

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 13, 2018 (April 13, 2018)

MICRONET ENERTEC TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction
of incorporation)

001-35850

(Commission
File Number)

27-0016420

(IRS Employer
Identification No.)

28 West Grand Avenue, Suite 3, Montvale, New Jersey

(Address of principal executive offices)

07645

(Zip Code)

(201) 225-0190

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions(see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 13, 2018, Micronet Enertec Technologies, Inc. (the “Company”) issued a press release announcing its financial results for the quarter and year ended December 31, 2017, and other financial information. On the same day, the Company posted to its website a presentation containing its financial results for the quarter and year ended December 31, 2017. Copies of the press release and the presentation are furnished with this report as Exhibits 99.1 and 99.2, respectively.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release dated April 13, 2018
99.2	Presentation dated April 13, 2018

SIGNATURES

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

MICRONET ENERTEC TECHNOLOGIES, INC.

Dated: April 13, 2018

By: /s/ David Lucatz

Name: David Lucatz

Title: President and Chief Executive Officer

Exhibit Index

Exhibit No.	Description
99.1	Press Release dated April 13, 2018
99.2	Presentation dated April 13, 2018

Micronet Enertec Reports Financial Results for the 4th Quarter and Full Year Ended December 31, 2017

- 38% year-over-year annual revenue growth of the MRM business
- 4th quarter 2017 revenue for the MRM business was \$6.5 million as compared to \$1.3 million in the 4th quarter of 2016
- Consolidated backlog of over \$17 million represents 90% year-over-year growth
- Increase of gross margins
- Conference call scheduled for today, April 13 at 9:00 a.m. EDT

Montvale, NJ – April 13, 2018 -Micronet Enertec Technologies, Inc. (NASDAQCM: MICT), a developer and manufacturer of rugged computers, tablets and computer-based systems for the commercial Mobile Resource Management (MRM) market and for the aerospace and defense markets, today announced financial results for the three and twelve month periods ended December 31, 2017.

“We are pleased to report that the Company’s Micronet Ltd. subsidiary is delivering in line with our expectations and showed significant growth in several key performance metrics in 2017. Revenues grew by 38% in 2017 to \$18.4 million as compared to 2016, with increasing gross margins. Revenue backlog nearly doubled to \$17.4 million in 2017 as compared to 2016. Over the course of 2017, Micronet fortified its management team with industry experts, increased its sales force and has shown a continuous increase in sales orders while increasing and diversifying its products and offerings. We expect continued improvements in 2018,” stated David Lucatz, Chief Executive Officer of Micronet Enertec Technologies.

“We believe that if, and once, the proposed sale of our Enertec subsidiary occurs, it will fortify our balance sheet and enable us to invest and focus on growing our MRM business,” confirmed Mr. Lucatz. This potential transaction is in line with our roadmap to increase the value of our Company by focusing all our resources in the high-growth MRM space, where we believe Micronet has strong traction.”

As a result of the proposed sale of Enertec, and according to U.S. generally accepted accounting principles, or GAAP, Micronet Enertec’s profit and loss statements, balance sheets, cash flow statements, and the corresponding consolidated results only include the Company’s MRM business while Enertec’s aerospace and defense business is presented in the profit and loss statement under “discontinued operation” and “held for sales assets and liabilities” in the balance sheet.

Fourth Quarter 2017 Review

- Total revenue increased to \$6.4 million for the fourth quarter of 2017, as compared to \$1.3 million in the fourth quarter of 2016.
 - Gross profit margin was 25%, as compared to gross loss margin of 67% in the fourth quarter of 2016.
 - Research and development (R&D) expense for the fourth quarter of 2017 was \$0.50 million, or 8% of sales, as compared to \$0.3 million, or 26% of sales, in the fourth quarter of 2016.
 - Selling, general and administrative (SG&A) expense \$1.7 million, or 27% of sales, in the fourth quarter of 2017, as compared to \$2.1 million, or 160% of sales, in the fourth quarter of 2016.
 - Net loss from continued operation for the fourth quarter of 2017 was \$1 million, or a net loss of \$0.10 per basic and diluted share from continued operation, as compared to a net loss from continued operation of \$3.7 million, or net loss of \$0.42 per basic and diluted share from continued operation, for the fourth quarter of 2016.
 - At December 31, 2017, the Company reported cash and restricted cash totaling \$2.4 million and net working capital of \$3 million.
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Year End 2017 Review

- Total revenue increased by 38% to \$18.4 million in 2017, as compared to \$13.3 million in 2016.
- Consolidated Backlog was \$17.4 million on December 31, 2017.
- Gross profit margin increased to 23% in 2017 from 20% in 2016.
- R&D expense in 2017 was down 3% as a percentage of sales, but increased on a dollar basis to \$2.0 million, or 11% of sales, in 2017, from \$1.8 million, or 14% of sales, in 2016.
- SG&A expense declined 12% as a percentage of sales, but was relatively consistent on dollar basis with \$6.0 million in 2017, as compared to \$5.9 million in 2016.
- Net loss from continued operation narrowed by 19% in 2017 to \$5.1 million, or a loss of \$0.70 per basic share from continued operation, as compared to a net loss of \$6.3 million from continued operation, or a loss of \$0.76 per basic and diluted share from continued operation in 2016.
- Non-GAAP net loss from continued operation for 2017 was \$4.3 million, or \$0.60 per basic and diluted share, as compared to a \$5.4 million, or \$0.91 per basic and diluted share, Non-GAAP net loss from continued operation in 2016.

