
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: September 2019 (Report No. 3)

Commission file number: 001-38094

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

7 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 June 30, 2019, 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 six months ended June 30, 2019, which is attached hereto as Exhibit 99.2.

This Report of Foreign Private Issuer on Form 6-K (including exhibits thereto) is incorporated by reference into the Registrant's Registration Statements on Form F-3 (File No. 333-229715) and Form S-8 (Registration No. 333-229716) of the Registrant, filed with the Securities and Exchange Commission, to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Foresight Autonomous Holdings Ltd.'s Interim Condensed Consolidated Financial Statements as of June 30, 2019.
99.2	Foresight Autonomous Holdings Ltd.'s Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2019.

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: September 27, 2019

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2019

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

(UNAUDITED)

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2019

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

(UNAUDITED)

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FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
U.S. dollars in thousands
(Except share data)

	June 30, 2019	December 31, 2018
	U.S. \$ in thousands	
	Unaudited	Audited
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 4,047	\$ 3,158
Short term deposits	12,280	12,506
Marketable equity securities	31	23
Other investments	-	345
Other receivables	509	471
Total current assets	16,867	16,503
Non-current Assets:		
Operating lease right of use asset	1,417	-
Investment in affiliate company	7,584	7,568
Fixed assets, net	699	787
Total Non-current assets	9,700	8,355
Total assets	\$ 26,567	\$ 24,858
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current Liabilities:		
Trade payables	\$ 308	\$ 344
Operating lease liability	408	-
Other accounts payable	897	947
Derivative warrant liability	42	-
Total current liabilities	1,655	1,291
Operating Lease Liability	1,125	-
Total liabilities	\$ 2,780	\$ 1,291
Shareholders' Equity:		
Ordinary shares, NIS 0 par value; Authorized 1,000,000,000 shares; Issued and outstanding: 153,988,282 and 131,935,404 shares as of June 30, 2019, December 31, 2018 respectively		
Additional paid-in-capital	64,879	57,521
Accumulated deficit	(41,092)	(33,954)
Total stockholders' equity	23,787	23,567
Total liabilities and stockholders' equity	\$ 26,567	\$ 24,858

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 and per share data)

	Six months ended June 30,		Three months ended June 30,	
	2019	2018	2019	2018
	Unaudited		Unaudited	
Operating expenses:				
Research and development, net	\$ (4,460)	\$ (4,262)	\$ (2,390)	\$ (2,187)
Marketing and sales	(1,097)	(540)	(499)	(234)
General and administrative	(1,773)	(1,941)	(865)	(887)
Operating loss	(7,330)	(6,743)	(3,754)	(3,308)
Equity in net gain (loss) of an affiliated company	16	(1,077)	106	(459)
Financing income (expenses), net	176	6,335	(175)	(316)
Net loss	<u>\$ (7,138)</u>	<u>\$ (1,485)</u>	<u>\$ (3,823)</u>	<u>\$ (4,083)</u>
Basic and diluted net (loss) profit per share from continuing operations	<u>\$ (0.05)</u>	<u>\$ (0.01)</u>	<u>\$ (0.03)</u>	<u>\$ (0.04)</u>
Weighted average number of shares outstanding used in computing basic and diluted net (loss) profit per share	<u>144,363,756</u>	<u>110,046,983</u>	<u>153,480,701</u>	<u>110,186,413</u>

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	Accumulated	Total
	Number	Amount	paid-in	deficit	shareholders'
			capital		equity
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	288,204	-	34	-	34
Share-based payment	25,000	-	2,040	-	2,040
Net loss	-	-	-	(14,657)	(14,657)
Balance as of December 31, 2018	<u>131,935,404</u>	<u>\$ -</u>	<u>\$ 57,521</u>	<u>\$ (33,954)</u>	<u>\$ 23,567</u>

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, 2019	131,935,404	-	\$ 57,521	\$ (33,954)	\$ 23,567
Issuance of ordinary shares	21,733,333	-	6,521	-	6,521
Exercise of options	319,545	-	-	-	-
Derivative warrant liabilities classified in equity	-	-	1	-	1
Share-based payment	-	-	836	-	836
Net loss	-	-	-	(7,138)	(7,138)
Balance as of June 30, 2019	<u>153,988,282</u>	<u>-</u>	<u>64,879</u>	<u>(41,092)</u>	<u>23,787</u>

