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

Form 6-K

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

For the month of August 2024 (Report No. 7)

Commission file number: 001-41402

BRENMILLER ENERGY LTD.
(Translation of registrant's name into English)

13 Amal St. 4th Floor, Park Afek
Rosh Haayin, 4809249 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

On August 29, 2024, Brenmiller Energy Ltd., or the Company, issued a press release titled "Brenmiller Reports First Half 2024 Financial Results: Upcoming Catalysts Include Potential Milestones on Project Pipeline Representing Up-To $500 Million in Potential Value ". A copy of this press release is furnished with this Report of Foreign Private Issuer on Form 6-K, or this Form 6-K, as Exhibit 99.1. In addition, the Company is furnishing its unaudited condensed consolidated financial statements as of and for the six month period ended June 30, 2024 as Exhibit 99.2 to this Form 6-K and is furnishing its Management's Discussion and Analysis of Financial Condition and Results of Operations, which discusses and analyzes Company's financial condition and results of operations as of and for the six month period ended June 30, 2024, as Exhibit 99.3 to this Form 6-K.

This Form 6-K (other than the 2nd, 3rd, and 4th paragraphs of Exhibit 99.1 furnished herewith) is incorporated by reference into the Company's Registration Statements on Form F-3 (File Nos. 333-272377 and 333-273028) and Form S-8 (File Nos. 333-272266 and 333-278602), filed with the Securities and Exchange Commission, to be a part thereof from the date on which this Form 6-K is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

EXHIBIT INDEX

Exhibit No.	
99.1	Press release titled: "Brenmiller Reports First Half 2024 Financial Results: Upcoming Catalysts Include Potential Milestones on Project Pipeline Representing Up-To $500 Million in Potential Value".
99.2	Condensed Consolidated Financial Statements as of and for the Six-Month Period Ended June 30, 2024 (Unaudited).
99.3	Management's Discussion and Analysis of Financial Condition and Results of Operations.
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

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.

Brenmiller Energy Ltd.

Date: August 29, 2024

By: /s/ Ofir Zimmerman
Name: Ofir Zimmerman
Title: Chief Financial Officer

Brenmiller Reports First Half 2024 Financial Results: Upcoming Catalysts Include Potential Milestones on Project Pipeline Representing Up-To $500 Million in Potential Value

- **Brenmiller entered a definitive agreement for a $1.05 million private placement priced at a 52% premium to market on August 2, 2024, with an existing institutional shareholder which will have the right to make a further investment an additional 1 million shares, in the event the Company's ordinary shares close at or above $2.50 per share within the next 12 months**

- ***Projects currently in development and construction phases are expected to produce multiple recurring revenue streams***

- ***Expanding bGen™ into new application for cooling AI data centers with the development of a Cold Thermal Energy Storage solution, the bGen™ Cool***

Rosh Ha'ayin, Israel, August 29, 2024 – Brenmiller Energy Ltd. ("Brenmiller", "Brenmiller Energy" or the "Company") (Nasdaq: BNRG), a leading global provider of thermal energy storage ("TES") solutions for industrial and utility markets, today reported financial results as of and for the six months ended June 30, 2024, in addition to operational and recent business development updates.

Management Commentary

"Our pioneering bGen™ thermal battery continues to support the growing and mostly unmet need for on-demand access to sustainable heat. We have built an impressive project pipeline, potentially worth up to $500 million in value, and our team is working tirelessly, day in and day out, to move this pipeline forward so that we can start delivering meaningful cost savings and emissions reductions for our customers as well as recurring revenues for our company and value for our shareholders," said Brenmiller Chairman and Chief Executive Officer, Avi Brenmiller, "Among the proposals in our pipelines, several include negotiations with some of the world's largest producers of consumer goods, including Fortune 500s. All of our potential contracts are in geographic markets with robust manufacturing sectors and where established regulations make our technology feasible and cost-competitive—or cheaper—with fossil fuels."

"In an exciting new development, our team is exploring ways to expand our technology's capabilities to deliver cold thermal energy storage ("CTES") for artificial intelligence ("AI") data centers. The rapid growth of AI computing and the funding-rich ecosystem around AI applications has created downstream decarbonization and financial opportunities that we believe can be met using CTES. We anticipate minimal investment is needed to adapt our bGen™ thermal battery for data center applications."

"As we continue executing our current projects and increasing worldwide distribution through local partnerships, we expect our gigafactory to be fully operational by the end of 2024, with capacity to produce up-to 4 GWh of bGen™ systems annually. We are very optimistic about market demand for our bGen™ TES technology and our ability to deliver throughout the remainder of 2024 and into the future."

First Half 2024 and Recent Operational and Business Developments

HaaS Recurring Revenue Projects to Deliver Customer Savings and Reduce Greenhouse Gas Emissions

- **Brenmiller to build, own and operate a 30 MWh bGen™ ZERO system for one of Europe's largest pet food manufacturers:** On August 19, 2024, Brenmiller entered a 12-year Heat as a Service ("HaaS") agreement with Partner in Pet Food Hungaria KFT ("PPF"), one of Europe's leading private label pet food producers. Brenmiller will deliver low-cost and low-carbon steam to PPF and be in a position to offer grid balancing services to the local transmission system operator. This is the first project through which Brenmiller will generate revenues from both selling heat as a service and offering balancing services to the local grid. Brenmiller's bGen™ ZERO will take priority over PPF's existing fossil fuel boilers, lowering the pet food manufacturer's energy costs and carbon footprint by reducing gas use at its Hungarian factory by 25-30%. PPF will purchase steam from Brenmiller at a fixed rate.

- **bGen™ ZERO installation moves into construction phase at Heineken-backed beverage manufacturing plant for project estimated to save $7.5 million:** Brenmiller will replace fossil fuel boilers with a 32 MWh bGen™ system at Tempo Beverages Ltd.'s ("Tempo") beverage production plant in Netanya, Israel. Tempo will purchase steam from Brenmiller at a fixed rate through a HaaS contract. By eliminating the use of approximately 2,000 tons of heavy fuel each year, Brenmiller's bGen™ is estimated to mitigate over 6,200 tons of carbon emissions annually and save Tempo an estimated $7.5 million over 15 years. Partially owned by Heineken International B.V., Tempo is one of Israel's largest producers and distributors of beverages for brands including Heineken and Pepsi. The bGen™ TES system for Tempo will charge using a combination of roof-top solar and ultra-low-cost off-peak grid power. System assembly is expected to be completed by the end of 2024 and commissioned in May 2025.

- **$450,000 grant from Israel Innovation Authority propels $3.55 million agreement to supply clean electric heat to Wolfson Hospital:** Brenmiller signed a 7-year definitive agreement to supply Israel's Wolfson Hospital with electric heat. The project is valued at $3.55 million and Brenmiller will earn recurring revenues through a HaaS contract. A grant of approximately $450,000 from the Israel Innovation Authority is being used to help finance the project. Brenmiller's bGen™ ZERO will replace Wolfson Hospital's outdated diesel boilers, which are both costly and polluting. According to the Israeli Ministry of Finance, Brenmiller's bGen™ ZERO will potentially save Wolfson Hospital up to $1.3 million in annual energy costs and reduce the hospital's local carbon footprint by 3,900 tons per year.

- **Successfully handed over bGen™ system to the State University of New York (SUNY) at Purchase:** Brenmiller completed all required system tests and operator training for its first U.S. bGen™ installation and handed the system over to SUNY Purchase. bGen™ is expected to eliminate approximately 550 metric tons of greenhouse gas emissions for SUNY annually.

Looking to Ramp Sales in North America Through Distribution Partnerships

- **U.S. distribution gets boost with 5-year $150 million sales milestone license agreement in the Northeast:** Brenmiller signed an exclusive distribution agreement with Rock Energy Storage ("RES"). RES will sell and distribute bGen™ TES systems in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, and New York. The definitive 5-year agreement includes cumulative projected sales milestones exceeding $150 million.

- **MOU with Proactive Planet to advance potential $6 million worth of projects in Alberta, Canada:** A non-binding Memorandum of Understanding ("MoU") was signed between Brenmiller and Proactive Planet, a renewable energy solutions provider based in Calgary, to distribute bGen™ TES systems to industrial companies and electric utilities in the province of Alberta, Canada. The agreement includes an initial list of potential customers with projects valued at over $6 million and represents potentially 60 MWh of TES capacity.

Awards

- **The European Investment Bank** named Brenmiller an "Innovation Champion" at its EIB AdVenture Debt Summit.

- **Bloomberg New Energy Finance ("BNEF")** selected Brenmiller as a 2024 BNEF Pioneers Finalist for its innovative and commercial-ready approach to industrial decarbonization and ability to overcome key challenges on the path to achieving net zero.

Summary of Financial Results

- **Balance Sheet:** As of June 30, 2024, Brenmiller had cash and cash equivalents and restricted deposits of $6.99 million, a net increase of $3.78 million from $3.21 million on December 31, 2023. This is attributable primarily to fundraising during the six months ended June 30, 2024 of approximately $7.97 million in net proceeds from the issuance of ordinary shares, pre-funded warrants and warrants. Total assets increased by 31% as of June 30, 2024, to $13.92 million, primarily due to a $3.78 million increase in cash and cash equivalents following the equity financings completed during the period. Total liabilities decreased by 4% to $7.39 million, primarily driven by a $324,000 reduction in operating lease liabilities. Shareholders' equity increased by 127% to $6.54 million, largely due to the equity financings completed during the period.

