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: February 2019

Commission file number: 001-38094

FORESIGHT AUTONOMOUS HOLDINGS LTD.
(Translation of registrant's name into English)

3 Golda Meir
Ness Ziona 7414001 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 ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(1):_____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(7):_____

CONTENTS

This Report of Foreign Private Issuer on Form 6-K consists of (i) the Registrant's Interim Condensed Consolidated Financial Statements as of September 30, 2018, which is attached hereto as Exhibit 99.1; and (ii) the Registrant's Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2018, which is attached hereto as Exhibit 99.2.

Exhibit No.	Description
99.1	Foresight Autonomous Holdings Ltd.'s Interim Condensed Consolidated Financial Statements as of September 30, 2018.
99.2	Foresight Autonomous Holdings Ltd.'s Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2018.

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.

Foresight Autonomous Holdings Ltd.
(Registrant)

By: /s/ Eli Yoresh
Name: Eli Yoresh
Title: Chief Financial Officer

Date: February 15, 2019

Exhibit 99.1

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of September 30, 2018

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

(UNAUDITED)

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of September 30, 2018

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

(UNAUDITED)

INDEX

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands
(Except share data)

	September 30, 2018	December 31, 2017
	U.S. $ in thousands	
ASSETS	Unaudited	Audited
Current Assets:		
Cash and cash equivalents	$ 11,172	$ 9,636
Short term deposits	8,109	12,169
Marketable equity securities	24	22
Other investments	5,574	2,361
Other receivables	526	482
Total current assets	25,405	24,670
Non-current Assets:		
Investment in affiliate company	7,559	1,404
Other investments	-	1,672
Fixed assets, net	827	289
Total Non-current assets	8,386	3,365
Total assets	$ 33,791	$ 28,035
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Trade payable	$ 223	$ 330
Other accounts payable	928	817
Derivative warrant liability	2	-
Total current liabilities	1,153	1,147
Derivative warrant liability	76	2,071
Total liabilities	$ 1,229	$ 3,218
Equity:		
Ordinary shares, NIS 0 par value; Authorized 1,000,000,000 shares; Issued and outstanding: 131,935,404 and 109,502,289 shares as of September 30, 2018, December 31, 2017 respectively		
Additional paid-in-capital	57,102	44,114
Accumulated deficit	(24,540)	(19,297)
Total shareholders' equity	32,562	24,817
Total liabilities and shareholders' equity	$ 33,791	$ 28,035

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

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
U.S. dollars in thousands
(Except share data)

	Nine months ended September 30,		Three months ended September 30,	
	2018	2017	2018	2017
	Unaudited		Unaudited	
Operating expenses:				
Research and development	$ (6,478)	$ (2,419)	$ (2,217)	$ (1,144)
Marketing and sales	(775)	(776)	(234)	(263)
General and administrative	(2,813)	(3,021)	(872)	(684)
Operating loss	(10,066)	(6,216)	(3,323)	(2,091)
Equity in net loss of an affiliated company	(2,112)	(726)	(1,035)	(343)
Financing income (expenses), net	6,935	(15,494)	600	6,900
Net (loss) profit	$ (5,243)	$ (22,436)	$ (3,758)	$ 4,466
Basic and diluted net (loss) profit per share from continuing operations	$ (0.04)	$ (0.25)	$ (0.03)	$ 0.04
Weighted average number of shares outstanding used in computing basic and diluted net (loss) profit per share	116,796,168	89,699,607	130,074,456	104,651,543

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

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (AUDITED)
U.S. dollars in thousands
(Except share data)

	Common Stock		Additional paid-in	Accumulated	Total shareholders'
	Number (*)	Amount	capital	deficit	equity
Balance as of January 1, 2017	73,062,687	-	$ 8,024	$ (3,355)	$ 4,669
Issuance of ordinary shares and warrants	21,027,690	-	10,745	-	10,745
Exercise of warrants	14,496,403	-	22,249	-	22,249
Exercise of options	865,509	-	641	-	641
Share-based payment	50,000	-	2,455	-	2,455
Net loss	-	-	-	(15,942)	(15,942)
Balance as of December 31, 2017	109,502,289	-	$ 44,114	$ (19,297)	$ 24,817

* Represents the number of shares of the legal acquirer for all periods presented.