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

	Six months ended June 30,		Three months ended June 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Cash flows from operating activities:</u>				
Net loss for the period	\$ (7,138)	\$ (1,485)	\$ (3,823)	\$ (4,083)
Adjustments to reconcile profit (loss) to net cash used in operating activities	<u>1,432</u>	<u>(3,635)</u>	<u>630</u>	<u>1,554</u>
Total net cash used in operating activities	<u>\$ (5,706)</u>	<u>\$ (5,120)</u>	<u>\$ (3,193)</u>	<u>\$ (2,529)</u>
<u>Cash flows from investing activities:</u>				
Changes in short-term deposits	226	1,007	(1,957)	350
Investment in affiliated company	-	(2,489)	-	(249)
Proceed from other investments	21	-	21	-
Purchase of fixed assets	<u>(39)</u>	<u>(430)</u>	<u>(8)</u>	<u>(149)</u>
Total net cash provided by (used in) investing activities	<u>\$ 208</u>	<u>\$ (1,912)</u>	<u>\$ (1,944)</u>	<u>\$ (48)</u>
<u>Cash flows from financing activities:</u>				
Issuance of ordinary shares and warrants, net of issuance expenses	6,521	5,485	290	5,485
Exercise of warrants and options, net of issuance expenses	-	159	-	-
Receipts on account of shares	<u>-</u>	<u>850</u>	<u>-</u>	<u>850</u>
Total net cash provided by financing activities	<u>\$ 6,521</u>	<u>\$ 6,494</u>	<u>\$ 290</u>	<u>\$ 6,335</u>
Effect of exchange rate changes on cash and cash equivalents	(134)	(615)	(60)	(456)
Increase (decrease) in cash and cash equivalents	889	(1,153)	(4,907)	3,302
Cash and cash equivalents at the beginning of the period	<u>\$ 3,158</u>	<u>\$ 9,636</u>	<u>\$ 8,954</u>	<u>\$ 5,181</u>
Cash and cash equivalents at end of the period	<u>\$ 4,047</u>	<u>\$ 8,483</u>	<u>\$ 4,047</u>	<u>\$ 8,483</u>

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

	Six months ended June 30,		Three months ended June 30,	
	2019	2018	2019	2018
<u>Adjustments to reconcile net loss to net cash used in operating activities:</u>				
Share-based payment	836	1,180	441	573
Depreciation	127	90	65	49
Revaluation of derivative warrant liability	43	(1,552)	42	(127)
Equity in loss (gain) of an affiliated company	(16)	1,077	(106)	459
Revaluation of securities classified as trading	(8)	(22)	(11)	8
Revaluation of other investments	324	(5,328)	324	-
Exchange rate changes on cash and cash equivalents	134	615	60	456
<u>Changes in assets and liabilities:</u>				
Decrease (increase) in other receivables	(38)	142	(62)	149
Increase (decrease) in trade payables	(36)	(24)	(3)	10
Change in operating lease liability	75	-	25	-
Increase (decrease) in other accounts payable	(9)	187	(145)	(23)
Adjustments to reconcile profit (loss) to net cash used in operating activities	<u>\$ 1,432</u>	<u>\$ (3,635)</u>	<u>\$ 630</u>	<u>\$ 1,554</u>

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
U.S. dollars in thousands
(Except share and per share data and exercise prices)
Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

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 June 30, 2019, comprise the Company and its subsidiaries in Israel (together referred to as the “Group”). The Company, by means of its 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. (“Eye-Net Mobile”), is also engaged in the design and development of V2X (vehicle-to-everything) cellular-based accident prevention solutions that connect users and infrastructure through smart cellular-based platforms. V2X is a wireless technology that enables communication between vehicles, infrastructure, and other devices in the vicinity, grid, home, and network. The ordinary shares of the Company, no par value each (the “Ordinary Shares”), are registered for trade on the Tel Aviv Stock Exchange Ltd. In addition, since June 15, 2017, the Company has American Depositary 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 Ordinary Shares to ADSs is 5:1.