- **Income Statement:** Operating loss narrowed for the six months ended June 30, 2024, to $5.38 million, compared to $5.42 million for the same period in 2023. Net loss narrowed by 70% to $1.58 million, down from $5.33 million in the prior year period, primarily driven by a $3.72 million increase in financial income, mainly resulting from a fair value adjustment of warrants.

- **Cash Flow Statement:** Net cash used in operating activities for the six months ended June 30, 2024 was $3.86 million, which primarily reflects a net loss of $1.58 million and a non-cash adjustment of $2.46 million. The net increase in cash and cash equivalents and restricted deposits for the six months ended June 30, 2024 was $3.86 million compared to $366,000 in the prior year period.

Subsequent Events

On August 4, 2024, Brenmiller entered into a definitive securities purchase agreement with an existing institutional shareholder for a private placement of 1,000,000 ordinary shares, at a price of $1.05 per share, reflecting a 52% premium to the closing price for the Company's ordinary shares on Nasdaq on August 2, 2024. The closing of the private placement is subject to certain conditions, including the Company obtaining consent from an existing lender. The investor will have the right to make a further investment for 1,000,000 additional ordinary shares (or ordinary share equivalents) in the event that the Company's ordinary shares close at or above $2.50 per share within the next 12 months.

About bGen™

bGen™, Brenmiller's TES system, converts electricity into heat to power sustainable industrial processes at a price that is competitive with natural gas. The bGen™ charges by capturing low-cost electricity from renewables or the grid and stores it in crushed rocks. It then discharges steam, hot water, or hot air on demand according to customer requirements. The bGen™ also supports the development of utility-scale renewables by providing critical flexibility and grid-balancing capabilities. bGen™ was named among TIME's Best Inventions of 2023 in the Green Energy category.

About Brenmiller Energy Ltd.

Brenmiller Energy helps energy-intensive industries and power producers end their reliance on fossil fuel boilers. Brenmiller's patented bGen™ thermal battery is a modular and scalable energy storage system that turns renewable electricity into zero-emission heat. It charges using low-cost renewable electricity and discharges a continuous supply of heat on demand and according to its customers' needs. The most experienced thermal battery developer on the market, Brenmiller operates the world's only gigafactory for thermal battery production and is trusted by leading multinational energy Companies. For more information visit the company's website at https://bren-energy.com/ and follow the Company on X (formerly Twitter) and LinkedIn.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Statements that are not statements of historical fact may be deemed to be forward-looking statements. For example, the Company is using forward-looking statements in this press release when it discusses: the growing unmet need for on-demand access to around-the-clock renewable energy storage solutions; the Company’s project pipeline potentially worth up-to $500 million in value; the Company’s ability to deliver meaningful cost savings and emissions reductions for its customers as well as recurring revenues for the Company and value for its shareholders; the Company’s ability to accelerate towards definitive contracts, construction groundbreaking, and recurring revenue generation while reducing carbon footprint; the Company’s development of the bGen™ Cool for data center applications and the anticipated minimal investment needed to adapt our bGen™ thermal battery for data center applications; and Company’s expectation that the gigafactory will be fully operational by the end of 2024, with capacity to produce up-to 4 GWh of bGen™ systems annually; future market demand for bGen™ and the Company’s ability to deliver over the remainder of 2024 and into the future; that Brenmiller will generate revenues from both selling heat as a service and offering balancing services to the electricity grid; the installation of bGen™ ZERO at the Tempo plant and the timeline for the various installation phases, that assembly is expected to be completed by the end of the 2024 and commissioned in May 2025; that bGen™ ZERO will save Wolfson Hospital up to $1.3 million annually and reduce the hospital’s local carbon footprint by 3,900 tons per year; and additional potential sales and revenue estimations. Without limiting the generality of the foregoing, words such as “plan,” “project,” “potential,” “seek,” “may,” “will,” “expect,” “believe,” “anticipate,” “intend,” “could,” “estimate” or “continue” are intended to identify forward-looking statements. Readers are cautioned that certain important factors may affect the Company’s actual results and could cause such results to differ materially from any forward-looking statements that may be made in this press release. Factors that may affect the Company’s results include, but are not limited to: the Company’s planned level of revenues and capital expenditures; risks associated with the adequacy of existing cash resources; the demand for and market acceptance of our products; impact of competitive products and prices; product development, commercialization or technological difficulties; the success or failure of negotiations; trade, legal, social and economic risks; and political, economic and military instability in the Middle East, specifically in Israel. The forward-looking statements contained or implied in this press release are subject to other risks and uncertainties, many of which are beyond the control of the Company, including those set forth in the Risk Factors section of the Company’s Annual Report on Form 20-F for the year ended December 31, 2023 filed with the SEC on March 18, 2024, which is available on the SEC’s website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

Media Contact:

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Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(U.S. dollars in thousands, except for number of shares and par value)

	June 30, 2024	December 31, 2023
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,966	$ 3,183
Restricted deposits	33	34
Trade receivables, net of allowance for credit losses of $669 and $380 as of June 30, 2024 and December 31, 2023	-	278
Prepaid expenses and other receivables	558	467
Inventory	625	607
TOTAL CURRENT ASSETS	8,182	4,569
NON-CURRENT ASSETS:		
Restricted deposits	81	85
Operating lease right-of-use assets, net	850	1,144
Property, plant and equipment	4,811	4,563
Other asset	-	233
TOTAL NON-CURRENT ASSETS	5,742	6,025
TOTAL ASSETS	$ 13,924	$ 10,594

Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED BALANCE SHEETS (Cont.)
(UNAUDITED)
(U.S. dollars in thousands, except for number of shares and par value)

	June 30, 2024	December 31, 2023
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES:		
Trade payables	$ 172	$ 321
Deferred revenue	387	387
Other payables	1,653	1,401
Current maturities of operating lease liabilities	544	611
TOTAL CURRENT LIABILITIES	2,756	2,720
NON-CURRENT LIABILITIES:		
European Investment Bank ("EIB") Loan	4,345	4,461
Warrants' liability	11	-
Operating lease liabilities	276	533
TOTAL NON-CURRENT LIABILITIES	4,632	4,994
COMMITMENTS		
TOTAL LIABILITIES	7,388	7,714
SHAREHOLDERS' EQUITY:		
Ordinary Shares, no par value - Authorized 15,000,000 ; Issued and outstanding 5,958,757 and 2,151,745 as of June 30, 2024 and December 31, 2023, respectively	124	124
Additional paid in capital	105,474	100,237
Foreign currency cumulative translation reserve	(2,053)	(2,053)
Accumulated deficit	(97,009)	(95,428)
TOTAL SHAREHOLDERS' EQUITY	6,536	2,880
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 13,924	$ 10,594

Brenmiller Energy Ltd.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(US dollars in thousands, except for per share data)

	Six months ended June 30	
	2024	**2023**
REVENUES -		
Engineering services	-	$ 580
	-	580
COSTS AND EXPENSES:		
COST OF REVENUES	(408)	(1,193)
RESEARCH AND DEVELOPMENT, NET	(1,808)	(1,711)
SELLING AND MARKETING	(616)	(687)
GENERAL AND ADMINISTRATIVE	(2,313)	(2,409)
OTHER INCOME (EXPENSES), NET	(230)	2
OPERATING LOSS	(5,375)	(5,418)
INTEREST EXPENSES	(85)	(69)
OTHER FINANCIAL INCOME, NET	3,879	159
FINANCIAL INCOME (EXPENSES), NET	3,794	90
NET LOSS	(1,581)	(5,328)
NET LOSS PER ORDINARY SHARE:		
BASIC AND DILUTED LOSS	$ (0.45)	$ (3.02)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING USED IN COMPUTATION OF BASIC AND DILUTED LOSS PER SHARE	3,510,328	1,765,142
NET LOSS, as above	$ (1,581)	$ (5,328)
OTHER COMPREHENSIVE LOSS – EXCHANGE DIFFERENCES ON TRANSLATION TO PRESENTATION CURRENCY	-	(423)
COMPREHENSIVE LOSS	$ (1,581)	$ (5,751)

Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(US dollars in thousands)

	Six months ended June 30	
	2024	**2023**
CASH FLOWS - OPERATING ACTIVITIES:		
Loss for the period	$ (1,581)	$ (5,328)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	56	65
Non-cash interest and exchange rate differences, net	(25)	(45)
Fair value adjustment of warrants' liability	(4,114)	-
Warrants issuance costs	473	-
Share-based compensation	915	1,409
Other	233	-
Changes in operating assets and liabilities:		
Decrease (increase) in prepaid expenses and receivables	187	(353)
Decrease (increase) in inventory	(18)	301
Increase (decrease) in trade payables	(149)	331
Increase in other payables and deferred revenue	159	40
Net cash used in operating activities	(3,864)	(3,580)
CASH FLOWS - INVESTING ACTIVITIES:		
Purchase of equipment	(26)	(7)
Installation of a production facility	(225)	(2,090)
Restricted deposit withdrawn	4	3
Other	-	2
Net cash used in investing activities	(247)	(2,092)
CASH FLOWS - FINANCING ACTIVITIES:		
Proceeds from issuance of shares and prefunded warrants	5,651	6,087
Proceeds from issuance of warrants' liability	3,176	-
Fund raising and issuance costs	(856)	(49)
Exercise of options and warrants	3	-
Net cash provided by financing activities	7,974	6,038
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS	3,863	366
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS	(81)	(134)
CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS - BEGINNING OF PERIOD	3,217	6,542
CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS - END OF PERIOD	$ 6,999	$ 6,774

Exhibit 99.2

Brenmiller Energy Ltd.
Condensed consolidated financial statements as of and for the 6-month period ended June 30, 2024

