:

Cash position

Rail Vision began 2025 with a strengthened balance sheet, as of June 30, 2025, cash and cash equivalents were \$22.4 million, compared to \$17.2 million as of December 31, 2024.

Commercial Execution

- **Initial Penetration in Central America:** In early 2025, Rail Vision received a purchase order from a Central American freight operator for its MainLine system, marking continued global expansion.
- **Follow-On Order from Latin America:** In June 2025, the Company secured a \$335,000 follow-on order from a leading Latin American mining company. The order follows a successful long-term trial of the MainLine system under challenging environmental and operational conditions. This milestone underscores Rail Vision’s growing commercial traction in the region and supports the customer’s broader deployment plans to enhance safety and optimize transport efficiency across its rail operations.
- **Entry into Indian Market:** Rail Vision signed a binding Memorandum of Understanding (MOU) with Sujana Ventures, aimed at advancing opportunities with Indian Railways, which operates thousands of locomotives across the subcontinent. Under the terms of the binding MOU, Sujana Ventures will lead local efforts to introduce Rail Vision’s advanced safety systems to the Indian market. This partnership reflects Rail Vision’s intent to enter one of the world’s largest rail markets with its AI-driven safety solutions.

First Half 2025 Financial Results

- Revenues were \$237,000 for the six months ended June 30, 2025, representing a decrease of \$524,000, or 69%, compared to \$761,000 for the six months ended June 30, 2024. The decrease was primarily attributable to the timing of revenue recognition. Revenues for the first half of 2025 were mainly derived from additional installations of our Main Line Systems for Israel Railways and from services provided to existing customers.
- Research and development (“R&D”) expenses for the six months ended June 30, 2025, were \$3,241,000, compared to R&D expenses of \$2,458,000 in the six months ended June 30, 2024. The increase in R&D expenses was primarily due to higher salaries, reflecting both an increase in headcount and salaries, as well as the impact of the depreciation of the U.S. dollar against the Israeli shekel (NIS), since salaries are paid in NIS. The increase also reflects higher share-based payment expenses, mainly due to new grants of RSUs to employees during the period, and increased purchases of R&D equipment to support ongoing development activities.
- General and administrative expenses for the six months ended June 30, 2025, were \$2,512,000, compared to \$2,116,000 in the six months ended June 30, 2024. The increase was primarily due to higher salaries, reflecting salary adjustments and one-time bonuses. Additional contributing factors included the depreciation of the U.S. dollar against the NIS, as a significant portion of expenses is denominated in NIS, and higher share-based payment expenses due to new RSU grants to employees.
- As a result of the foregoing, the Company’s operating loss for the six months ended June 30, 2025, was \$5,705,000 compared to an operating loss of \$4,185,000 for the six months ended June 30, 2024.
- Other financial income amounted to \$406,000 for the six months ended June 30, 2025, primarily attributable to interest income earned on short-term deposits. This compares to \$1,304,000 in financial expenses for the six months ended June 30, 2024. The change of \$1,710,000 is mainly due to the full amortization of the discount related to the convertible loan credit facility entered into in January 2024, recorded in the six months ended June 30, 2024.
- GAAP net loss for the six months ended June 30, 2025, was \$5,679,000, or \$0.11 per ordinary share, compared to a GAAP net loss of \$24,324,000, or \$1.99 per ordinary share, in the six months ended June 30, 2024.
- Non-GAAP net loss for the six months ended June 30, 2025, was \$4,869,000 or \$0.10 per ordinary share, compared to a non-GAAP net loss of \$5,394,000 or \$0.44 per ordinary share, in the six months ended June 30, 2024.

(U.S. dollars in thousands, except share data and per share data)	Six months ended June 30,	
	2025	2024
GAAP Results		
Net loss	(5,679)	(24,324)
Basic and diluted loss per share	(0.11)	(1.99)
Non-GAAP Results		
Net loss	(4,869)	(5,394)
Basic and diluted loss per share	(0.10)	(0.44)

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 derivatives, warrant liabilities and other.

Balance Sheet Highlights

As of June 30, 2025, cash and cash equivalents were \$22.4 million, compared to \$17.2 million as of December 31, 2024. The increase compared to December 31, 2024, is mainly due to the proceeds received from issuances of ordinary shares under an equity line facility that the Company established in October 2024, an at-the-market sales facility that the Company established in April 2025 and the exercise of warrants, totalling an aggregate of \$9.8 million in gross proceeds, less cash used during the first half of 2025.

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 derivatives, warrant liabilities and other. 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 an early commercialization 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 31, 2025. 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.