- B.** The Group’s activities are subject to significant risks and uncertainties, including failing to secure additional funding to operationalize its technology before competitors develop similar technology. In addition, the Group is subject to risks from, among other things, competition associated within the industry in general, other risks associated with financing, liquidity requirements, rapidly changing customer requirements and limited operating history.

The management believes that the current working capital position will be sufficient to meet the Group’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 GAAP for complete financial statements. In the opinion of the 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, 2018.

The results of operation for the three and six months ended June 30, 2019, are not necessarily indicative of the results that may be expected for the year ending December 31, 2019.

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. 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.

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
U.S. dollars in thousands
(Except share and per share data and exercise prices)
Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

D. Recent Accounting Standards

On January 1, 2019, the Company adopted Accounting Standards Update (“ASU”) 2016-02, “Leases” (Topic 842) (“ASU 2016-02”) using the modified retrospective approach for all lease arrangements at the beginning period of adoption. Results for the reporting period beginning January 1, 2019, are presented under ASU 2016-02, which requires, among other items, lessees to recognize a right-of-use asset (“ROU assets”) and lease liability for most leases. Upon adoption of the new lease standard, the Company recorded ROU assets of \$1,573 and lease liabilities of \$1,619 in connection with its operating leases. See Note 4 for additional information regarding the Company’s commitments under various lease obligations.

Arrangements that are determined to be leases at inception are recognized in long-term ROU assets and long-term lease liabilities in the condensed consolidated balance sheet at lease commencement. Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future fixed lease payments over the lease term at commencement date. As most of the Company’s leases do not provide an implicit rate, the Company applies its incremental borrowing rate based on the economic environment at commencement date in determining the present value of future payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for operating leases or payments are recognized on a straight-line basis over the lease term.

In June 2016, the Financial Accounting Standards Board (“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 will be effective for the Company as of 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 its financial position or results of operations.

In June 2018, the FASB issued ASU No. 2018-07 “Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting” (“ASU 2018-07”). 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. ASU 2018-07 does not have a material impact on the Company’s consolidated financial statements.

NOTE 3 - MATERIAL EVENTS IN THE REPORTING PERIOD

- A. On May 17, 2018, the Company, through its subsidiary Foresight Automotive, incorporated Eye-Net Mobile, in order to spin off the activities dedicated to the design and development of V2X (the “V2X Activity”). Under the terms of the transaction, Foresight Automotive transferred to Eye-Net Mobile, without any consideration, all of its rights and intellectual property rights related to the V2X Activity, including all employees related to the V2X Activity. The spin off was completed on January 1, 2019.
- B. 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. (“RH”). According to the agreement, RH purchased 1,233,333 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).
- C. On March 19, 2019, the Company raised \$6,150 (gross) through a public offering of its ADSs. The Company issued a total of 4,100,000 ADSs (20,500,000 Ordinary Shares) at \$1.50 per ADS. After deducting closing costs and fees, the Company received proceeds of approximately \$5,521, net of issuance expenses.

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES

U.S. dollars in thousands

(Except share and per share data and exercise prices)

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

- D. On March 13, 2019, Rail Vision Ltd. ("Rail Vision"), an affiliated company of the Company, and Knorr-Bremse Systeme für Schienenfahrzeuge GmbH, an affiliate of Knorr-Bremse AG (Frankfurt: KBX), a global market leader for braking systems and a leading supplier of other rail and commercial vehicle subsystems ("KB"), signed an agreement whereby KB will invest \$10,000 in Rail Vision, in two installments, in consideration of an issuance of an aggregate number of 40,984 Ordinary Shares of Rail Vision, at a price per share equal to \$244 (the "PPS") representing a post investment valuation of approximately \$47,000, reflecting 21.34% of Rail Vision's issued and outstanding capital. KB has also been issued an aggregate of 14,903 warrants to purchase up to 14,903 of Rail Vision's Ordinary Shares at an exercise price per share equal to the PPS.
- E. Following the consummation of the first closing of the KB investment and exercise of warrants by third parties during the six months ended June 30, 2019, the Company's holdings in Rail Vision, as of June 30, 2019, decreased from 35.91% as of December 31, 2018, to 26.76%. As a result, the Company recorded equity in net gain of affiliated company of \$16 which is comprised from a gain of \$1,430 from issuance to third parties offset by an equity in loss of affiliated company in the amount of \$1,414 recorded.