INDEX TO FINANCIAL STATEMENTS

Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(U.S. dollars in thousands, except for number of shares and par value)

	June 30, 2024	December 31, 2023
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,966	$ 3,183
Restricted deposits	33	34
Trade receivables, net of allowance for credit losses of $669 and $380 as of June 30, 2024 and December 31, 2023	-	278
Prepaid expenses and other receivables	558	467
Inventory	625	607
TOTAL CURRENT ASSETS	8,182	4,569
NON-CURRENT ASSETS:		
Restricted deposits	81	85
Operating lease right-of-use assets, net	850	1,144
Property, plant and equipment	4,811	4,563
Other asset	-	233
TOTAL NON-CURRENT ASSETS	5,742	6,025
TOTAL ASSETS	$ 13,924	$ 10,594

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

Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED BALANCE SHEETS (Cont.)
(UNAUDITED)
(U.S. dollars in thousands, except for number of shares and par value)

	June 30, 2024	December 31, 2023
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES:		
Trade payables	$ 172	$ 321
Deferred revenue	387	387
Other payables	1,653	1,401
Current maturities of operating lease liabilities	544	611
TOTAL CURRENT LIABILITIES	2,756	2,720
NON-CURRENT LIABILITIES:		
European Investment Bank ("EIB") Loan	4,345	4,461
Warrants' liability	11	-
Operating lease liabilities	276	533
TOTAL NON-CURRENT LIABILITIES	4,632	4,994
COMMITMENTS (Note 6c)		
TOTAL LIABILITIES	7,388	7,714
SHAREHOLDERS' EQUITY:		
Ordinary Shares, no par value - Authorized 15,000,000; Issued and outstanding 5,958,757 and 2,151,745 as of June 30, 2024 and December 31, 2023, respectively	124	124
Additional paid in capital	105,474	100,237
Foreign currency cumulative translation reserve	(2,053)	(2,053)
Accumulated deficit	(97,009)	(95,428)
TOTAL SHAREHOLDERS' EQUITY	6,536	2,880
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 13,924	$ 10,594

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

Brenmiller Energy Ltd.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. dollars in thousands, except for per share data)

	Six months ended June 30	
	2024	**2023**
REVENUES		
Engineering services	-	$ 580
	-	580
COSTS AND EXPENSES:		
COST OF REVENUES	(408)	(1,193)
RESEARCH AND DEVELOPMENT, NET	(1,808)	(1,711)
SELLING AND MARKETING	(616)	(687)
GENERAL AND ADMINISTRATIVE	(2,313)	(2,409)
OTHER INCOME (EXPENSES), NET	(230)	2
OPERATING LOSS	(5,375)	(5,418)
INTEREST EXPENSES	(85)	(69)
OTHER FINANCIAL INCOME, NET	3,879	159
FINANCIAL INCOME (EXPENSES), NET	3,794	90
NET LOSS	(1,581)	(5,328)
NET LOSS PER ORDINARY SHARE:		
BASIC AND DILUTED LOSS	$ (0.45)	$ (3.02)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING USED IN COMPUTATION OF BASIC AND DILUTED LOSS PER SHARE	3,510,328	1,765,142
NET LOSS, as above	$ (1,581)	$ (5,328)
OTHER COMPREHENSIVE LOSS - EXCHANGE DIFFERENCES ON TRANSLATION TO PRESENTATION CURRENECY (Note 2B)	-	(423)
COMPREHENSIVE LOSS	$ (1,581)	$ (5,751)

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

Brenmiller Energy Ltd.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)
(U.S. dollars in thousands, except for number of shares)

	Ordinary Shares		Additional paid in capital	Foreign currency cumulative translation reserve	Accumulated deficit	Total Equity
	Number of shares	Amount				
BALANCE AS OF JANUARY 1, 2024	2,151,745	124	100,237	(2,053)	(95,428)	2,880
CHANGES DURING THE SIX MONTHS PERIOD ENDED JUNE 30, 2024:						
Comprehensive loss for the period	-	-	-	-	(1,581)	(1,581)
Issuance of shares and prefunded warrants, net of issuance costs of $ 383 (Note 5A)	3,038,421	-	5,268	-	-	5,268
Exercise of prefunded warrants	648,890	-	*-	-	-	*-
Warrants reclassified to equity (Notes 2B and 5A)	-	-	700	-	-	700
Warrants classified to liabilities (Note 2B)	-	-	(1,649)	-	-	(1,649)
Exercise of options	1,805	-	3	-	-	3
Share-based compensation	117,896	-	915	-	-	915
BALANCE AS OF JUNE 30, 2024	5,958,757	124	105,474	(2,053)	(97,009)	6,536
BALANCE AS OF JANUARY 1, 2023	1,522,398	88	91,902	(1,577)	(85,780)	4,633
CHANGES DURING THE SIX MONTHS PERIOD ENDED JUNE 30, 2023:						
Comprehensive loss for the period	-	-	-	(423)	(5,328)	(5,751)
Issuance of shares and warrants, net of issuance costs of $ 49.	497,426	28	6,238	-	-	6,266
Share-based compensation	53,523	3	1,406	-	-	1,409
BALANCE AS OF JUNE 30, 2023	2,073,347	119	99,546	(2,000)	(91,108)	6,557

* Less than one thousand U.S. dollars.

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

Brenmiller Energy Ltd.

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

	Six months ended June 30	
	2024	**2023**
CASH FLOWS - OPERATING ACTIVITIES:		
Loss for the period	$ (1,581)	$ (5,328)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	56	65
Non-cash interest and exchange rate differences, net	(25)	(45)
Fair value adjustment of warrants' liability	(4,114)	-
Warrants issuance costs	473	-
Share-based compensation	915	1,409
Other	233	-
Changes in operating assets and liabilities:		
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EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITTS	(81)	(134)
CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS - BEGINNING OF PERIOD	3,217	6,542
CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS - END OF PERIOD	$ 6,999	$ 6,774

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

Brenmiller Energy Ltd.

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

	Six months ended June 30	
	2024	**2023**
B. SUPPLEMENTAL INFORMATION:		
Investing and financing activities not involving cash flows		
Recognition of operating lease liability and right-of-use asset	-	$ 144
Borrowing costs capitalized	53	72
Reclassification of warrants from liabilities to equity	700	-
Conversion of unpaid salary to Ordinary Shares and warrants	-	228
Reclassification of warrants from equity to liabilities	1,649	-
C. RECONCILIATION OF CASH AND CASH EQUIVALENTS, AND RESTRICTED DEPOSITS REPORTED IN THE STATEMENT OF FINANCIAL POSITION		
Cash and cash equivalents	$ 6,966	$ 6,740
Restricted bank deposits	33	34
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	$ 6,999	$ 6,774

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

NOTE 1 - GENERAL:

A. General description of the Company and its operations

Brenmiller Energy Ltd. (the "Company") was incorporated and commenced its business operations in Israel in 2012. The Company's registered offices are in Rosh Ha'Ayin in Israel. On May 25, 2022, the Company's ordinary shares (the "Ordinary Shares") were listed and began trading on the Nasdaq Stock Market LLC ("Nasdaq"). On September 11, 2023, the Company's voluntary delisting of its securities from the Tel Aviv Stock Exchange ("TASE") took effect (the last trading day was September 7, 2023).

The Company is a technology company that develops, produces, markets and sells thermal energy storage ("TES") systems based on our proprietary and patented bGen™ technology. The use of the Company's technology allows electrification and decarbonization of the industrial industry sector resulting in better integration with renewable energy sources and further reduction of carbon emissions. Through 2022, the Company's main activity was focused on the development of its technology and its application into products and commercial solutions. In 2023, the Company commenced the commercialization of its products and services and is in the process of assembling a new production line to facilitate commercial operations which is planned to commence operation in the second half of 2024.

As of June 30, 2024, the Company has three wholly owned subsidiaries (in Israel, the Netherlands and the United States), that are currently inactive, or are in the early stages of operations ("the Group").

B. The impact of the regional war involving Israel

On October 7, 2023, Hamas terrorists invaded southern Israel and launched thousands of rockets in a widespread terrorist attack on Israel. On the same day, the Israeli government declared that the country was at war and the Israeli military began to call-up reservists for active duty, including a few of our employees. Our operations could be disrupted by these and future reserve duty call-ups. While none of our facilities or infrastructure have been damaged since the war broke out on October 7, 2023, the import and export of goods may experience disruptions in and out of Israel as a result of such military conflict and terrorist attacks on the sea routes in the Red Sea region. A prolonged war could result in further military reserve duty call-ups in the future as well as irregularities to our supply chain and the movement of components and raw material into Israel and our finished products exported from Israel. The Company operations, including its production facility, are located in Israel. The war has slowed down the Company's ability to fully operate the new production facility due to delays in delivery of machinery and shortage in man-power caused by military reserve call-ups, in addition, the Company is required to find alternative sources of materials and supplies and to cope with increasing costs. A negative sentiment may also affect international markets that may, in turn, affect the Company commercially and with regard to its ability to raise funds. Such disruption, including the escalation or expansion to more areas of this war, could materially adversely affect the Company's business, prospects, financial condition, and results of operations.,

C. Liquidity

The Company has not yet generated significant revenues from its operations and has an accumulated deficit as of June 30, 2024, as well as a history of net losses and negative operating cash flows. In 2023, the Company commenced the commercialization of its products and services and is currently in the final stages of assembling its new production line that will facilitate the shift in operations from the development stage to commercial operations. However, the Company expects to continue incurring losses and negative cash flows from operations until its products reach profitability.