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
	<u>Unaudited</u>	<u>Audited</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 22,431	\$ 17,238
Restricted cash	253	230
Accounts receivable	95	495
Inventories	1,430	1,304
Other current assets	475	436
Total current assets	<u>24,684</u>	<u>19,703</u>
Non-current Assets:		
Operating lease - right of use asset	423	582
Fixed assets, net	263	312
	<u>686</u>	<u>894</u>
Total assets	<u>25,370</u>	<u>20,597</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payables	77	107
Current operating lease liability	345	305
Other accounts payable	2,194	2,266
Total current liabilities	<u>2,616</u>	<u>2,678</u>
Non-current operating lease liability	60	217
Total liabilities	<u>2,676</u>	<u>2,895</u>
Shareholders' equity		
Ordinary shares	—	—
Additional paid in capital	125,043	114,372
Accumulated deficit	(102,349)	(96,670)
Total shareholders' equity	<u>22,694</u>	<u>17,702</u>
Total liabilities and shareholders' equity	<u>25,370</u>	<u>20,597</u>

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,	
	2025	2024
Revenues	\$ 237	\$ 761
Cost of revenues	(189)	(372)
Gross profit	48	389
Research and development expenses	(3,241)	(2,458)
General and administrative expenses	(2,512)	(2,116)
Operating loss	(5,705)	(4,185)
Financial (expenses) income:		
Revaluation of derivatives, warrant liabilities and other	(380)	(18,835)
Other financing income (expenses), net	406	(1,304)
Net loss for the period	(5,679)	(24,324)
Basic and diluted loss per share	(0.11)	\$ (1.99)
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	50,364,274	12,193,918

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)

	<u>Ordinary Shares</u>		<u>Additional paid in capital</u>	<u>Accumulated Deficit</u>	<u>Total shareholders' equity</u>
	<u>Number of shares</u>	<u>USD</u>			
Balance as of January 1, 2025	37,943,891	—	114,372	(96,670)	17,702
Issuance of shares as a result of exercise of warrants, net (*)	5,950,000	—	2,307	—	2,307
Restricted Share Units vesting	1,068,000	—	390	—	390
Issuance of ordinary shares in relation to the SEPA	8,094,297	—	7,917	—	7,917
Issuance of ordinary shares under ATM program, net (**)	308,987	—	18	—	18
Share-based payment	—	—	39	—	39
Net loss for the period	—	—	—	(5,679)	(5,679)
Balance as of June 30, 2025	<u>53,365,175</u>	<u>—</u>	<u>125,043</u>	<u>(102,349)</u>	<u>22,694</u>

(*) Issuance costs in the amount of approximately \$121.

(**) Issuance costs in the amount of approximately \$111.

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, 2024	2,998,278	68	68,681	(65,962)	2,787
Cancellation 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	<u>18,810,965</u>	<u>—</u>	<u>100,182</u>	<u>(90,286)</u>	<u>9,896</u>

(*) 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.
INTERIM CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(U.S. dollars in thousands)

	Six months ended June 30,	
	2025	2024
Cash flows from operating activities		
Net loss for the period	\$ (5,679)	\$ (24,324)
Adjustments to reconcile loss to net cash used in operating activities:		
Depreciation	59	85
Share-based payment	429	95
Change in operating lease liability	42	(13)
Effect of exchange rate changes on cash and cash equivalents	(128)	56
Revaluation of derivatives, warrant liabilities and other	380	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	400	(135)
Increase in other current assets	(39)	(18)
Decrease (increase) in inventories	(126)	9
Increase (decrease) in trade accounts payable	(30)	(97)
Increase (decrease) in other accounts payable	31	(317)
Net cash used in operating activities	(4,661)	(4,595)
Cash flows from investing activities		
Purchase of fixed assets	(10)	(6)
Net cash used in investing activities	(10)	(6)
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	2,204	7,813
Proceeds from issuance of shares and warrants, net of issuance expenses	7,555	2,961
Net cash provided by financing activities	9,759	11,274
Effect of exchange rate changes on cash and cash equivalents	128	(56)
Increase in cash, cash equivalents and restricted cash	5,216	6,617
Cash, cash equivalents and restricted cash at the beginning of the period	17,468	3,289
Cash, cash equivalents and restricted cash at the end of the period	\$ 22,684	\$ 9,906
Non Cash Activities:		
Conversion of a convertible loan credit facility to ordinary shares	—	500