A reconciliation of GAAP to non-GAAP net loss from continued operation and loss per share from continued operation is provided in the table at the end of this press release.

Conference Call

Micronet Enertec will host a conference call today at 9:00 a.m. EDT to discuss the Company's financial results for the fourth quarter and year ended December 31, 2017. U.S. callers may dial: 1-888-668-9141. Callers from outside of the U.S. may access the call by dialing 972-3-918-0609. Please dial a few minutes before 9:00 a.m. Eastern Time.

A slide presentation accompanying management's remarks can be accessed at www.micronet-enertec.com.

Participants may also access a live webcast of the conference call through the Investor Relations section of Micronet Enertec's website at:

www.veidan-stream.com/micronetq4-2017.html

A telephone replay of the call will be available for two weeks at: 1-888-326-9310, outside of the U.S.: 972-3-925-5904.

About Micronet Enertec Technologies, Inc.

Micronet Enertec Technologies, Inc. (NASDAQCM: MICT) operates through two primary companies, Enertec Systems 2001 Ltd, its wholly-owned subsidiary, and Micronet Ltd, in which it has a controlling interest. Micronet operates in the growing commercial MRM market, mainly in the United States. Micronet designs, develops, manufactures and sells rugged mobile computing devices that provide fleet operators and field workforces with computing solutions in challenging work environments. Enertec operates in the Defense and Aerospace markets and designs, develops, manufactures and supplies various customized military computer-based systems for missile defense systems, command and control and others. The Company's products, solutions and services are designed to perform in severe environments and battlefield conditions. For more information please visit: www.micronet-enertec.com, the content of which is not incorporated by reference into this press release.

Forward-looking Statement

This press release contains express or implied forward-looking statements within the Private Securities Litigation Reform Act of 1995 and other U.S. Federal securities laws. These forward-looking statements include, but are not limited to, those statements regarding our expectation regarding the sale of our of aerospace and defense business, Enertec, that we believe the sale of Enertec will fortify our balance sheet and enable us to invest and focus on growing our MRM business and that we expect continued improvements in our revenues, gross margins and backlog in 2018. The forward-looking statements contained in this press release are subject to other risks and uncertainties, including those discussed in the "Risk Factors" section and elsewhere in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 filed with the Securities and Exchange Commission, the Company's Annual Report on Form 10-K for the year ended December 31, 2017 to be filed with the Securities and Exchange Commission and in subsequent filings with the Securities and Exchange Commission. Except as otherwise required by law, the Company is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

Contact information:

Tel: (201) 225-0190
info@micronet-enertec.com

Tables To Follow

MICRONET ENERTEC TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS
(In Thousands, except Share and Par Value data)

	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,114	\$ 539
Restricted cash	284	594
Marketable securities	-	2,978
Trade accounts receivable, net	5,183	3,059
Inventories	4,979	4,290
Other accounts receivable	1,092	306
Held for sale assets	11,656	14,881
Total current assets	<u>25,308</u>	<u>26,647</u>
Property and equipment, net	910	965
Intangible assets, net	1,494	2,294
Deferred tax assets	542	483
Long-term deposit	12	61
Goodwill	1,466	1,466
Total long-term assets	<u>4,424</u>	<u>5,269</u>
Total assets	<u>\$ 29,732</u>	<u>\$ 31,916</u>

MICRONET ENERTEC TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS
(In Thousands, except Share and Par Value data)

	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
LIABILITIES AND EQUITY		
Short-term bank credit and current portion of long-term bank loans	\$ 1,582	\$ 3,680
Short-term credit from others and current portion of long-term loans from others	2,207	2,446
Trade accounts payable	3,973	2,233
Other accounts payable	3,146	1,250
Held for sale liabilities	11,338	10,010
Total current liabilities	<u>22,246</u>	<u>19,619</u>
Long-term loans from banks	-	1,093
Long-term loan from others	1,379	188
Accrued severance pay, net	133	58
Total long-term liabilities	<u>1,512</u>	<u>1,339</u>
Stockholders' Equity:		
Preferred stock; \$.001 par value, 5,000,000 shares authorized, none issued and outstanding		
Common stock; \$.001 par value, 25,000,000 shares authorized, 8,645,656 and 6,385,092 shares issued and outstanding as of December 31, 2017 and 2016, respectively	8	6
Additional paid in capital	10,881	8,748
Accumulated other comprehensive income	(363)	11
Retained loss	(10,147)	(1,990)
Micronet Enertec stockholders' equity	<u>379</u>	<u>6,775</u>
Non-controlling interests	5,595	4,183
Total equity	<u>5,974</u>	<u>10,958</u>
Total Liabilities and equity	<u>\$ 29,732</u>	<u>\$ 31,916</u>