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

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
U.S. dollars in thousands
(Except share data)

	Common stock		Additional paid-in capital	Accumulated deficit	Total shareholders' equity
	Number (*)	Amount			
Balance as of January 1, 2018	109,502,289	-	$ 44,114	$ (19,297)	$ 24,817
Issuance of ordinary shares and warrants	21,963,411	-	11,208	-	11,208
Exercise of warrants	156,500	-	125	-	125
Exercise of options	60,000	-	34	-	34
Share-based payment	253,204	-	1,620	-	1,620
Net loss	-	-	-	(5,243)	(5,243)
Balance as of September 30, 2018	131,935,404	-	$ 57,102	$ (24,540)	$ 32,562

* Represents the number of shares of the legal acquirer for all periods presented.

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

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

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

	Nine months ended September 30, 2018	Nine months ended September 30, 2017	Three months ended September 30, 2018	Three months ended September 30, 2017
Cash flows from operating activities:				
Profit (loss) for the period	$ (5,243)	$ (22,436)	$ (3,758)	$ 4,466
Adjustments to reconcile profit (loss) to net cash used in operating activities	(2,959)	18,642	146	(5,930)
Total net cash provided by (used in) operating activities	**$ (8,202)**	**$ (3,794)**	**$ (3,612)**	**$ (1,464)**
Cash flows from investing activities:				
Changes in short-term deposit	4,060	(10,952)	3,053	(7,323)
Investment in affiliate company	(4,479)	-	(1,990)	-
Proceeds from sales of fixed assets	1	-	1	-
Purchase of fixed assets	(712)	(149)	(282)	(69)
Total net cash provided by (used in) investing activities	**$ (1,130)**	**$ (11,101)**	**$ 782**	**$ (7,392)**
Cash flows from financing activities:				
Issuance of ordinary shares and warrants, net of issuance expenses	11,208	10,745	5,403	-
Exercise of warrants and options, net of issuance expenses	159	10,646	-	5,050
Total net cash provided by financing activities	**$ 11,367**	**$ 21,391**	**$ 5,403**	**$ 5,050**
Effect of exchange rate changes on cash and cash equivalents	**(499)**	**322**	**116**	**(294)**
Increase (decrease) in cash and cash equivalents	1,536	6,818	2,689	(4,100)
Cash and cash equivalents at the beginning of the period	$ 9,636	$ 3,364	$ 8,483	$ 14,282
Cash and cash equivalents at end of the period	$ 11,172	$ 10,182	$ 11,172	$ 10,182

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

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

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

	Nine months ended September 30,		Three months ended September 30,	
	2018	**2017**	**2018**	**2017**
Adjustments to reconcile net loss to net cash used in operating activities:				
Share-based payment	1,620	2,063	440	424
Depreciation	170	30	80	15
Loss from sale of fixed assets	3	-	3	-
Revaluation of derivative warrant liability	(1,993)	16,074	(441)	(6,976)
Equity in loss of an affiliated company	2,112	726	1,035	343
Revaluation of securities	(2)	(3)	20	3
Revaluation of other investments	(5,328)	-	-	-
Exchange rate changes on cash and cash equivalents	499	(322)	(116)	294
Changes in assets and liabilities:				
Decrease (increase) in other receivables	(44)	(266)	(186)	(89)
Increase (decrease) in trade payables	(107)	155	(83)	156
Increase (decrease) in other accounts payable	111	185	(606)	(100)
Adjustments to reconcile profit (loss) to net cash used in operating activities	$ (2,959)	$ 18,642	$ 146	$ (5,930)

NOTE 1 - GENERAL

A. Reporting Entity

Foresight Autonomous Holdings Ltd. (the "Company") is an Israeli resident company incorporated in Israel. The address of the Company's registered office is 7 Golda Meir St., Ness Ziona, Israel. The unaudited condensed consolidated interim financial statements of the Company as of September 30, 2018, comprise the Company and its subsidiaries in Israel (together referred to as the "Group"). The Company, by means of the subsidiary Foresight Automotive Ltd. ("Foresight Automotive"), is a technology company engaged in the design, development and commercialization of stereo/quad-camera vision systems for the automotive industry. The Company's vision systems are based on 3D video analysis, advanced algorithms for image processing and sensor fusion. In addition, the Company, by means of its subsidiary Eye-Net Mobile Ltd., is also engaged in the design and development of V2X (vehicle-to-everything) cellular-based accident prevention solutions that connects users and infrastructure through smart cellular-based platforms. V2X is a wireless technology that enables communication between the vehicles, infrastructure, and other devices in the vicinity, grid, home, and network. The ordinary shares of the Company (the "Ordinary Shares") are registered for trade on the Tel Aviv Stock Exchange. In addition, since June 15, 2017, the Company has American Depository Shares ("ADSs") registered with the U.S. Securities and Exchange Commission. The ADSs are listed on The Nasdaq Capital Market, the ratio of the Company's Shares to ADSs is 5:1.