As of the date of the approval of the financial statements, the Company's holdings in Rail Vision amounted to 24.12%.

- F. On February 18, 2019, the Company modified the expiration date of 9,752,984 and 2,028,568 outstanding Series B warrants from February 28, 2019 and May 16, 2019, respectively, both to December 31, 2019. In addition the Company modified the expiration date of 12,296,976 and 6,736,183 outstanding Series F warrants from March 28, 2019, and April 23, 2019, respectively, both to December 31, 2019.

In addition, the Company modified the exercise price of Series B warrants from NIS 4 to \$1.08 per share. Upon modification of the exercise price to an amount denominated in the functional currency of the Company, the Company concluded that Series B warrants included no features which would preclude equity classification. Accordingly, the fair value of the warrants as of the modification date was classified to equity. Changes in fair value from December 31, 2018 through February 18, 2019, were recorded as finance expense in the statement of operations.

- G. On March 20, 2019, the Company issued options to purchase 1,375,000 Ordinary Shares to its employees at an exercise price of NIS 1.95 (approximately \$0.54 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 by March 31, 2022. The total aggregate fair value of the options as of the grant date was \$123.

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 67%, risk free interest rates of 0.75%, dividend yields of 0% and a weighted average life of the options of 3 years.

On March 20, 2019, in accordance with the terms of the Company's 2016 Equity Incentive Plan, the Company's Board of Directors approved a modification of outstanding options held by officers and employees that had an exercise price of NIS 3.78 per share and reduced the exercise price to NIS 1.95 per share. This resolution is effective from May 6, 2019, after receiving approval from the Israeli Tax Authorities. The Company calculated the fair value of such options immediately before and after the modification. The Company immediately recognized the additional fair value attributable to vested options, approximately \$27, as stock compensation expenses. The additional fair value resulting from the modification, approximately \$54, is being expensed over the remaining vesting period of the modified options.

FORESIGHT AUTONOMOUS HOLDINGS LTD. AND SUBSIDIARIES
U.S. dollars in thousands
(Except share and per share data and exercise prices)
Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

- H.** On June 19, 2019, the Company signed a commercial agreement with Elbit Systems Land Ltd., a subsidiary of Elbit Systems Ltd. ("Elbit"), for exclusive marketing of its proprietary image processing software for the defense, paramilitary and homeland security markets. According to the agreement, the Company will sell the current version of its software in the form of a software license to both Elbit and Elbit's customers for several thousand U.S. dollars per license and will also provide support and maintenance services to Elbit for an additional fee. Elbit will have exclusive rights to market and sell the Company's software in Israel for a period of several years. In order to maintain exclusive rights in Israel, Elbit committed to issue minimum annual orders for the exclusivity period, with an initial purchase order in the amount of approximately \$50 due after the execution of the agreement. Furthermore, Elbit will also have exclusive rights to distribute the Company's image processing software globally for an initial period, as determined in the agreement. The global exclusivity excludes several customers within the defense industry who are already engaged in commercial activity with the Company's. The exclusivity rights, both in Israel and globally, may be extended based on sales achievements.

NOTE 4 - LEASES

On January 1, 2019, the Company adopted ASU 2016-02 using the modified retrospective approach for all lease arrangements at the beginning of the period of adoption. Leases existing for the reporting period beginning January 1, 2019 are presented under ASU 2016-02. The Company leases facilities, clinical research rooms, and vehicles under operating leases. At June 30, 2019, the Company's ROU assets and lease liabilities for operating leases totaled \$1,417 and \$1,533, respectively. The impact of adopting the new lease standard was not material to the Company's condensed consolidated statement of operations for the periods presented.