NOTE 1 - GENERAL (cont.)**:**

C. Liquidity (cont.)

As a result of these expected losses and negative cash flows from operations, along with the Company's current cash position, the Company has concluded that these conditions raise substantial doubt about the Company's ability to continue as a going concern. These condensed financial statements have been prepared assuming that the Company will continue as a going concern and do not include any adjustments that might result from the outcome of this uncertainty.

Management's plans include the continued commercialization of the Company's products and services, raising capital through a private and public offerings (including and using of ATM) and the withdrawal of the second tranche of financing from EIB for the purpose of expanding the production facility capacity and through government grants under approved research and development plans and approved projects. In addition, management is planning to find additional cash sources through additional equity and debt financing (see also Note 8).

There are no assurances however, that the Company will be successful in obtaining the level of financing needed for its operations. If the Company is unsuccessful in commercializing its products and raising capital, it may need to reduce, delay, or adjust its operating expenses, including commercialization of existing products or be unable to expand its operations, as desired.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of presentation:

The accompanying unaudited condensed consolidated interim financial statements have been prepared in accordance with Securities and Exchange Commission ("SEC")'s Regulation S-X. As permitted under those rules, certain footnotes and other financial information that are normally required by generally accepted accounting principles in the United States ("U.S. GAAP") can be condensed or omitted. These financial statements reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of its financial position as of and for the periods presented. These condensed consolidated financial statements and notes thereto are unaudited and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2023. The results of operations for the six months ended June 30, 2024, are not necessarily indicative of results that could be expected for the 2024 fiscal year or any other interim period or for any other future year. All intercompany transactions and balances have been eliminated in consolidation.

B. Change in functional currency

Effective January 1, 2024 the Company changed its functional currency to the U.S. dollar from the New Israel Shekel ("NIS"). Prior to this change, the Group's presentation currency used in its consolidated financial statements was the U.S. Dollar ($), while translation differences from NIS were carried to "Other Comprehensive Income or Loss".

This change was based on the assessment by the Company's management, that the dollar has become the primary economic environment in which the Company operates, after considering several factors and changes in circumstances in 2023 including inter alia: the commercialization of the Company's products, changes in the composition of its cost of sales, available funds are mainly denominated in U.S. dollars, and the fact that the Company's principal source of financing, following the delisting of its shares from trading in TASE, is derived from the U.S. capital markets (Note 5A), and all of the Company's budgeting is conducted mainly in U.S. dollars. The change in functional currency was accounted for prospectively.

The change in functional currency to the U.S. dollar resulted inter-alia in a reclassification of the Company's certain equity-classified warrants (whose fair value as of January 1, 2024 was $1,649 thousand), to liabilities due to their NIS-denominated exercise price. See also Note 5A, as to changes in the currency of exercise price made during the reporting period.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.)**:**

C. Use of estimates in the preparation of financial statements:

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the unaudited condensed consolidated financial statements and accompanying notes. Estimates are primarily used for, but not limited to, valuation of share-based compensation, useful lives of property, plant and equipment and royalty liabilities. The Company's management believes that the estimates, judgments, and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the unaudited condensed consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates, and such differences may have a material impact on the Company's financial position or results of operations.

D. Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist of trade and other receivables, and cash, cash equivalents and restricted deposits held at financial institutions**.**

The Company places its cash and cash equivalents, bank deposits and restricted deposits in high credit quality financial institutions. In general, customers are not required to provide collateral or any other security to support accounts receivable but are required to make advances with the advancement of projects**.**

Current expected credit loss expense is $289 thousand and $NIL. thousand, for the six month periods ended June 30, 2024 and 2023, respectively**.**

E. New Accounting Pronouncements

ASU 2023-09—Income Taxes (Topic 740), effective for the Company for annual periods commencing on or after December 15, 2025, and ASU 2023-07—Segment Reporting (Topic 280), effective annual periods commencing on or after December 15, 2023, and for interim periods, on or after December 15, 2024, will require improvements to Income Tax and Reportable Segment disclosures. These are not expected to have a material effect on the consolidated financial statements as a result of their future adoption.

NOTE 3 - FAIR VALUE MEASUREMENTS

Fair value is based on the price that would be received from the sale of an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, the guidance establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities.

Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.

Level 3: Unobservable inputs that are used when little or no market data is available.

The carrying amount of the cash and cash equivalents, restricted deposits, trade receivable, trade payables, other receivable and EIB loan, approximates their fair value.

As of June 30, 2024, except for warrants liability of $11 thousand (Note 5A(1); level 2 in the hierarchy), and December 31, 2023, the company has no financial instruments measured at fair value.

NOTE 4 - INVENTORY:

Comprised as follows (U.S. dollars in thousands):

	June 30, 2024	December 31, 2023
Work in progress	$ 565	$ 546
Raw materials	60	61
	$ 625	$ 607

NOTE 5 - EQUITY:

A. Share capital and warrants

1) On January 1, 2024, as a result of the change in the functional currency of the Company (Note 2B.) all outstanding warrants issued under private placements on February 16, 2023 and June 15, 2023 that had exercise price denominated in NIS, could have not been considered anymore as indexed to the Company’s own shares, and therefore were reclassified from equity to liabilities at their fair value of $1,649 thousand (valued, as of that date, using the Black - Scholes pricing model).

   Subsequently, and after receiving the approval of the warrants holders (except for two individuals) to fix the exercise price of such warrants in US Dollars terms (converted from NIS to US Dollars based on the exchange rate as of May 16, 2024), and after the approval of the Board of Directors of the Company, on May 23, 2024, all consented warrants were reclassified to equity at their present fair value of $219 thousand (valued at modification date under the Black - Scholes pricing model, under the following assumptions: risk free interest rate 4.53%-4.71%, expected term 3.6-4 years, expected price volatility of 100%-103%, fair value of an ordinary share of $1.55 and 0% dividend yield); consequently, the Company recognized $1,419 thousand in financial income for the period, resulting from the change in fair value of the warrants’ liability. The remaining liability of $11 thousand is presented among long-term liabilities.

2) On January 25, 2024, the Company closed a public offering under which it completed the issuance and sale of 240,000 Ordinary Shares, no par value per share of the Company at a price of $4.50 per share, pre-funded warrants at a price of $4.4999, to purchase 648,890 Ordinary Shares (which were all exercised into shares on May 17, 2024) and warrants to purchase 888,890 Ordinary Shares at an exercise price of $5.00 per share. The Warrants were exercisable immediately and will expire five years from the date of issuance. The Pre-Funded Warrants were exercisable immediately at a price of $0.0001 per share and were exercisable until exercised in full.

   The Ordinary Shares, Warrants and Pre-Funded Warrants were offered and sold pursuant to an effective Registration Statement on Form F-1, as amended. The aggregate gross proceeds from this offering were approximately $4.0 million before deducting placement agent fees of $280 thousand and other fund-raising expenses, of $316 thousand.

   Following their issuance, the Company determined that some of the features of the warrants, did not meet the “indexed to Company’s own stock” criteria, and are therefore precluded from equity classification. Consequently, the gross proceeds received in the offering were initially allocated to the warrant’s that were classified as a liability, based on their fair value, and the residual was allocated to the shares and the prefunded warrants. Upon issuance, the warrants were valued at $3,176 thousand using the Black-Scholes pricing model, under the following assumptions: fair value of an ordinary share - $4.89, expected option term of 5 years, expected price volatility of 93%, risk-free annual interest rate of 4.51% and dividend yield of 0%.

NOTE 5 - EQUITY (cont.**):**

A. Share capital and warrants (cont.)

Issuance costs were proportionally allocated to the issued financial instruments based on the proceed amounts allocated to such instruments. Consequently, $473 thousand of issuance costs, that were allocated to the warrants, were carried directly to financial expenses.

The features of these warrants were amended under an agreement with the holding investor which became effective on June 6, 2024. Consequently, the Company reclassified these warrants to equity at their fair value of $481 thousand (valued under the Black - Scholes pricing model under the following assumptions: : risk free interest rate 4.3%, expected term 4.6 years, expected price volatility of 100%, fair value of an ordinary share of $1.07 and 0% dividend yield) and recognized financial income from the change in their fair value of $2,695 thousand.

3) On April 10, 2024, the Company filed a registration statement on Form S-8 under the Securities Act of 1933, as amended, to register additional 500,000 Ordinary Shares, in the aggregate, issued or reserved for issuance under the 2013 Option Plan.

4) The following table presents the outstanding warrants, as of June 30, 2024 and their terms:

Date of issuance	Number of outstanding warrants	Exercise price for one Ordinary share	Expiration date
February 16, 2023	181,575	$16.66	February 1, 2028
February 16, 2023	52,251(*)	NIS 61.3	February 1, 2028
January 24, 2023	14,822(*)	NIS 61.3	January 24, 2025
June 15, 2023	248,778	$12.0	June 12, 2028
January 25, 2024	888,890	$5.0	January 25, 2029

(*) Presented as a warrants' liability in the balance sheet, see note A(1) above.

5) During the first half of 2024, under the agreement with a A.G.P./Alliance Global Partners (the "Sales Agent"), the Company issued 2,798,421 ordinary shares, for a total consideration of approximately $4.8 million; agent commissions and other issuance costs amounted $260 thousand.

B. Share-based payment:

During the six month period ended June 30 2024, the Company granted 115,635 fully vested RS to service providers, valued $158 thousand and granted bonuses to employees and service providers, in share based payment valued under the Black - Scholes pricing model at $ 535 thousand, which included 222,034 fully vested RS (which were formally issued subsequent to June 30, 2024), and 24,544 fully vested options exercisable at $0.01 per share to 24,544 Shares (to service providers; valued at $53 thousand). An additional bonus valued at $89 thousand is awaiting shareholder meeting approval (required under Israeli Law) and therefor was not yet recognized as an expense for the period. Aforesaid approval was obtained on August 8, 2024.