B. The Group activities are subject to significant risks and uncertainties, including failing to secure additional funding to operationalize the ADAS and autonomous/semi-autonomous vehicles technology before competitor develop similar technology. 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 and limited operating history.

The Group believes that the current working capital position will be sufficient to meet the Company's working capital needs in the foreseeable future.

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 generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included (consisting only of normal recurring adjustments except as otherwise discussed). For further information, reference is made to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 20-F for the year ended December 31, 2017.

Operating results for the nine months ended September 30, 2018, are not necessarily indicative of the results that may be expected for the year ended December 31, 2018.

B. Significant Accounting Policies

The significant accounting policies followed in the preparation of these unaudited interim condensed consolidated financial statements are identical to those applied in the preparation of the latest annual financial statements.

C. Recent Accounting Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued a new standard to achieve a consistent application of revenue recognition within the U.S., resulting in a single revenue model to be applied by reporting companies under U.S. generally accepted accounting principles. Under the new model, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new standard requires that reporting companies disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The new standard is effective for us beginning in the first quarter of 2018; early adoption is prohibited. The new standard is required to be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying it recognized at the date of initial application. The adoption of the standard did not have a material impact on the Company's consolidated financial statements.

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

In February 2016, the FASB issued an accounting standard update ("ASU") 2016-02 "Leases" to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. For operating leases, ASU 2016-02 requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on its balance sheet. ASU 2016-02 retains the current accounting for lessors and does not make significant changes to the recognition, measurement, and presentation of expenses and cash flows by a lessee.

ASU 2016-02 is effective for the Company in the first quarter of 2019, with early adoption permitted. The Company continues to evaluate the effect of the adoption of this ASU and expects the adoption will result in an increase in the assets and liabilities on the consolidated balance sheets for operating leases and will likely have an insignificant impact on the consolidated statements of earnings.

In July 2018, the FASB issued ASU No. 2018-11, "Targeted Improvements - Leases (Topic 842)." This update provides an optional transition method that allows entities to elect to apply the standard prospectively at its effective date, versus recasting the prior periods presented. If elected, an entity would recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The Company has not completed its assessment, including evaluation of transition method and whether to early adopt, but the adoption of ASU 2016-02 will have a material impact on the consolidated balance sheets. However, the Company do not expect the adoption to have a material impact on the recognition, measurement or presentation of lease expenses within the consolidated statements of comprehensive loss or the consolidated statements of cash flows.

In June 2016, the FASB issued a new standard requiring measurement and recognition of expected credit losses on certain types of financial instruments. It also modifies the impairment model for available-for-sale debt securities and provides for a simplified accounting model for purchased financial assets with credit deterioration since their origination. This standard is effective for us in the first quarter of 2020; early adoption is permitted beginning in the first quarter of 2019. It is required to be applied on a modified-retrospective approach with certain elements being adopted prospectively. The Company does not expect that the adoption of this standard will have a significant impact on the financial position or results of operations.

In May 2017, the FASB issued ASU 2017-09 "Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting," which clarifies when a change to terms or conditions of a share-based payment award must be accounted for as a modification. The new guidance requires modification accounting if the vesting condition, fair value or the award classification is not the same both before and after a change to the terms and conditions of the award. The new guidance is already effective since January 1, 2018. The adoption of the standard did not have a material impact on the Company's consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07 "Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting." These amendments expand the scope of Topic 718, Compensation - Stock Compensation (which currently only includes share-based payments to employees) to include share-based payments issued to nonemployees for goods or services. Consequently, the accounting for share-based payments to nonemployees and employees will be substantially aligned. ASU 2018-07 supersedes Subtopic 505-50, Equity - Equity-Based Payments to Non-Employees. The guidance is effective for public companies for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. Early adoption is permitted. The Company is assessing ASU 2018-07 and does not expect it to have a material impact on its consolidated financial statements.

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

D. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 3 - MATERIAL EVENTS IN THE REPORTING PERIOD

A. On June 21 and June 25, 2018, the Company entered into private placement agreements with several leading Israeli institutional investors and several private investors. Pursuant to the terms of the private placements, which totaled $12,351 (NIS 45,000), gross, the Company issued 21,963,411 Ordinary Shares at a price per share of NIS 2.05 (approximately $0.56 per ordinary share, or $2.81 per ADS). In addition, the Company issued warrants to purchase 21,963,411 Ordinary Shares at an exercise price of $0.80 per share (approximately $4 per ADS), exercisable for a period of 24 months. After deducting closing costs and fees, the Company received net proceeds of approximately $11,208.