MICRONET ENERTEC TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Share and Loss Per Share data)

	Year ended December 31,	
	2017	2016
Revenues	\$ 18,366	\$ 13,284
Cost of revenues	14,094	10,657
Gross profit	<u>4,272</u>	<u>2,627</u>
Operating expenses:		
Research and development	1,964	1,802
Selling and marketing	1,883	1,352
General and administrative	4,116	4,535
Amortization of intangible assets	978	926
Total operating expenses	<u>8,941</u>	<u>8,615</u>
Loss from operations	(4,669)	(5,988)
Finance expense, net	401	319
Loss before provision for income taxes	(5,070)	(6,307)
Taxes on income (benefit)	(10)	(45)
Net loss from continued operation	(5,060)	(6,262)
Net loss from discontinued operation	(4,901)	(1,251)
Total Net Loss	<u>(9,961)</u>	<u>(7,513)</u>
Net loss attributable to non-controlling interests	1,804	1,706
Net loss attributable to Micronet Enertec	\$ (8,157)	\$ (5,807)
Loss per share attributable to Micronet Enertec:		
Basic and diluted loss per share from continued operation	\$ (0.70)	\$ (0.76)
Basic and diluted loss per share from discontinued operation	\$ (0.68)	\$ (0.21)
Weighted average common shares outstanding:		
Basic and diluted	<u>7,128,655</u>	<u>5,966,622</u>

Non-GAAP Financial Measures

In addition to providing financial measurements based on generally accepted accounting principles in the United States of America, or GAAP, we provide additional financial metrics that are not prepared in accordance with GAAP, or non-GAAP financial measures. Management uses non-GAAP financial measures, in addition to GAAP financial measures, to understand and compare operating results across accounting periods, for financial and operational decision making, for planning and forecasting purposes and to evaluate our financial performance.

Management believes that these non-GAAP financial measures reflect our ongoing business in a manner that allows for meaningful comparisons and analysis of trends in our business, as they exclude expenses and gains that are not reflective of our ongoing operating results. Management also believes that these non-GAAP financial measures provide useful information to investors in understanding and evaluating our operating results and future prospects in the same manner as management and in comparing financial results across accounting periods and to those of peer companies.

The non-GAAP financial measures do not replace the presentation of our GAAP financial results and should only be used as a supplement to, not as a substitute for, our financial results presented in accordance with GAAP.

The non-GAAP adjustments, and the basis for excluding them from non-GAAP financial measures, are outlined below:

- **Amortization of acquired intangible assets** - We are required to amortize the intangible assets, included in our GAAP financial statements, related to our acquisition of Beijer in June 2014.. The amount of an acquisition's purchase price allocated to intangible assets and term of its related amortization are unique to these transactions. The amortization of acquired intangible assets are non-cash charges. We believe that such changes do not reflect our operational performance. Therefore, we exclude amortization of acquired intangible assets to provide investors with a consistent basis for comparing pre- and post-transaction operating results.
- **Amortization of note discount** - These expenses are non-cash and are related to amortization of discount of the note purchase agreements with YA II PN Ltd. Such expenses do not reflect our on-going operations.
- **Stock-based compensation** -This is stock-based awards granted to certain individuals. They are non-cash and affected by our historical stock prices which are irrelevant to forward-looking analyses and are not necessarily linked to our operational performance.

The following table reconciles, for the periods presented, GAAP net loss from continued operation to non-GAAP net loss from continued operation and GAAP loss per diluted share from continued operation to non-GAAP net income per diluted share from continued operation:

	Year ended December 31,	
	(Dollars in thousands, other than share and per share amounts)	
	2017	2016
GAAP net loss from continued operation	\$ (5,060)	\$ (6,262)
Amortization of acquired intangible assets	504	582
Stock-based compensation and shares issued to service providers	102	294
Amortization of note discount	158	(24)
Income tax-effect of above non-GAAP adjustments	(3)	(6)
Total Non-GAAP net loss from continued operation	<u>\$ (4,299)</u>	<u>\$ (5,416)</u>
Non-GAAP net loss per diluted share from continued operation	\$ (0.60)	\$ (0.91)
Shares used in per share calculations	7,128,655	5,966,622
GAAP basic and diluted loss per share from discontinued operation	\$ (0.68)	\$ (0.21)
GAAP basic and diluted loss per share from continued operation	\$ (0.70)	\$ (0.76)