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,	
	2025	2024
GAAP operating loss	\$ (5,705)	\$ (4,185)
Stock-based compensation in research and development expenses	220	18
Stock-based compensation in general and administrative expenses	210	77
Non-GAAP operating loss	<u>(5,275)</u>	<u>(4,090)</u>
GAAP Revaluation of derivatives, warrant liabilities and other	(380)	(18,835)
Revaluation of derivatives, warrant liabilities and other	380	18,835
Non-GAAP Revaluation of derivative warrant liabilities expenses	<u>—</u>	<u>—</u>
GAAP net loss	(5,679)	(24,324)
Stock-based compensation expenses	429	95
Revaluation of derivatives, warrant liabilities and other	380	18,835
Non-GAAP net loss	<u>(4,870)</u>	<u>(5,394)</u>
GAAP Basic and diluted loss per share	<u>(0.11)</u>	<u>(1.99)</u>
Non-GAAP Basic and diluted loss per share	<u>(0.10)</u>	<u>(0.44)</u>
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	<u>50,364,274</u>	<u>12,193,918</u>

Rail Vision Ltd.

INTERIM CONDENSED FINANCIAL STATEMENTS

As of June 30, 2025

U.S. DOLLARS IN THOUSANDS

(Except share and per share data)

(UNAUDITED)

Rail Vision Ltd.

**INTERIM CONDENSED FINANCIAL STATEMENTS
As of June 30, 2025**

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

(UNAUDITED)

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
	<u>Unaudited</u>	<u>Audited</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 22,431	\$ 17,238
Restricted cash	253	230
Accounts receivable	95	495
Inventories	1,430	1,304
Other current assets	475	436
Total current assets	<u>24,684</u>	<u>19,703</u>
Non-current Assets:		
Operating lease - right of use asset	423	582
Fixed assets, net	263	312
	<u>686</u>	<u>894</u>
Total assets	<u>25,370</u>	<u>20,597</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payables	77	107
Current operating lease liability	345	305
Other accounts payable	2,194	2,266
Total current liabilities	<u>2,616</u>	<u>2,678</u>
Non-current operating lease liability	60	217
Total liabilities	<u>2,676</u>	<u>2,895</u>
Shareholders' equity		
Ordinary shares	—	—
Additional paid in capital	125,043	114,372
Accumulated deficit	(102,349)	(96,670)
Total shareholders' equity	<u>22,694</u>	<u>17,702</u>
Total liabilities and shareholders' equity	<u>25,370</u>	<u>20,597</u>

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,	
	2025	2024
Revenues	\$ 237	\$ 761
Cost of revenues	(189)	(372)
Gross profit	48	389
Research and development expenses	(3,241)	(2,458)
General and administrative expenses	(2,512)	(2,116)
Operating loss	(5,705)	(4,185)
Financial (expenses) income:		
Revaluation of derivatives, warrant liabilities and other	(380)	(18,835)
Other financing income (expenses), net	406	(1,304)
Net loss for the period	(5,679)	(24,324)
Basic and diluted loss per share	(0.11)	(1.99)
Weighted average number of shares outstanding used to compute basic and diluted loss per ordinary share	50,364,274	12,193,918

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, 2025	37,943,891	—	114,372	(96,670)	17,702
Issuance of shares as a result of exercise of warrants, net of issuance costs (*)	5,950,000	—	2,307	—	2,307
Restricted Share Units vesting	1,068,000	—	390	—	390
Issuance of ordinary shares in relation to the SEPA (See Note 3C)	8,094,297	—	7,917	—	7,917
Issuance of ordinary shares under ATM program, net of issuance costs (**)	308,987	—	18	—	18
Share-based payment	—	—	39	—	39
Net loss for the period	—	—	—	(5,679)	(5,679)
Balance as of June 30, 2025	<u>53,365,175</u>	<u>—</u>	<u>125,043</u>	<u>(102,349)</u>	<u>22,694</u>

(*) Issuance costs in the amount of approximately \$121. (See Note 3B)

(**) Issuance costs in the amount of approximately \$111. (See Note 3D)

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)

	<u>Ordinary Shares</u>		<u>Additional paid in capital</u>	<u>Accumulated Deficit</u>	<u>Total shareholders' equity</u>
	<u>Number of shares</u>	<u>USD</u>			
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	<u>18,810,965</u>	<u>—</u>	<u>100,182</u>	<u>(90,286)</u>	<u>9,896</u>

(*) 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.