NOTE 5 - EQUITY (cont.**):**

B. Share based payments (cont.)

Information on the share option awards outstanding and the related weighted average exercise price as of and for the Six months ended June 30, 2024, are presented in the table below:

Relating to options:	Number of potential Ordinary Shares	Exercise price range*	Aggregate Intrinsic value
Outstanding at beginning of the period	133,976	$0.82 - $247.1	$ 57,959
Granted	27,544	$0.01 - $10.7	$ 53,015
Exercised**	(1,805)	$1.60	$ 7,565
Forfeited	(4,272)	$40.0 - $62.2	-
Expired	(5,360)	$38.3 - $48.6	-
Outstanding at end of the year	150,083	$0.01 - $247.1	$ 23,525
Exercisable at end of the year	114,535	$0.01 - $247.1	$ 23,525

* Per 1 Ordinary Share of with no par value. Exercise price is quoted in denominated currency (see also Note 2B).

** Average share price for options exercised in 2024 – $ 5.79**.**

NOTE 5 - EQUITY (cont.)**:**

B. Share-based payment: (cont.)

The following table summarizes information about stock-based awards outstanding and exercisable at June 30, 2024:

	Outstanding		Exercisable	
Exercise price range	**Number of potential Ordinary Shares**	**Weighted average remaining contractual life (years)**	**Number of potential Ordinary Shares**	**Weighted average remaining contractual life (years)**
$10.7 - $0.01	39,083	5.9	36,083	6.2
$61.4 - $40.0	55,375	6.4	37,683	6.3
$76.7	19,425	1.0	14,569	1.0
$ 100	6,200	4.0	6,200	4.0
$123.5; $185.3; $247.1	30,000	7.7	20,000	7.7
$0.01 - $247.1	150,083	5.8	114,535	5.7

Share-based compensation expense for the periods ended June 30, 2024 and 2023 was as follows (U.S. dollars in thousands):

	Six months ended June 30	
	2024	**2023**
Cost of revenue	8	68
Research and development	292	379
Sales and marketing	124	209
General and administrative	491	753
Total share-based compensation expenses	915	1,409

As of June 30, 2024, there is an unrecognized share-based compensation expense of $152 thousand to be recognized over the average remaining vesting period of 1 years.

NOTE 5 - EQUITY (cont.)**:**

B. Share-based payment: (cont.)

The calculated fair value of options granted was estimated using the Black-Scholes pricing model with the following assumptions:

	Six months period ended June 30	
	2024	**2023**
Risk-free interest rate	3.92%-4.4%	4.75%
Expected option term (in years)	3-5	10.0
Expected price volatility	96%-103%	76%
Fair value of an ordinary share	$2.17-$6.10	NIS 32.6
Dividend yield	0%	0%

NOTE 6 - CERTAIN TRANSACTIONS:

A. Joint cooperation agreement with an Israeli Beverage Producer ("Tempo")

The initial stage of planning of the TES facility to be constructed on Tempo's premises commenced on June 10, 2024, investments to date are immaterial.

B. Wolfson Medical Center

Under the agreement with the Wolfson Medical Center signed in January 2024 (as described in the 2023 annual consolidated financial statements), the Company is in the process of obtaining the regulatory permission to the construction of the TES system on the hospital grounds.

C. Product & Service Distribution Agreement

On June 3, 2024, the Company entered into an agreement with a United States domiciled third party, that will act as an exclusive distributor of the Company's products and services in certain US states in North America ("the Distributor"), for a period of 5 years, subject to the Distributor's achievement of certain targets, milestones and KPIs for each year within the term. Having achieved these targets and milestones, the agreement will be extended for additional 5 years.

In addition to payments for the Company's products and services, the Company shall be entitled to royalties of 10% from the net price attributed to any customer for sale of products and services (net price - net of payments to the Company on purchase orders and O&M service agreements).

The Company may yet establish local bGen TES System manufacturing capabilities in the territory or offer sale prospects and/or customers in the territory various forms of EaaS (Energy as a Service) business model without limitation, which does not preclude the Distributor's right to receive equipment profit margin.

NOTE 7 - SUPPLEMENTRY FINANCIAL STATEMENT INFORMATION

A. REVENUES:

In the six month period ended June 30, 2023, the Company recognized revenue from engineering services provided to a customer in Europe (100%).

Revenue recognized that was included in the contract liability balance (deferred revenue) at the beginning of the reported interim periods ended June 30, 2024 and 2023, amounts to $ NIL thousand and $175 thousand, respectively. As of June 30, 2024 $387 thousand of the amount of deferred revenue is expected to be recognized during second half of 2024.

B. COST OF REVENUES (U.S. dollars in thousands):

	Six months ended June 30,	
	2024	**2023**
Salary and related expenses	-	392
Consultants and subcontractors	-	112
Royalties	-	79
	-	583
Operating costs not attributed to projects (mainly salary and related expenses) *	408	610
	408	1,193

* Cost and expenses relating to periods in which the plant did not operate in full capacity.

C. RESEARCH AND DEVELOPMENT, NET (U.S. dollars in thousands):

	Six months ended June 30,	
	2024	**2023**
Salary and related expenses	1,363	1,332
Consultants and subcontractors	210	188
Expenditure on materials	39	59
Depreciation and other	19	53
Office maintenance	177	173
	1,808	1,805
Less - Government Grants	-	(94)
	1,808	1,711

NOTE 7 - SUPPLEMENTRY FINANCIAL STATEMENT INFORMATION (cont.):

D. SELLING AND MARKETING (U.S. dollars in thousands):

	Six months ended June 30,	
	2024	**2023**
Salary and related expenses	439	548
Office maintenance	18	18
Project Promotion	21	32
Consultants	51	59
Other	87	30
	616	687

E. GENERAL AND ADMINISTRATIVE (U.S. dollars in thousands):

	Six months ended June 30,	
	2024	**2023**
Salary and related expenses	934	1,322
Office maintenance	91	88
Consultants and insurance	945	903
Allowance for credit losses	289	-
Depreciation and other	54	96
	2,313	2,409

F. OTHER INCOME (EXPENSES), NET

Due to the continued efforts and difficulties involved in selling the remaining asset from the closure of the Rotem 1 project, the Company's management decided to write off its remaining value of $229 thousand, which is included in the other operating expenses of the period.

G. OTHER FINANCIAL INCOME AND EXPENSES, NET (U.S. dollars in thousands):

Financial income:

	Six months ended June 30,	
	2024	**2023**
Interest income	76	90
Fair value adjustments of warrants (Note 5A)	4,114	-
Warrants issuance costs	(473)	-
Exchange rate differences, Net	172	56
Bank fees	(10)	(7)
Other adjustment of royalty obligation	-	20
	3,879	159

NOTE 7 - SUPPLEMENTRY FINANCIAL STATEMENT INFORMATION (cont.):

H. LOSS PER ORDINARY SHARE:

Basic loss per share is computed by dividing net income or loss, by the weighted-average number of Ordinary Shares outstanding during the period, including prefunded warrants with token exercise price (“penny” warrants). Diluted loss per share is based on the weighted average number of Ordinary Shares used for basic computation, as the inclusion of any potential Ordinary Shares in the reported years would be anti-dilutive.

Potentially dilutive Ordinary Shares result from the assumed exercise of options and warrants, using the “treasury stock” method, and the assumed vesting of restricted shares.

Basic and diluted loss per share is computed as follows:

	Six months ended June 30,	
	2024	**2023**
Numerator ($ in thousands):		
Net loss for the year, as reported, attributable to shareholders	(1,581)	(5,328)
Denominator (Ordinary Shares in thousands)		
Weighted average number of shares outstanding during the year*	2,941,377	1,749,876
Weighted average number of potential shares under prefunded warrants with token exercise price (“penny” warrants)	568,951	15,266
Denominator for basic and diluted loss per share - weighted number of Ordinary Shares	3,510,328	1,765,142
Basic and dilutive loss per Ordinary Share (in dollars)	(0.45)	(3.02)

* Including the equivalent of the weighted average number of fully vested restricted shares granted during the period of six month ended June 30, 2024 (see Note 5B) of 55,202 shares, that were formally issued subsequent to June 30, 2024).

For the reported periods, all outstanding options and warrants have been excluded from the calculation of the diluted net loss per share since their effect was anti-dilutive.

These include as of June 30, 2024: Share option and warrants exercisable to 1,500,317 Ordinary Shares that, as of June 30, 2024 that have zero effect under the treasury stock method, and share options that are “in the money” exercisable to 11,539 Ordinary Shares.

NOTE 8 - SUBSEQUENT EVENTS:

A. On July 8, 2024, the Company signed an amendment to the credit facility agreement with the European Investment Bank (“EIB”). Following the Amendment, the availability of the second tranche of €3.5 million to the expansion of the Company’s plant, was extended by one year (to March 31, 2025), subject to certain conditions, with a 5.0% fixed annual interest rate.

NOTE 8 - SUBSEQUENT EVENTS (Cont.)**:**

B. On August 4, 2024, the Company entered into a definitive securities purchase agreement with Alpha Capital Anstalt ("Alpha") for a private placement of 1,000,000 Ordinary Shares at a price of $1.05 per share. The closing of the private placement is subject to certain conditions, including obtaining consent from an existing lender within 90 days of signing the agreement.