Supplemental cash flow information related to operating leases was as follows (unaudited):

	Six Months Ended June 30, 2019
Cash payments for operating leases	\$ 209
New operating lease assets obtained in exchange for operating lease liabilities	\$ 1,573

As of June 30, 2019, the Company's operating leases had a weighted average remaining lease term of 3.3 years and a weighted average discount rate of 5%. Future lease payments under operating leases as of June 30, 2019 were as follows (unaudited):

	Operating Leases
Remainder of 2019	\$ 209
2020	395
2021	347
2022	335
2023	335
2024	84
Total future lease payments	1,704
Less imputed interest	(171)
Total lease liability balance	\$ 1,533

NOTE 5 - SUBSEQUENT EVENTS

- A.** On August 8, 2019, the Company granted options to purchase 675,000 Ordinary Shares to employees at an exercise price of NIS 1.95 (approximately \$0.56 per share at the grant date).
- B.** On September 23, 2019, the Company's shareholders approved, among others, the following:
- A grant of options to four members of the Company's Board of Directors (the "Eligible Directors") to purchase 300,000, each, of the Company's Ordinary Shares at an exercise price of NIS 1.95 per share.
 - An extension for an additional year of the respective exercise periods of 725,000 out of the 1,200,000 options to purchase the Company's Ordinary Shares previously granted to the Eligible Directors and vested during 2017 and 2018, so that the exercise period thereof will be four years.
 - To decrease the exercise price of the options granted to Magna - B.S.P Ltd.'s (the Company's significant shareholder) employees from NIS 3.57 to NIS 1.95.

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, 2018, or our Annual Report, which was filed with the Securities and Exchange Commission, or the SEC on March 20, 2019, 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 in our Annual Report, as well as our unaudited condensed consolidated financial statements and the related notes thereto for the six months ended June 30, 2019, filed elsewhere with this Form 6-K. The discussion below contains forward-looking statements that are based upon our current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to inaccurate assumptions and known or unknown risks and uncertainties.

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

Overview

We are a technology company engaged, through our fully owned subsidiary Foresight Automotive Ltd, 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 and semi-autonomous/autonomous vehicles.

We are also engaged, through our wholly owned subsidiary Eye-Net Mobile Ltd, in the design and development of V2X (vehicle-to-everything) cellular-based accident prevention solutions that connect 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, net

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:

<i>U.S. dollars in thousands</i>	Six months ended June 30,	
	2019	2018
Payroll and related expenses	2,481	2,936
Subcontracted work and consulting	1,495	779
Rent and office maintenance	278	284
Travel expenses	25	19
Other, net	181	244
Total	<u>4,460</u>	<u>4,262</u>

Marketing and sales

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

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

<i>U.S. dollars in thousands</i>	Six months ended June 30,	
	2019	2018
Payroll and related expenses	608	215
Exhibitions, conventions and travel expenses	219	187
Consultants	123	113
Other	147	25
Total	<u>1,097</u>	<u>540</u>

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 fees and insurance and other general and administrative expenses.

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

<i>U.S. dollars in thousands</i>	Six months ended June 30,	
	2019	2018
Payroll and related expenses	824	973
Share based payment to service providers	13	127
Professional services	575	483
Directors fees and insurance	203	201
Travel expenses	22	73
Rent and office maintenance	95	71
Other	41	13
Total	<u>1,773</u>	<u>1,941</u>

Comparison of the six months ended June 30, 2019 to the six months ended June 30, 2018.

Results of Operations

U.S. dollars in thousands

	Six months ended June 30,	
	2019	2018
Research and development expenses, net	4,460	4,262
Marketing and sales	1,097	540
General and administrative	1,773	1,941
Operating loss	7,330	6,743
Equity in net loss (gain) of affiliated companies	(16)	1,077
Financial income, net	(176)	(6,335)
Net loss	7,138	1,485
Loss attributable to holders of Ordinary Shares	7,138	1,485

Research and development expenses

Our research and development expenses, net for the six months ended June 30, 2019 amounted to approximately \$4,460, representing an increase of approximately \$198, or 4.6%, compared to approximately \$4,262 for the six months ended June 30, 2018. The increase was primarily attributable to an increase of approximately \$716 in subcontracted work, reflecting an increase in subcontractors giving research and development services to us, offset by a decrease of approximately \$455 in payroll and related expenses.