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

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

	Six months ended June 30,	
	2025	2024
Cash flows from operating activities		
Net loss for the period	\$ (5,679)	\$ (24,324)
Adjustments to reconcile loss to net cash used in operating activities:		
Depreciation	59	85
Share-based payment	429	95
Change in operating lease liability	42	(13)
Effect of exchange rate changes on cash and cash equivalents	(128)	56
Revaluation of derivatives, warrant liabilities and other	380	18,835
Amortization of a discount related to a convertible loan credit facility	—	1,229
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivables	400	(135)
Increase in other current assets	(39)	(18)
Decrease (increase) in inventories	(126)	9
Decrease in trade accounts payable	(30)	(97)
Increase (decrease) in other accounts payable	31	(317)
Net cash used in operating activities	(4,661)	(4,595)
Cash flows from investing activities		
Purchase of fixed assets	(10)	(6)
Net cash used in investing activities	(10)	(6)
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	2,204	7,813
Proceeds from issuance of shares and warrants, net of issuance expenses	7,555	2,961
Net cash provided by financing activities	9,759	11,274
Effect of exchange rate changes on cash and cash equivalents	128	(56)
Increase in cash, cash equivalents and restricted cash	5,216	6,617
Cash, cash equivalents and restricted cash at the beginning of the period	17,468	3,289
Cash, cash equivalents and restricted cash at the end of the period	\$ 22,684	\$ 9,906
Non Cash Activities:		
Conversion of a convertible loan credit facility to ordinary shares	—	500

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 an early commercialization 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, 2024 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 31, 2025.

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 3B and note 3C, during the reported period, the Company raised approximately \$11.3 million as part of issuance of shares 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 more than 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, 2025, and the Company’s results of operations and cash flows for the six months ended June 30, 2025, and 2024. 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, 2024.

The results of operations for the six months ended June 30, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

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

B. 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. On January 7, 2025, the Company signed a Memorandum of Understanding (“MOU”) with Sujan Ventures. Under the terms of the MOU, Sujan Ventures will lead local efforts to introduce Rail Vision’s advanced safety systems to the Indian market. As an initial step, Rail Vision will conduct a short trial of its systems at the customer’s facilities to demonstrate their capabilities. Following satisfaction and approval of Sujan Venture’s customers, the parties intend to proceed with a definitive agreement to advance their collaboration. Sujan Ventures made an initial upfront payment to the Company and will make additional payments upon the completion of certain milestones. In addition, during the term of the MOU, Sujan Ventures shall have the exclusive right to negotiate and enter an agreement to distribute the Company’s solutions in India.

B. Exercise of Facility Warrants

On January 9, 2024, in connection with a facility agreement, the Company issued warrants (the “Facility Warrants”) to the lender to purchase up to 2,419,354 ordinary shares of the Company at an exercise price of \$3.10 per share, subject to certain adjustments and certain anti-dilution protection, for an aggregate exercise amount of \$7,500. The Facility Warrants were exercisable immediately upon issuance and have a term of five years from the date of issuance. The warrants are subject to certain adjustments, including anti-dilution protections.

On January 18, 2024, the Company executed a private placement which its terms triggered an anti-dilution protection and accordingly the exercise price of the Facility Warrants was adjusted to \$0.408 and the amount of ordinary shares issuable upon full exercise of the Facility Warrants was adjusted to 18,382,353 shares.

As of June 30, 2025, a total of 17,170,000 Facility Warrants had been exercised, including 5,950,000 during the six months ended June 30, 2025, generating gross proceeds of approximately \$7,005 to the Company, of which \$2,428 (\$2,307 net of issuance costs) were received during the six-month period ended June 30, 2025.

C. Standby Equity Purchase Agreement (“SEPA”)

On October 7, 2024, the Company entered into a Standby Equity Purchase Agreement (“SEPA”) with YA II PN, LTD. (“Yorkville”), which was amended on February 26, 2025, and pursuant to which the Company had the right to require Yorkville to purchase up to \$30 million of the Company’s ordinary shares, from time to time, at its discretion. The SEPA includes a “put right”, which was evaluated under ASC 815-40 and determined to be a derivative liability, as it does not qualify for equity classification. The put right is measured at fair value at each reporting date, with changes in value recognized in the statement of comprehensive loss. The valuation is classified within Level 2 of the fair value hierarchy. The fair value of the put right was determined to be immaterial as of both December 31, 2024, and June 30, 2025.

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

C. Standby Equity Purchase Agreement (“SEPA”) (Cont.)

As of June 30, 2025, the Company had issued an aggregate of 22,210,892 ordinary shares under the SEPA, for total gross proceeds of approximately \$18,308, including 8,094,297 ordinary shares issued during the six-month period ended June 30, 2025, for gross proceeds of approximately \$7,537.