Under the terms of the agreement, the investor will have a one-time future investment right, from the date hereof until the date that is 12 months after the closing date, to subscribe for an additional 1,000,000 Ordinary Shares (or at the election of the Investor pre-funded warrants to purchase up to 1,000,000 Ordinary Shares in lieu of Ordinary Shares) at a price of $2.50 per ordinary share (or pre-funded warrant), in a private placement. This future investing right will trigger upon the Company's Ordinary Shares closing on Nasdaq at or above $2.50 per ordinary share ("trigger date"). Any Investor that desires to undertake such future investment shall notify the Company in writing no later than 4:00pm (New York City time) on the fifth (5th) business day following the trigger date. Under the terms of the agreement the parties have also undertaken certain restriction with regard to exercise of rights, so that the investor would not beneficially own in excess of the beneficial ownership limitation of 24.99% of the number of Ordinary Shares outstanding immediately after giving effect to the issuance of Ordinary Shares.

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

The following discussion and analysis of our financial condition and results of operations provides information that we believe to be relevant to an assessment and understanding of our results of operations and financial condition for the periods described. This discussion should be read in conjunction with our condensed consolidated interim financial statements and the notes thereto which are included in this Report of Foreign Private Issuer on Form 6-K. In addition, this information should also be read in conjunction with the information contained in the Company's Annual Report on Form-20-F filed with the Securities and Exchange Commission, or SEC, on March 18, 2024, or the 2023 Annual Report, including the audited consolidated annual financial statements as of and for the year ended December 31, 2023 and the accompanying notes included therein.

Forward Looking Statements

This Report of Foreign Private Issuer on Form 6-K contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to the business, financial condition and results of operations of Brenmiller Energy. Forward-looking statements can be identified based on our use of forward-looking words such as "believe," "expect," "intend," "plan," "may," "should," "anticipate," "could," "might," "seek," "target," "will," "project," "forecast," "continue" or their negatives or variations of these words or other comparable words, or by the fact that these statements do not relate strictly to historical matters. Forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements.

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:

- our planned level of revenues and capital expenditures;
- our ability to market and sell our products;
- our plans to continue to invest in research and development to develop technology for both existing and new products;
- our ability to maintain our relationships with suppliers, manufacturers, and other partners;
- our ability to maintain or protect the validity of our European, U.S., and other patents and other intellectual property;
- our ability to retain key executive members;
- our ability to internally develop and protect new inventions and intellectual property;
- our ability to expose and educate the industry about the use of our products;
- our expectations regarding our tax classifications;
- our ability to regain compliance with Nasdaq's continued listing requirements, the timing and effect thereof;
- interpretations of current laws and the passages of future laws;
- general market, political and economic conditions in the countries in which we operate, including those related to recent unrest and actual or potential armed conflict in Israel and other parts of the Middle East, such as the Israel's multi-front war; and
- those factors referred to in "Item 3.D. Risk Factors," "Item 4. Information on the Company," and "Item 5. Operating and Financial Review and Prospects", in our 2023 Annual Report.

We believe that our forward-looking statements are reasonable; however, these statements are only current predictions and are subject to known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. We describe many of these risks in greater detail under the heading "Risk Factors" in our 2023 Annual Report.

All forward-looking statements contained in this Report of Foreign Private Issuer on Form 6-K speak only as of the date of this document and are expressly qualified in their entirety as described herein and by the cautionary statements contained within the "Risk Factors" section of the 2023 Annual Report. We do not undertake to update or revise forward-looking statements to reflect events or circumstances that arise after the date on which such statements are made or to reflect the occurrence of unanticipated events, except as required by law. In evaluating forward-looking statements, you should consider these risks and uncertainties and not place undue reliance on our forward-looking statements.

The terms "Brenmiller," "Brenmiller Energy," "we," "us," "our," "our Company" and "the Company" in this Report of Foreign Private Issuer on Form 6-K refer to Brenmiller Energy Ltd. and its consolidated subsidiaries, consisting of Brenmiller Energy (Rotem) Ltd., Brenmiller Energy Inc. and Brenmiller Energy NL B.V., unless the context otherwise requires.

Overview

We are a technology company that develops, produces, markets, and sells thermal energy storage, or TES, systems based on our proprietary and patented bGen™ technology. Our bGen™ technology uses crushed rocks to store heat at high temperatures and our TES systems use that heat to dispatch consistent thermal energy on demand.

Recent Developments

Dimona Israel Production Facility

As of June 30, 2024, we have received the majority of the equipment for the Dimona facility build-out. The production facility is planned to be Industry 4.0 compliant and will have a fully automated production line with a production capacity of up to 4 GWh of the bCube™ incorporated in the Company's patented bGen TES modules annually. We expect that the Dimona facility will be fully operational by the end of 2024 and plan to ramp-up the production line and increase its production capacity in order to reach its full production capacity target of 4 GWh annually. The equipment purchase order was financed through a non-dilutive credit facility agreement with The European Investment Bank, or EIB. On July 8, 2024, we signed an amendment to the credit facility agreement, or the Amendment, with the EIB. The initial credit facility agreement dated March 31, 2021, or the EIB Agreement, included funding limited to a total sum of €7.5 million. The funding was granted in a co-funding track, where EIB allowed withdrawals of sums equal to capital investments in the Company available in two tranches. On July 28, 2022, the first tranche of €4 million was drawn down by the Company with a 5.0% fixed annual interest rate. Interest payments are due annually on July 28 of each year and the principal shall be repaid in equal annual payments starting from July 28, 2026 and maturing on July 28, 2028. Following the Amendment, the second tranche of €3.5 million is available within 48 months instead of 36 months of signing the EIB Agreement, or March 31, 2025, subject to certain conditions, with a 5.0% fixed annual interest rate.

January 2024 Equity Financing

On January 22, 2024, we entered into a securities purchase agreement with a U.S. based institutional investor for the sale of 240,000 Ordinary Shares, warrants to purchase up to 888,890 Ordinary Shares, and pre-funded warrants to purchase up to 648,890 Ordinary Shares, at a price of $4.50 per Ordinary Share and accompanying warrant, less $0.0001 per pre-funded warrant, for aggregate gross proceeds of approximately $4.0 million before deducting placement agent fees and other offering expenses, or the January 2024 Offering. After deducting costs associated with the offering, our net proceeds were $3.4 million. The warrants are exercisable immediately at a price of $5.00 per share and will expire five years from the date of issuance. The pre-funded warrants were exercisable immediately at a price of $0.0001 per share and were exercisable until exercised in full. The offering closed on January 25, 2024. The pre-funded warrants were exercised in full on May 17, 2024.

Commercial Opportunities

On May 17, 2024 we reported substantial growth in our pipeline of commercial opportunities. As of May 1, 2024, we had a pipeline of commercial opportunities of 49 potential contracts in various stages of development for our bGen™ ZERO TES systems valued in the vicinity of $500 million and representing more than 6,000 MWh of zero-emission heat. We are advancing potential projects in 12 industries. Food and beverage, consumer goods, energy, chemicals, and pharmaceuticals represent the largest share across 13 countries including the U.S., Spain, Hungary, Israel, and India. Approximately two-thirds of the commercial opportunities are equipment sales and one-third will be delivered through an Energy-as-a-Service or Heat-as-a-Service model. Nearly all of our commercial opportunities have the ability to utilize renewable electricity into the process of heat.

Rock Energy Storage LLC Distribution Agreement

On June 3, 2024, we entered into a license distribution agreement with Rock Energy Storage LLC, or RES, to sell and distribute our bGen™ TES systems in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont and New York. The definitive 5-year agreement includes cumulative projected sales milestones exceeding $150 million. Cogeneration Contractors Inc. dba RSP Systems, or RSP Systems, will act as RES's lead subcontractor. We had previously announced on January 11, 2024 we had signed a Memorandum of Understanding with RSP Systems; the Agreement with RES supersedes the previous Memorandum of Understanding with RSP Systems.

All rights, title and/or interest in any intellectual property associated with bGen™ TES systems, including, but not limited to, any copyrights, patents, trademarks, knowhow, trade secrets and goodwill associated with the bGen™ TES systems, as well as any and/or derivatives and/or applications thereof will remain our sole property.

The agreement also contains customary provisions including representations, warranties, covenants and indemnification of us by RES and indemnification of RES by us.

Proactive Planet Memorandum of Understanding

On June 12, 2024 we announced that we signed a non-binding Memorandum of Understanding, or MoU, with Proactive Planet, a renewable energy solutions provider based in Calgary, Alberta, Canada, to distribute bGen™ TES systems to industrial companies and electric utilities in the province of Alberta in Canada. We and Proactive Planet have developed an initial list of potential customers valued at over $6 million and representing potentially 60 megawatt hours (MWh) of TES capacity. The MoU aims to expand and accelerate the rollout of our bGen™ TES technology through equipment sales. Under its terms, a prospective 3-year definitive agreement would include projected sales milestones based on the companies' pipeline.

bGen™ Cool

On July 18, 2024 we announced that we will expand our proprietary technology's capabilities and develop a Cold Thermal Energy Storage, or CTES, solution for data center applications, called the bGen™ Cool. We will continue bGen™ production for power-to-heat applications in service of our current commercial opportunities, valued at up to $500 million in potential sales. Leveraging the bGen™'s core competencies, we expect minimal investment is needed to adapt our existing proprietary TES technology to meet data center demand.