B. On January 10 and July 12, 2018 the Company increased its holdings in Rail Vision Ltd ("Rail Vision") by exercising warrants into 22,972 of Rail Vision's ordinary shares for an aggregate amount of $4,479. See also note 5B.

C. On March 25, 2018, the Company issued options to purchase 1,930,000 Ordinary Shares to its employees at an exercise price of NIS 3.78 (approximately $1.08 per share at the grant date). One third of the options shall vest after one year and the balance of the remaining options shall vest over 8 quarters until fully vested on December 31, 2020. The total aggregated fair value of the options as of the grant date was $479.

On June 18, 2018, the Company issued options to purchase 100,000 Ordinary Shares to its chairman of the board of directors at an exercise price of NIS 3.78 (approximately $1.06 per share at the grant date). One third of the options shall vest after one year and the balance of the remaining options shall vest over 8 quarters until fully vested on March 31, 2021. The total aggregated fair value of the options as of the grant date was $16.

The grant date fair value of the options granted was measured based on the Black-Scholes option pricing model. with the following weighted-average assumptions weighted average volatility of 68%, risk free interest rates of 0.48-0.58%, dividend yields of 0% and a weighted average life of the options of 3 years.

D. During the reporting period, the Company issued to service providers options to purchase 600,000 Ordinary Shares at an average exercise price NIS 3.63. 500,000 of the options shall vest equally over a period of 4 quarter ending January 1, 2019. 100,000 of the options shall vest as One third of the options shall vest after one year and the balance of the remaining options shall vest equally over 8 quarters until fully vested on March 31, 2021.

NOTE 5 - SUBSEQUENT EVENTS

A. On November 27, 2018, the Company granted options to purchase 710,000 Ordinary Shares to employees at exercise price NIS 3.78 (approximately $1.02 per share at the grant date).

B. On November 1, 2018, the Company increased its holdings in Rail Vision by exercising warrants into 2,704 of Rail Vision's ordinary shares for an aggregate of approximately $600. Following the exercise, the Company holds 35.91% of the issued and outstanding share capital of Rail Vision (and 33.81% on a fully diluted basis).

C. On January 27, 2019, the Company entered into a development agreement for manufacturing and engineering consulting services, and an investment agreement with RH Electronics Ltd. According to the agreement, RH Electronics Ltd., will purchase approximately 1% of Foresight's issued and outstanding Ordinary Shares for a total consideration of $1,000 at a price per ADS of approximately $4.08 (reflecting the price of NIS 3.00 per ordinary share).

D. On May 17, 2018, the Company, through its subsidiary Foresight Automotive, incorporated Eye-Net Mobile Ltd. ("Eye-Net"), in order to spin off the activities dedicated to the design and development of V2X (vehicle-to-everything) cellular-based accident prevention solutions (the "Activity"). Under the terms of the transaction, Foresight Automotive will transfer to Eye-Net, without any consideration, all of its rights and intellectual property rights related to the Activity, including all employees related to the Activity. The spin off was completed on January 1, 2019.

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain information included herein may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Forward-looking statements are often characterized by the use of forward-looking terminology such as "may," "will," "expect," "anticipate," "estimate," "continue," "believe," "should," "intend," "project" or other similar words, but are not the only way these statements are identified. These forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, statements that contain projections of results of operations or of financial condition, expected capital needs and expenses, statements relating to the research, development, completion and use of our products, and all statements (other than statements of historical facts) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. We have based these forward-looking statements on assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate.

Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, among other things:

- the overall global economic environment;
- the impact of competition and new technologies;
- general market, political and economic conditions in the countries in which we operate;
- projected capital expenditures and liquidity;
- changes in our strategy; and
- litigation.

The foregoing list is intended to identify only certain of the principal factors that could cause actual results to differ. For a more detailed description of the risks and uncertainties affecting our company, reference is made to our Annual Report on Form 20-F for the year ended December 31, 2017, or our Annual Report, which was filed with the Securities and Exchange Commission, or the SEC, and the other risk factors discussed from time to time by our company in reports filed or furnished to the SEC.