An amount of \$1,346 and \$380 was recorded as expenses in “Revaluation of derivatives, warrant liabilities and other” regarding these issuances of ordinary shares, for the year ended December 31, 2024, and the six months ended June 30, 2025, respectively.

On April 24, 2025, concurrently with the entry into the ATM Sales Agreement (see Note 3D below), the Company reduced the maximum aggregate offering price registered under the SEPA to zero.

D. At-the-Market Offering

On April 24, 2025, the Company entered into a Sales Agreement (the “ATM Sales Agreement”) with A.G.P./Alliance Global Partners, as sales agent (“A.G.P.”), pursuant to which the Company may offer and sell, from time to time through A.G.P, ordinary shares in an at-the-market (ATM) offering, for total gross proceeds of up to \$11.3 million. The offering is being conducted under the Company’s shelf registration statement on Form F-3, which was declared effective by the SEC on April 23, 2024. A.G.P. acts as sales agent and is entitled to a 3.0% commission on gross proceeds from any sales.

During the six-month period ended June 30, 2025, the Company sold an aggregate of 308,987 ordinary shares under the ATM Sales Agreement, for total gross proceeds of approximately \$130 thousand.

Subsequent to June 30, 2025, an additional 2,946,867 ordinary shares have been issued under the ATM Sales Agreement resulting in additional gross proceeds of approximately \$1,213 to the Company.

E. Share-Based Compensation

In April 2025, the Company granted a total of 2,934,000 ordinary shares underlying restricted share units (“RSUs”) to its employees and service providers, which are issuable upon the applicable vesting dates under the Company’s Amended Share Option Plan. As of June 30, 2025, a total of 624,000 RSUs granted in April 2025 had vested. For the six months ended June 30, 2025, the Company recorded an expense of \$273 in respect of these grants.

F. Change in Chief Executive Officer

On April 24, 2025, the Board of Directors appointed Mr. David BenDavid as Chief Executive Officer of the Company. On the same date, Mr. Shahar Hania stepped down from his role as Chief Executive Officer and was appointed as a member of the Board of Directors.

NOTE 4 - SUBSEQUENT EVENTS

Regarding additional ordinary shares issued under the ATM Sales Agreement subsequent to June 30, 2025, see Note 3D above.

**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 limited operating history;
 - our current and future capital requirements;
 - our ability to manufacture, market and sell our products and to generate significant revenues;
 - our intention to advance our technologies and commercialization efforts;
 - 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, production 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 security situation in Israel; 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 31, 2025, or the Annual Report.
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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, 2025, 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 an early commercialization stage technology company that is seeking to revolutionize railway safety and the data-related market. We have developed cutting edge, AI based, industry-leading detection 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 operator.

We are currently engaged on a number of projects where we are equipping certain customers with up to 10 systems each and in a pilot phase with several industry leading railway operators as we seek to move to the next stage of receiving commercial roll out orders as we continue our transition of an early commercialization stage company. 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,	
	2025	2024
Payroll and related expenses	\$ 2,543	\$ 2,036
Share-based payment	220	18
Depreciation	56	76
Equipment	187	89
Rent and office maintenance	221	202
Other	14	37
Total	3,241	2,458

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,	
	2025	2024
Payroll and related expenses	\$ 1,168	\$ 871
Share-based payment	210	77
Professional services	826	932
Travel expenses	73	29
Rent and office maintenance	74	67
Marketing and other	161	140
Total	2,512	2,116

Comparison of the Six Months Ended June 30, 2025, to the Six Months Ended June 30, 2024

Results of Operations

(in thousands of USD)	Six months ended June 30,	
	2025	2024
Revenues	\$ 237	\$ 761
Cost of sales	(189)	(372)
Gross profit	48	389
Research and development expenses	(3,241)	(2,458)
General and administrative expenses	(2,512)	(2,116)
Operating loss	(5,705)	(4,185)
Financial (expenses) income:		
Revaluation of derivatives, warrant liabilities and other	(380)	(18,835)
Other financing income (expenses), net	406	(1,304)
Total Loss	(5,679)	(24,324)

Revenues

During the six months ended June 30, 2025, we recognized revenues of \$237,000, representing a decrease of \$524,000, or 69%, compared to \$761,000 for the six months ended June 30, 2024. The decrease was primarily attributable to the timing of revenue recognition. Revenues for the first half of 2025 were mainly derived from additional installations of our Main Line Systems for Israel Railways and from services provided to existing customers.