August 2024 Private Placement

On August 4, 2024, we entered into a definitive securities purchase agreement with Alpha Capital Anstalt ("Alpha") for a private placement of 1,000,000 Ordinary Shares at a price of $1.05 per share. The closing of the private placement is subject to certain conditions, including us obtaining consent from an existing lender within 90 days of signing the securities purchase agreement. Under the terms of the securities purchase agreement, Alpha will also have the right to make a further investment for 1,000,000 additional Ordinary Shares (or ordinary share equivalents) in the event that our Ordinary Shares close at or above $2.50 per share within the next 12 months. The securities purchase agreement provides for registration rights for the Ordinary Shares and we have agreed to file a registration statement with the SEC to register the resale of the Ordinary Shares within thirty (30) days of closing. The private placement is expected to result in gross proceeds of approximately $1.05 million. We intend to use the net proceeds from the private placement for general corporate purposes, including working capital. In connection with the private placement, we announced that we do not plan to use our "at-the-market" facility to sell our Ordinary Shares into the market for at least as long as our shares are trading below $2.00 per share.

Board of Director Changes

On August 5, 2024, we announced the appointment of Messrs. Zvi Joseph and Miki Korner to our Board of Directors (the "Board") effective on August 14, 2024, filling vacancies to be created as a result of the resignations of two current directors as will be later determined by the Board. On August 13, 2024, we received notices from Mr. Boaz Toshav and Mr. Ziv Dekel which stated their resignation as members of the Board, effective August 14, 2024. The resignations of Mr. Boaz Toshav and Mr. Ziv Dekel were not due to any disagreements with the Company, management, the Board or any committee thereof or with respect to any matter regarding the Company's operations, policies or practices.

Operational Update

During the six months ended June 30, 2024, our primary activity was focused on the development of our technology and its application into products and commercial solutions and continuing the assembly of our new production line.

We are currently in the process of installing projects in various geographic regions in an effort to demonstrate the use of its technologies for both industrial and utility scale applications, which are ultimately expected to support the commercialization of the technology. Our projects are progressing as planned and are expected to reach major milestones over the next twelve months. Key updates to its projects include:

- *Tempo's Beverage Manufacturing Plant:* On June 10, 2024 we announced that we have moved into the construction phase of development at Tempo Beverages Ltd.'s, or Tempo, beverage production plant in Netanya, Israel, with plans to begin on-site assembly by the end of September 2024. We are replacing Tempo's fossil fuel boilers with a 32 MWh bGen™ TES system and will deliver sustainable process heat through an Energy as a Service (EaaS) model. Tempo is partially owned by Heineken International B.V. and is one of Israel's largest producers and distributors of beverages for brands including Heineken and Pepsi. Our bGen™ TES system for Tempo will charge using a combination of roof-top solar and ultra-low-cost off-peak grid power. The system is being configured to meet the beverage manufacturer's precise operational needs and the final system design is expected to be completed by the end of July 2024. We have started procuring the necessary components to manufacture Tempo's bGen™ system and all system manufacturing will be completed at our TES gigafactory in Dimona, Israel. System assembly is expected to be completed by the end of 2024 and commissioned in May 2025.

- *SUNY Purchase*: On February 6, 2024 we announced that we had completed all required system tests and operator training and has handed over our first bGen™ installation in the SUNY campus. The bGen™ storage system installation at a SUNY college charges by using both exhaust gas and electricity and discharges heat on demand. Our bGen™ is expected to eliminate approximately 550 metric tons of greenhouse gas emissions for SUNY annually. Developed and deployed in partnership with the New York Power Authority, the largest state power organization in the U.S., the project was financed in part by a grant from the Israel-U.S. Binational Industrial Research and Development (BIRD) Foundation.

- *Wolfson Medical Center:* On January 29, 2024, an agreement was signed with the Wolfson Medical Center, or Wolfson Hospital, in the city of Holon, Israel for the construction of a TES System pursuant to which we will build and install on the Wolfson Hospital premises a TES System that will provide industrial steam and other services to the Wolfson Hospital (including training and certification of the Wolfson Hospital related staff that will be responsible for the operation and maintenance of the TES System. The TES System will operate using electricity and water supplied by the Wolfson Hospital and will provide the Services for a period of seven years, commencing no later than 15 months after obtaining all necessary regulatory approvals and allowing for a two-month running-in period. The operation of the TES System, and the required maintenance thereafter will be our responsibility including efficiency ratio of the TES System during the service period that will be examined annually; subject to a contractual remedy period, any failure to meet the efficiency ratio may give Wolfson Hospital cause to terminate the agreement and claim compensation as determined in the agreement. In consideration for the services, Wolfson Hospital will pay a total of approximately NIS 12 million (approximately – $3.2 million), in non-equal monthly payments and will have the option to acquire the TES System after the conclusion of the 7 year service period for an agreed amount equal to NIS 1.02 million (approximately - $ 0.3 million), and following which the Hospital will also have the option to acquire annual maintenance services (including spare parts) from us. If the option to acquire is not exercised, then we will be responsible to dismantle and vacate the TES System from the Wolfson Hospital premises. On January 18, 2024, we received approval for approximately $450,000 grant from the Israeli Innovation Authority, or the IIA, to be applied to this project.

Results of Operations

The following table presents our results of operations for the periods presented.

	Six Months Ended June 30,	
US dollars in thousands, except per share data (unaudited)	**2024**	**2023**
Revenues:		
Engineering services	-	580
	$ -	$ 580
Costs and expenses:		
Cost of revenues	(408)	(1,193)
Research and development, net	(1,808)	(1,711)
Selling and marketing	(616)	(687)
General and administrative	(2,313)	(2,409)
Other income (expenses), net	(230)	2
Operating loss	(5,375)	(5,418)
Interest expenses	(85)	(69)
Other financial income, net	3,879	159
Financial income, net	3,794	90
Net loss	$ (1,581)	(5,328)
Net loss per ordinary share:		
Basic and diluted loss	$ (0.45)	$ (3.02)
Weighted average number of shares outstanding used in the computation of basic and diluted loss per share	3,510,328	1,765,142

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

Revenues

Our revenues for the six months ended June 30, 2024 were $NIL compared to $580 thousand for the six months ended June 30, 2023. Revenues for the six months ended June 30, 2023 were derived primarily from engineering services in connection with the engineering milestones of a certain project in Romania that was terminated on June 26, 2023.

Cost of Revenues

The following table presents the breakdown of cost of revenues for the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,	
US dollars in thousands (unaudited)	**2024**	**2023**
Salary and related expenses	$ -	$ 392
Consultants and subcontractors	-	112
Royalties	-	79
Operating costs not attributed to projects (mainly salary and related expenses)	408	610
Total	$ 408	$ 1,193

Our cost of revenues for the six months ended June 30, 2024 decreased by 66% to $408 thousand compared to $1,193 thousand for the six months ended June 30, 2023. This decrease was primarily attributable to a decrease of $392 thousand in salary and related expenses, a decrease in operating costs of $202 thousand unrelated to our projects, a decrease of $79 thousand in royalty liabilities and a decrease of $112 thousand in payments to consultants and subcontractors.

Research and Development, Net

The following table presents the breakdown net research and development expenses, for the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,	
US Dollars in thousands (unaudited)	**2024**	**2023**
Salary and related expenses	$ 1,363	$ 1,332
Consultants and subcontractors	210	188
Office maintenance	177	173
Expenditure on materials	39	59
Depreciation and other	19	53
	1,808	1,805
Less – grants	-	(94)
Total	$ 1,808	$ 1,711

Research and development expenses, net, for the six months ended June 30, 2024 increased by 6% to $1,808 thousand compared to $1,711 thousand for the six months ended June 30, 2023. This increase was primarily due to a decrease of $94 thousand in government grants received, an increase of $31 thousand in payroll and related expenses and an increase of $22 thousand in consultants and subcontractors' expenses in the six-months ended June 30, 2024, compared to the six months ended June 30, 2023.

This increase of research and development expenses was partially offset by a $20 thousand reduction in expenditure on materials used in our research and development projects and a $34 thousand reduction in depreciation and other expenses in the six months ended June 30, 2024, compared to the six months ended June 30, 2023.

We expect that our research and development expenses will not change significantly as we continue to develop our storage units and bGen™ technology.

Selling and Marketing

Selling and marketing expenses for the six months ended June 30, 2024 decreased by 10% to $616 thousand, compared to $687 thousand for the six months ended June 30, 2023. The decrease was primarily attributable to the $109 thousand reduction in payroll and related expenses, partially offset by an increase of $57 thousand in other expenses.

We expect that our selling and marketing expenses will increase as we continue to enhance our market penetration efforts mainly by partnering with local agents in our target markets.

General and Administrative

General and administrative expenses decreased by 4% to $2,313 thousand for the six months ended June 30, 2023, compared to $2,409 thousand for the six months ended June 30, 2023. This decrease was primarily attributable to a $388 thousand reduction in payroll and related costs and a decrease of $42 thousand in depreciation and general administrative expenses. This decrease was offset by an increase of $289 thousand in allowances for credit losses and an increase $42 thousand in payments to consultants and insurance expenses.

Other Income (expenses), net

Other net expenses for the six months ended June 30, 2024 was $230 thousand, which was primarily attributable to a write off the remaining asset from the closure of the Rotem 1 project, compared to other net income of $2 thousand for six months ended June 30, 2023.

Operating Loss

Based on the foregoing, our operating loss decreased from $5,418 thousand for the six months ended June 30, 2023, to $5,375 thousand for six months ended June 30, 2024.

Financial Income, Net

The net financial income for the six months ended June 30, 2024, was $3,794 thousand, compared to net financial income of $90 thousand for the six months ended June 30, 2023. Our net financial income for the six months ended June 30, 2024 was primarily attributable to financial income from a fair value adjustment of warrants of $4,114 thousand, exchange rate differences of $172 thousand and interest income of $76 thousand offset by warrants issuance costs of $473 thousand and interest expenses of $85 thousand.