Except as otherwise required by law, we undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Unless otherwise indicated, all references to the "Company," "we," "our" and "Foresight" refer to Foresight Autonomous Holdings Ltd. and its subsidiaries, Foresight Automotive Ltd., an Israeli corporation and Eye-Net Mobile Ltd., an Israeli corporation.

A. Operating Results.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in our Annual Report on Form 20-F for the year ended December 31, 2017, filed with the SEC, on March 27, 2018, as well as our unaudited consolidated financial statements and the related notes thereto for the third quarter ended September 30, 2018, filed with the SEC on February 15, 2019. 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, except for share and share data or as otherwise noted.

Overview

We are a technology company engaged in the design, development and commercialization of stereo/quad-camera vision systems for the automotive industry based on three-dimensional (3D) video analysis, advanced algorithms for image processing and sensor fusion. We develop advanced systems for accident prevention, which are designed to provide real-time information about a vehicle's surroundings while in motion. Our systems are designed to improve driving safety by enabling highly accurate and reliable threat detection while ensuring the lowest rates of false alerts. We target two vertical markets: advanced driver assistance systems (ADAS) and semi-autonomous/autonomous vehicles.

We are also engaged in the design and development of V2X (vehicle-to-everything) cellular-based accident prevention solutions that connects users and infrastructure through smart cellular-based platforms. V2X is a wireless technology that enables communication between the vehicles, infrastructure, and other devices in the vicinity, grid, home, and network. This type of communication enables better traffic management, which leads to reduced congestion on the roads.

Operating Expenses

Our current operating expenses consist of three components — research and development expenses, marketing and sales expenses and general and administrative expenses.

Research and development expenses

Our research and development expenses consist primarily of salaries and related personnel expenses, subcontracted work and consulting and other related research and development expenses.

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

U.S. dollars in thousands	**Nine months ended September 30,**	
	2018	**2017**
Payroll and related expenses	4,443	1,111
Subcontracted work and consulting	1,241	752
Share based payment to service provider	41	94
Rent and office maintenance	523	180
Travel expenses	34	70
Other	196	212
Total	6,478	2,419

Marketing and sales

Our marketing and sales expenses consist primarily of salaries and related personnel expenses, consultants and other marketing and sales expenses.

The following table discloses the breakdown of marketing and sales expenses:

U.S. dollars in thousands	**Nine months ended September 30,**	
	2018	**2017**
Payroll and related expenses	355	564
Exhibitions, conventions and travel expenses	172	61
Consultants	206	98
Other	42	53
Total	775	776

General and administrative

General and administrative expenses consist primarily of salaries, share-based compensation expense, professional service fees (for accounting, legal, bookkeeping, intellectual property and facilities), directors fee and insurance and other general and administrative expenses.

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

U.S. dollars in thousands	**Nine months ended September 30,**	
	2018	**2017**
Payroll and related expenses	1,378	1,134
Share based payment to service providers	157	582
Professional services	762	742
Directors fee and insurance	270	244
Travel expenses	42	59
Rent and office maintenance	130	73
Other	74	187
Total	2,813	3,021

Comparison of the nine months ended September 30, 2018 to the nine months ended September 30, 2017

Results of Operations

U.S. dollars in thousands	**Nine months ended September 30,**	
	2018	**2017**
Research and development expenses	6,478	2,419
Marketing and sales	775	776
General and administrative	2,813	3,021
Operating loss	10,066	6,216
Equity in net loss (gain) of affiliated companies	2,112	726
Financial expense (income), net	(6,935)	15,494
Net loss	5,243	22,436
Loss attributable to holders of Ordinary Shares	5,243	22,436

Research and development expenses

Our research and development expenses for the nine months ended September 30, 2018 amounted to approximately $6,478, representing an increase of approximately $4,059, or 168%, compared to approximately $2,419 for the nine months ended September 30, 2017. The increase was primarily attributable to an increase in salaries and related personnel expenses of approximately $3,332 reflecting the increase in research and development related employees, and an increase of approximately $489 in subcontracted work, reflecting an increase in new subcontractors giving research and development services to us.

Marketing and sales

Our marketing and sales expenses for the nine months ended September 30, 2018 amounted to approximately $775, compared to approximately $776 for the nine months ended September 30, 2017.

General and administrative

Our general and administrative expenses totaled approximately $2,813 for the nine months ended September 30, 2018, a decrease of approximately $208, or 6.9%, compared to approximately $3,021 for the nine months ended September 30, 2017. The decrease was primarily attributable to a decrease of approximately $425 in expenses related to share-based payments to service providers.