Research and Development Expenses

Our research and development expenses for the six months ended June 30, 2025, amounted to \$3,241,000, an increase of \$783,000, or 32%, compared to \$2,458,000 for the six months ended June 30, 2024. The increase was primarily due to higher salaries and related personnel expenses, reflecting both an increase in headcount and salaries, as well as the impact of the depreciation of the U.S. dollar against the Israeli shekel (NIS), since salaries are paid in NIS. The increase also reflects higher share-based payment expenses, mainly due to new grants of restricted share units, or RSUs, to employees during the period, and increased purchases of R&D equipment to support ongoing development activities.

General and administrative expenses

Our general and administrative expenses for the six months ended June 30, 2025, were \$2,512,000, representing an increase of \$396,000, or 19%, compared to \$2,116,000 for the six months ended June 30, 2024. The increase was primarily due to higher salaries and related personnel expenses, reflecting salary adjustments and one-time bonuses. Additional contributing factors included the depreciation of the U.S. dollar against the NIS, as a significant portion of our expenses are denominated in NIS and higher share-based payment expenses due to new RSU grants to employees. These increases were partially offset by a slight decrease in professional fees.

Operating loss

As a result of the foregoing, our operating loss for the six months ended June 30, 2025, was \$5,705,000 compared to an operating loss of \$4,185,000 for the six months ended June 30, 2024, an increase of \$1,520,000, or 36.3%.

Financial expense and income:

Revaluation of derivatives, warrant liabilities and other

For the six months ended June 30, 2025, we recorded expenses in the amount of \$380,000 due to the revaluation of derivatives, warrant liabilities and other in connection with shares issued under the SEPA (as defined below). This compares to expenses of \$18,835,000 for the six months ended June 30, 2024, which were primarily related to warrants issued in a private placement and a convertible loan credit facility the Company entered into in January 2024.

Other financial expenses and income

For the six months ended June 30, 2025, our other financial income amounted to \$406,000, primarily attributable to interest income earned on short-term deposits. This compares to \$1,304,000 in financial expenses for the six months ended June 30, 2024. The change of \$1,710,000 is mainly due to the full amortization of the discount related to the convertible loan credit facility entered into in January 2024, recorded in the six months ended June 30, 2024.

Net Loss

As a result of the foregoing, our total net loss for the six months ended June 30, 2025, was \$5,679,000 compared to \$24,324,000 for the six months ended June 30, 2024, a decrease of \$18,645,000, or 76.6%.

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, 2025, included elsewhere in this Report Form 6-K.

Liquidity and Capital Resources.

Overview

Since our inception through June 30, 2025, we have funded our operations principally with approximately \$95 million (net of issuance expenses) from the issuance of our equity securities and exercise of warrants and options. As of June 30, 2025, we had approximately \$22.4 million in cash and cash equivalents.

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

(in thousands of USD)	Six months ended June 30,	
	2025	2024
Operating activities	(4,661)	(4,595)
Investing activities	(10)	(6)
Financing activities	9,759	11,274
Net increase in cash and cash equivalents	5,216	6,617

Operating Activities

Net cash used in operating activities of \$4,661,000 during the six months ended June 30, 2025, was primarily used for payment of an aggregate of approximately \$3,711,000 in salaries and related personnel expenses. The remaining amount of approximately \$950,000 was used for professional services, travel, rent and other miscellaneous expenses.

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.

Investing Activities

Net cash used in investing activities of \$10,000 during six months ended June 30, 2025, reflected the purchase of fixed assets, as well as \$6,000 during six months ended June 30, 2024.

Financing Activities

Net cash provided by financing activities during the six months ended June 30, 2025, consisted of \$9,759,000 of net proceeds from our issuance of ordinary shares under the SEPA and exercise of warrants.

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 and the exercise of warrants.

Standby Equity Purchase Agreement (October 2024)

On October 7, 2024, we entered into a Standby Equity Purchase Agreement, or SEPA, with YA II PN, LTD., a Cayman Islands exempt limited partnership, or Yorkville.