Marketing and sales

Our marketing and sales expenses for the six months ended June 30, 2019 amounted to approximately \$1,097, representing an increase of approximately \$557, or 103%, compared to approximately \$540 for the six months ended June 30, 2018. The increase was primarily attributable to an increase in salaries and related personnel expenses of approximately \$393.

General and administrative

Our general and administrative expenses totaled approximately \$1,773 for the six months ended June 30, 2019, representing a decrease of approximately \$168, or 8.7%, compared to approximately \$1,941 for the six months ended June 30, 2018. The decrease was primarily attributable to a decrease of approximately \$114 in expenses related to share-based payments to service providers.

Operating loss

As a result of the foregoing, our operating loss for the six months ended June 30, 2019 was approximately \$7,330, as compared to an operating loss of approximately \$6,743 for the six months ended June 30, 2018, an increase of approximately \$587, or 8.7%.

Financing income, net

Financing income, net primarily consist of revaluations, exchange rate differences and bank fees.

Our financing income, net totaled approximately \$176 for the six months ended June 30, 2019, compared to financing income, net of approximately \$6,335 for the six months ended June 30, 2018. The financing income, net in the period ended on June 30, 2019 is primarily attributable to exchange rate income differences of approximately \$466, offset by revaluation of other investments, in Rail Vision Ltd.'s warrants, of approximately \$324 and revaluation of derivative warrants liability to purchase our Ordinary Shares of approximately \$43. The financing income in the period ended on June 30, 2018, is primarily attributable to revaluation of derivative warrants liability to purchase our Ordinary Shares of approximately \$1,552 due to a decrease in the price of our Ordinary Shares and to revaluation of other investments, in Rail Vision Ltd.'s warrants, of approximately \$5,328, due to an increase in the price of Rail Vision Ltd.'s shares in the six months ended June 30, 2019. As of June 30, 2019, we owed a 27.76% equity interest in Rail Vision Ltd.

Net loss

As a result of the foregoing, our net loss for the six months ended June 30, 2019 totaled approximately \$7,138, compared to approximately \$1,485 for the six months ended June 30, 2018, an increase of approximately \$5,653.

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 "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 consolidated financial statements and the related notes thereto for the six months ended June 30, 2019, elsewhere with this Form 6-K.

B. Liquidity and Capital Resources.

Overview

Since our inception through June 30, 2019, we have funded our operations principally with approximately \$50,385 from the issuance of Ordinary Shares and exercise of warrants and options, net of issuance costs. As of June 30, 2019, we had approximately \$16,327 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

	Six months ended June 30,	
	2019	2018
Operating activities	(5,706)	(5,120)
Investing activities	208	(1,912)
Financing activities	6,521	6,494
Effect of exchange rate changes on cash and cash equivalents	(134)	(615)
Net increase (decrease) in cash and cash equivalents	889	(1,153)

Operating Activities

Net cash used in operating activities of approximately \$5,706 during the six months ended June 30, 2019 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 \$5,120 during the six months ended June 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.

Investing Activities

Net cash provided by investing activities of approximately \$208 during the six months ended June 30, 2019 was primarily provided by changes in short-term deposits of approximately \$226, offset by purchases of fixed assets of approximately \$39.

Net cash used in investing activities of approximately \$1,912 during the six months ended June 30, 2018 was primarily used for our investment in Rail Vision Ltd. of approximately \$2,489 and purchases of fixed assets of approximately \$430, offset by changes in short-term deposits of approximately \$1,007.

Financing Activities

Net cash provided by financing activities in the six months ended June 30, 2019 consisted of approximately \$6,521 of net proceeds from the issuance of Ordinary Shares.

Net cash provided by financing activities in the six months ended June 30, 2018 consisted of approximately \$6,494 primarily provided from net proceeds from the issuance of Ordinary Shares of approximately \$5,485, from exercise of warrants and options of approximately \$159 and from receipt on account of shares of approximately \$850. During the first half of 2019 we completed a private placement of our Ordinary Shares pursuant to which we raised a total of approximately \$1,000. In March 2019, we completed a public offering of our ADSs pursuant to which we raised a total of approximately \$5,521, net of issuance expenses.

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 June 30, 2019, our cash and cash equivalents including short-term bank deposits were approximately \$16,327. 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.