Operating loss

As a result of the foregoing, our operating loss for the nine months ended September 30, 2018 was approximately $10,066, as compared to an operating loss of approximately $6,216 for the nine months ended September 30, 2017, an increase of approximately $3,850, or 62%.

Financial expense and income

Financial expense and income primarily consist of revaluations, exchange rate differences and bank fees.

We recognized financial income of approximately $6,935 for the nine months ended September 30, 2018, compared to financial expense of $15,494 for the nine months ended September 30, 2017. The financial income in the period ended on September 30, 2018 is primarily attributable to revaluation of derivative warrants liability to purchase our Ordinary Shares of approximately $1,993 due to a decrease in the price of our Ordinary shares, compared to an expense of $16,074 in the nine months ended September 30, 2017, and to revaluation of investments in warrants of Rail Vision Ltd. (“Rail Vision”), of approximately $5,328, due to an increase in the price of Rail Vision shares, and offset by exchange rate differences of approximately $499 during the nine months ended September 30, 2018. The Company initially acquired the Rail Vision warrants as part of an investment in Rail Vision in August 4, 2016.

Net loss

As a result of the foregoing, our loss for the nine months ended September 30, 2018 was approximately $5,243, as compared to approximately $22,436 for the nine months ended September 30, 2017, a decrease of approximately $17,193.

Critical Accounting Policies

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. A comprehensive discussion of our critical accounting policies is included in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section in our Annual Report.

B. Liquidity and Capital Resources.

Overview

Since our inception through September 30, 2018, we have funded our operations principally with approximately $43,864 from the issuance of Ordinary Shares and exercise of warrants and options. As of September 30, 2018, we had approximately $19,281 in cash and cash equivalents and short-term bank deposits.

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

U.S. dollars in thousands	**Nine months ended September 30,**	
	2018	**2017**
Operating activities	(8,202)	(3,794)
Investing activities	(1,130)	(11,101)
Financing activities	11,367	21,391
Effect of exchange rate changes on cash and cash equivalents	(499)	322
Net increase in cash and cash equivalents	1,536	6,818

Operating Activities

Net cash used in operating activities of approximately $8,202 during the nine months ended September 30, 2018 was primarily used for payment of subcontracted work, salaries and related personnel expenses, payments for professional services and travel, patent, directors' fees, rent and other miscellaneous expenses.

Net cash used in operating activities of approximately $3,794 during the nine months ended September 30, 2017 was primarily used for payment of subcontracted work, salaries and related personnel expenses, payments for professional services and travel, patent, directors' fees, rent and other miscellaneous expenses.

Investing Activities

Net cash used in investing activities of approximately $1,130 during the nine months ended September 30, 2018 was primarily used for investment in Rail Vision Ltd. of approximately $4,479, and purchase of fixed assets of approximately $712 and offset by the purchase of short-term deposits of approximately $4,060.

Net cash used in investing activities of approximately $11,101 during the nine months ended September 30, 2017 was primarily used for purchase of short-term deposits of approximately $10,952, and purchase of fixed assets of approximately $149.

Financing Activities

Net cash provided by financing activities in the nine months ended September 30, 2018 consisted of approximately $11,367 primarily provided from net proceeds from issuance of Ordinary Shares of approximately $11,208, and from exercise of warrants and options of approximately $159.

Net cash provided by financing activities in the nine months ended September 30, 2017 consisted of approximately $21,391 primarily provided from net proceeds from issuance of Ordinary Shares of approximately $10,745, and from exercise of warrants and options of approximately $10,646.

Current Outlook

We have financed our operations to date primarily through proceeds from sales of our Ordinary Shares and warrants. We have incurred losses and generated negative cash flows from operations since January 2011. Since January 2011, we have not generated any revenue from the sale of products and we do not expect to generate substantial revenues from sale of our products in the next few years.

As of September 30, 2018, our cash and cash equivalents including short-term bank deposits were approximately $19,281. In June 2018 we completed two private placements of our Ordinary Shares pursuant to which we raised a total of approximately $12,351. We expect that our existing cash, cash equivalents and short-term bank deposits will be sufficient to fund our current operations in the foreseeable future; however, we expect that we will require substantial additional capital to complete the development of, and 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.

Until we can generate significant recurring revenues, we expect to satisfy our future cash needs through debt or equity financings. We cannot be certain that additional funding will be available to us on acceptable terms, if at all. If funds are not available, we may be required to delay, reduce the scope of, or eliminate research or development plans for, or commercialization efforts with respect to our products. This may raise substantial doubts about our ability to continue as a going concern.