Pursuant to the Purchase Agreement, we have the right, but not the obligation, to sell to Yorkville from time to time, or Advance, up to \$20.0 million, or the Initial Commitment Amount, of our ordinary shares during the 36 months following the execution of the SEPA, subject to the restrictions and satisfaction of the conditions in SEPA. On February 26, 2025, we and Yorkville entered into an amendment to the SEPA to increase the Initial Commitment Amount to \$30.0 million of our ordinary shares, or the Commitment Amount. At our option, the ordinary shares would be purchased by Yorkville from time to time at a price equal to 97% of the lowest of the three daily VWAPs (as hereinafter defined) during a three consecutive trading day period commencing on the date that the Company, subject to certain limitations, deliver a notice to Yorkville that we are committing Yorkville to purchase such ordinary shares, or Advance Shares. The Company may also specify a certain minimum acceptable price per share in each Advance. For the purposes of the SEPA, "VWAP" means, for any trading day, the daily volume weighted average price of the Company's Ordinary Shares for such trading day on the Nasdaq Stock Market during regular trading hours as reported by Bloomberg L.P. As consideration for Yorkville's irrevocable commitment to purchase our ordinary shares up to the Commitment Amount, we issued 288,684 ordinary shares, or the Commitment Shares, to Yorkville and also paid a \$10,000 structuring fee to an affiliate of Yorkville.

Pursuant to the SEPA, Yorkville shall not be obligated to purchase or acquire any ordinary shares under the SEPA which, when aggregated with all other ordinary shares beneficially owned by Yorkville and its affiliates, would result in the beneficial ownership of Yorkville and its affiliates (on an aggregated basis) to exceed 4.99% of the then outstanding voting power or number of our ordinary shares.

On April 24, 2025, concurrently with the entry into the at-the-market Sales Agreement (as defined below), the Company reduced the maximum aggregate offering price registered under the SEPA to zero. As of June 30, 2025, the Company had issued an aggregate of 22,210,892 ordinary shares under the SEPA, for total gross proceeds of approximately \$18,308 thousand, including 8,094,297 ordinary shares issued during the six-month period ended June 30, 2025, for gross proceeds of approximately \$7,537 thousand.

At-the-Market Offering (April 2025)

On April 24, 2025, we entered into a Sales Agreement, or the Sales Agreement, with A.G.P./Alliance Global Partners as sales agent, or A.G.P., pursuant to which we may offer and sell, from time to time through A.G.P, ordinary shares having an aggregate offering price of up to \$11,311,750, or the Placement Shares. Pursuant to the Sales Agreement, we will pay A.G.P. a fixed commission rate in cash equal to 3.0% of the aggregate gross proceeds from each sale of the Placement Shares sold pursuant to the Sales Agreement.

As of June 30, 2025 and the date of this Report, we sold an aggregate of 308,987 and 3,255,854 ordinary shares, respectively, under the Sales Agreement, for total gross proceeds of approximately \$130 thousand and \$1,343 thousand, respectively.

Current Outlook

We have financed our operations to date primarily from sales of our equity securities in public and private offerings. 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, 2025, our cash and cash equivalents were \$22.4 million. 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.

To date, we have not generated significant revenues from our activities and have incurred substantial operating losses. We expect that we will continue to generate substantial operating losses and will continue to fund our operations primarily through the utilization of our current financial resources, sales of our products, and through additional raises of capital.

As of June 30, 2025 and the date of this Report, we sold an aggregate of 308,987 and 3,255,854 ordinary shares, respectively, under the Sales Agreement, for total gross proceeds of approximately \$130 thousand and \$1,343 thousand, respectively. See "Liquidity and Capital Resources — Financing Activities — At-the-Market Offering (April 2025)" for additional information. In addition, to date, we have received approximately \$12.3 million (gross) as a result of the exercise of warrants issued in the January 2024 PIPE and the Credit Facility in January 2024 and approximately \$18.3 million as a result of sales of 22,210,892 of our ordinary shares (not including the Commitment Shares) to Yorkville pursuant to the SEPA.

We expect that our cash and cash equivalents as of the issuance date of this Report and the future expected cash flow from sales will be sufficient for at least 24 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 the second half of 2025. 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 our 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. 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.

As previously disclosed, on March 6, 2025, 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 September 2, 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, our 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 September 2, 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, 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 our ordinary shares. Such a delisting would likely have a negative effect on the price of our ordinary shares and would impair your ability to sell or purchase our 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 our ordinary shares to become listed again, stabilize the market price or improve the liquidity of our ordinary shares, prevent our ordinary shares from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements.

Our headquarters, research and development and other significant operations are located in Israel, and, therefore, our results may be adversely affected by political, economic and military instability in Israel.

Our executive office is located in Ra'anana, Israel. In addition, certain of our key employees, officers and directors are residents of Israel. Accordingly, political, economic and military conditions in the Middle East may affect our business directly. Since the establishment of the State of Israel in 1948, a number of armed conflicts have occurred between Israel and its neighboring countries and terrorist organizations active in the region, including Hamas (an Islamist militia and political group in the Gaza Strip) and Hezbollah (an Islamist militia and political group in Lebanon).