Our net financial income in the six months ended June 30, 2023, was primarily attributable to interest income of $90 thousand and income from exchange rate differences of $56 thousand offset by interest expenses of $69 thousand.

Net Loss

Net loss for the six months ended June 30, 2024, decreased by 70% to $1,581 thousand, compared to $5,328 thousand for the six months ended June 30, 2023. This decrease was primarily attributable to the increase in financial income, net as described above.

Liquidity and Capital Resources

Overview

Since our inception through June 30, 2024, we have funded our operations principally from receipt $115.6 million in proceeds from the issuance of our ordinary shares, options, convertible securities, loans and governmental grants. As of June 30, 2024, we had $6,999 thousand in cash and cash equivalents and restricted deposits.

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

	Six Months Ended June 30,	
US dollars in thousands (unaudited)	**2024**	**2023**
Net cash used in operating activities	$ (3,864)	$ (3,580)
Net cash used in investing activities	(247)	(2,092)
Net cash provided by financing activities	7,974	6,038
Net increase in cash and cash equivalents and restricted deposits	$ 3,863	$ 366

Operating Activities

Since our incorporation, we have had ongoing losses and incurred negative cash flows from operating activities. For example, in the six months ended June 30, 2024, we had operating losses of $5,375 thousand. We have mainly financed our activities in the six months ended June 30, 2024 through the issuance of our Ordinary Shares and warrants, and governmental grants. Management plans to continue to commercialize our products and services and secure sufficient financing through additional equity or debt financing and obtaining additional governmental grants. There are no assurances however, that we will be successful in obtaining the level of financing needed for our operations or that such financing will be available on terms acceptable to us.

Cash flows from operating activities consist primarily of adjustments to net loss for various non-cash items, including depreciation, fair value adjustment of warrants' liability, warrants issuance costs, loss from the write off the remaining asset from the closure of the Rotem 1 project, share-based compensation expenses, and non-cash interest and exchange rate differences, net. In addition, cash flows from operating activities are impacted by changes in operating assets and liabilities, which include inventory, prepaid expenses, accounts receivable, and other assets and accounts payable.

Net cash used in operating activities for the six months ended June 30, 2024 was $3,864 thousand. This net cash used in operating activities primarily reflects a net loss of $1,581 thousand, and a non-cash adjustment of $2,462 thousand, a decrease of $187 thousand in prepaid expenses and receivables, an increase in other payables and deferred revenue of $159 thousand, offset by an increase of $18 thousand in inventory and a decrease in trade payables of $149 thousand. Net non-cash adjustment of $2,462 thousand consisted primarily of fair value adjustment of warrant liability of $4,114 thousand, warrants issuance costs of $473 thousand, loss from the write off the remaining asset from the closure of the Rotem 1 project of $233 thousand, a share-based compensation payment of $915 thousand, a depreciation of $56 thousand and non-cash interest and exchange rate differences, net of $25 thousand.

Net cash used in operating activities for the six months ended June 30, 2023 was $3,580 thousand. This net cash used in operating activities primarily reflects a net loss of $5,328 thousand, and a non-cash expenses of $1,429 thousand, an increase of $353 thousand in prepaid expenses and receivables offset by a decrease of $301 thousand in inventory, an increase in trade payables of $331 thousand and an increase of $40 thousand other payables and deferred revenue. Net non-cash expenses of $1,429 thousand consisted primarily of a share-based compensation payment of $1,409 thousand, a depreciation of $65 thousand and non-cash interest and exchange rate differences, net of $45 thousand.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2024, was $247 thousand. This net cash used in investing activities is attributable primarily to capital expenditure of $251 thousand mainly for the production facility in Dimona.

Net cash used for investing activities for the six months ended June 30, 2023 was $2,092 thousand. This net cash used in investing activities is attributable primarily to capital expenditure of $2,097 thousand mainly for the production facility in Dimona.

Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2024, was $7,974 thousand. This net cash is attributable to proceeds from the issuance of Ordinary Shares, pre-funded warrants and warrants of $8,827 thousand and the exercise of options and warrants amounting to a total of $3 thousand, offset by a fund raising and issuance costs of $856 thousand.

Net cash provided by financing activities for the six-month ended June 30, 2023 was $6,038 thousand. This net cash is attributable to the proceeds from issuance of ordinary shares and pre-funded warrants of $6,087 thousand, offset by a fund raising and issuance costs of $49 thousand.

Current Outlook

We have financed our operations to date primarily through proceeds from the issuance of our ordinary shares, pre-funded warrants and warrants, revenues from the sale of products, and revenues from licensing fees, and engineering services, a loan from EIB and governmental grants. We have incurred losses and generated negative cash flows from operations since inception in 2012.

We expect to generate revenues from the sale of our products, heat as a service operations and other revenues in the future. However, we do not expect these revenues to support all of our operations in the near future. We expect our expenses to increase in connection with our activities, particularly as we continue the development of our products, and continue our commercialization efforts. Accordingly, we expect that we will require substantial additional funding in connection with the growth of our operations, continuing our research and development activity, commercializing our products and to proceed with projects that partly will have to be financed by us in order to penetrate relevant markets.

As of June 30, 2024, our cash and cash equivalents and restricted deposits shown in the statement of cash flows were $6,999 thousand.

On June 9, 2023, we entered into a Sales Agreement with A.G.P./Alliance Global Partners, or the Sales Agent, pursuant to which it may offer and sell, from time to time, to or through the Sales Agent as agent or principal Ordinary Shares in an "at-the-market" offering, as defined in Rule 415(a)(4) promulgated under the Securities Act, for an aggregate offering price of up to $9.35 million. We will pay the Sales Agent a commission equal to 3.0% of the gross sales price per share sold pursuant to the terms of the Sales Agreement. We are not obligated to sell any Ordinary Shares under the Sales Agreement and no assurance can be given that we will sell any Ordinary Shares under such agreement, or, if we do, as to the price or number of such shares that we will sell or the dates on which any such sales will take place. During the six months ended June 30, 2024, 2,798,421 Ordinary Shares were sold under the Sales Agreement for aggregate gross proceeds of $4,827 thousand.

On January 22, 2024, we entered into a securities purchase agreement with a U.S. based institutional investor for the sale of 240,000 Ordinary Shares, warrants to purchase up to 888,890 Ordinary Shares, and pre-funded warrants to purchase up to 648,890 Ordinary Shares, at a price of $4.50 per Ordinary Share and accompanying warrant, less $0.0001 per pre-funded warrant, for aggregate gross proceeds of approximately $4.0 million before deducting placement agent fees and other offering expenses, or the January 2024 Offering. After deducting costs associated with the offering, our net proceeds were $3.4 million. The warrants are exercisable immediately at a price of $5.00 per share and will expire five years from the date of issuance. The pre-funded warrants are exercisable immediately at a price of $0.0001 per share and are exercisable until exercised in full. The offering closed on January 25, 2024. On May 17, 2024 the pre-funded warrants were fully exercised.

On January 22, 2024, we entered into a placement agency agreement, or the Placement Agency Agreement, with A.G.P./Alliance Global Partners, or the Placement Agent, pursuant to which the Placement Agent agreed to serve as placement agent for the issuance and sale of Ordinary Shares, warrants and pre-funded warrants. We agreed to pay the Placement Agent an aggregate cash fee equal to 7.0% of the gross proceeds received by from the sale of the securities in this offering, however in the case of certain identified investors we agreed to pay a cash fee equal to 3.5% of the gross proceeds received by us from such investors. Pursuant to the Placement Agency Agreement, we also agreed to pay the Placement Agents $105,000 for accountable expenses and $25,000 for non-accountable expenses. The Placement Agency Agreement has indemnification and other customary provisions for transactions of this nature.

On August 4, 2024, we entered into a definitive securities purchase agreement with Alpha for a private placement of 1,000,000 Ordinary Shares at a price of $1.05 per share. The closing of the private placement is subject to certain conditions, including us obtaining consent from an existing lender within 90 days of signing the securities purchase agreement. Under the terms of the securities purchase agreement, Alpha will also have the right to make a further investment for 1,000,000 additional Ordinary Shares (or ordinary share equivalents) in the event that our Ordinary Shares close at or above $2.50 per share within the next 12 months. The securities purchase agreement provides for registration rights for the Ordinary Shares and we have agreed to file a registration statement with the Securities and Exchange Commission to register the resale of the Ordinary Shares within thirty (30) days of closing. The private placement is expected to result in gross proceeds of approximately $1.05 million. We intend to use the net proceeds from the private placement for general corporate purposes, including working capital. In connection with the private placement, we announced that we do not plan to use our "at-the-market" facility to sell our Ordinary Shares into the market for at least as long as our shares are trading below $2.00 per share.

Until we can generate significant recurring revenues and profit, we expect to satisfy our future cash needs through debt and/or equity financings, through government grants and receiving the second tranche of the loan from the EIB Agreement. However, there is no assurance that we will be successful accomplishing these plans. If we are unable to obtain sufficient capital, we may need to reduce, delay, or adjust our operating expenses, including commercialization of existing products, or we will be unable to expand our operations as desired.

We expect to continue incurring losses and negative cash flows from operations until our products reach profitability. As a result of these expected losses and negative cash flows from operations, along with our current cash position, our management and auditors have concluded that these conditions raise substantial doubt about our ability to continue as a going concern.

Critical Accounting Estimates

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses during the reporting periods. A comprehensive discussion of our critical accounting estimates is included under the 2023 Annual Report.