In particular, in October 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on the Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. These attacks resulted in thousands of deaths and injuries, and Hamas additionally kidnapped many Israeli civilians and soldiers. As a result of the events of October 7, 2023, the Israeli government declared that the country was at war and the Israeli military began to call-up reservists for active duty. As of the date of this Report, one (1) of our employees is serving in active duty, who does not hold an executive position or perform critical or exclusive functions. Military service call ups that result in absences of personnel from us for an extended period of time may materially and adversely affect our business, prospects, financial condition and results of operations.

Since the commencement of these events, there have been continued hostilities along Israel's northern border with Lebanon (with the Hezbollah terror organization) and on other fronts from various extremist groups in the region, such as the Houthis in Yemen and various rebel militia groups in Syria and Iraq. Israel has carried out a number of targeted strikes on sites belonging to these terror organizations. In October 2024, Israel began limited ground operations against Hezbollah in Lebanon, and in November 2024, a ceasefire was brokered between Israel and Hezbollah. On January 19, 2025, a temporary ceasefire came into effect between Israel and Hamas, the result of which is uncertain. However, we cannot predict if and to what extent these ceasefires will remain in effect or upheld. In addition, in April 2024 and October 2024, Iran launched direct attacks on Israel involving hundreds of drones and missiles, has threatened to continue to attack Israel, and is widely believed to be developing nuclear weapons. In June 2025, in light of continued nuclear threats and intelligence assessments indicating imminent attacks, Israel launched a preemptive strike directly targeting military and nuclear infrastructure inside Iran, aimed at disrupting Iran's capacity to coordinate or launch further hostilities against Israel, as well as to degrade its nuclear program. In response, Iran launched multiple waves of drones and ballistic missiles at Israeli cities. While most of these attacks were intercepted, several caused civilian casualties and damage to infrastructure. The Israeli military conducted additional operations against Iranian assets. While a ceasefire was reached between Israel and Iran in June 2025 after 12 days of hostilities, the situation remains volatile. A broader regional conflict involving additional state and non-state actors remains a significant risk. Iran is also believed to have a strong influence among extremist groups in the region, such as Hamas in Gaza, Hezbollah in Lebanon, the Houthis in Yemen and various rebel militia groups in Syria and Iraq. These situations may potentially escalate in the future to more violent events which may affect Israel and us. Any hostilities, armed conflicts, terrorist activities involving Israel or the interruption or curtailment of trade between Israel and its trading partners, or any political instability in the region could adversely affect business conditions and our results of operations and could make it more difficult for us to raise capital and could adversely affect the market price of our ordinary shares. An escalation of tensions or violence might result in a significant downturn in the economic or financial condition of Israel, which could have a material adverse effect on our operations in Israel and our business. Parties with whom we do business have sometimes declined to travel to Israel during periods of heightened unrest or tension, forcing us to make alternative arrangements when necessary in order to meet our business partners face to face. In addition, the political and security situation in Israel may result in parties with whom we have agreements involving performance in Israel claiming that they are not obligated to perform their commitments under those agreements pursuant to force majeure provisions in such agreements.

Since the war broke out on October 7, 2023, our operations have not been adversely affected by this situation, and we have not experienced disruptions to our business operations. As such, our product and business development activities remain on track. However, the intensity and duration of Israel's current war against Hamas is difficult to predict at this stage, as are such war's economic implications on our business and operations and on Israel's economy in general, and we continue to monitor the situation closely and examine the potential disruptions that could adversely affect our operations. If the ceasefires declared collapse or a new war commences or hostilities expand to other fronts, our operations may be adversely affected.

Our insurance does not cover losses that may occur as a result of an event associated with the security situation in the Middle East or for any resulting disruption in our operations. Although the Israeli government has in the past covered the reinstatement value of direct damages that were caused by terrorist attacks or acts of war, we cannot assure you that this government coverage will be maintained or, if maintained, will be sufficient to compensate us fully for damages incurred, and the government may cease providing such coverage or the coverage might not suffice to cover potential damages. Any losses or damages incurred by us could have a material adverse effect on our business.

Finally, political conditions within Israel may affect our operations. Israel has held five general elections between 2019 and 2022, and prior to October 2023, the Israeli government pursued extensive changes to Israel's judicial system, which sparked extensive political debate and unrest. Actual or perceived political instability in Israel or any negative changes in the political environment, may individually or in the aggregate adversely affect the Israeli economy and, in turn, our business, financial condition, results of operations and growth prospects.