Always in Front

Full Year 2017 Financial Results
Conference Call



This presentation contains express or implied forward-looking statements within the Private Securities Litigation Reform Act of 1995 and other U.S. federal securities laws. These forward-looking statements include, but are not limited to, those statements regarding our expected sale of our aerospace and defense business, Enertec, that we believe the sale of Enertec will fortify our balance sheet and enable us to invest and focus on growing our MRM business both organically and through acquisition, our belief that an increasing stream of orders from our current and new customers will drive sustainable growth for Micronet during the coming quarters, that we see demand continuing to grow for Micronet's products as the Electronic Logging Device, or ELD, mandate nears, that as Micronet works to produce increasing quantities of its new products, and as it delivers on its purchase orders, we expect even more favorable top line numbers during the following quarters, our belief that the ELD compliant SmartHubTREQ-r5 expands Micronet's market opportunity, particularly with the smaller fleet size customers, that we are broadening our portfolio of products to address additional target market segments in the MRM market to drive our expansion, and that it is our expectation that the ELD mandate and local fleet market will be the growth engines of Micronet's business. Such forward-looking statements and their implications involve known and unknown risks, uncertainties and other factors that may cause actual results or performance to differ materially from those projected. The forward-looking statements contained in this presentation are subject to other risks and uncertainties, including those discussed in the "Risk Factors" section and elsewhere in the Company's annual report on Form 10-K for the year ended December 31, 2016, the Company's annual report on Form 10-K for the year ended December 31, 2017 which is to be filed and in subsequent filings with the Securities and Exchange Commission. Except as otherwise required by law, the Company is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

- In 2017, Micronet achieved increases in revenues and gross margins.
- A strong backlog
- A growing number of purchase orders from existing and new customers
- In 2018, we plan to launch additional and advanced products
- MICT to focus on high-growth Mobile Resource Management, or MRM, business
- MICT signed a definitive agreement to sell Enertec to Coolisys Technologies
- We believe the potential transaction will contribute to a stronger balance sheet

- Full year 2017 revenues increased by 38% to \$18.4 million over 2016 revenues of \$13.3 million
- Gross margin increased from 20% in 2016 to 23% in 2017
- Combined backlog of \$17.4 million as of December 31, 2017, approximately \$9 million driven by contracts for new MRM products including the TREQ®-317 and TREQr5
- Demand expected to continue to grow as electronic logging device (ELD) mandate requirement deadline nears and additional new MRM products are introduced by Micronet

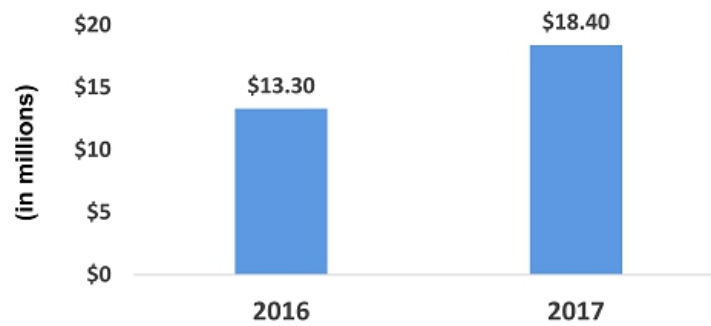
- Strong pipeline with growing amount of customers evaluating products in the field
- TREQ®-317
 - \$1.9 million from a current strategic customer that is a leading US telematics service provider
- TREQr-5/Smart-Hub
 - \$ 3.1 million order for the SmartHub-TREQr5 from a current customer, a leading ELD compliance telematics provider
 - Order included \$100,000 annual recurring revenue license
- \$8.9 million backlog with orders from current and new customers

Trends

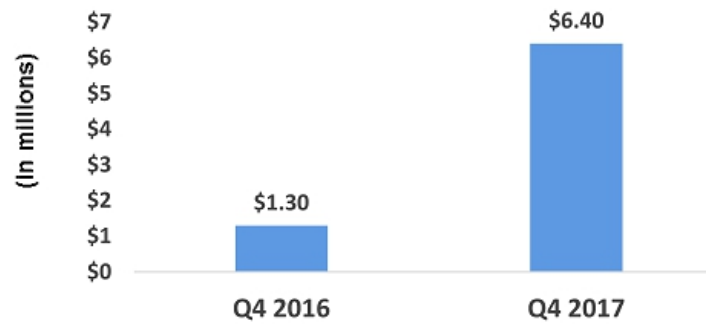
MRM

- Purchase orders of increasing value in MRM business are being placed by both new and current customers, pointing to strong customer satisfaction with Micronet's products
- New Software as a Service (SaaS) offering generates high margin, annually recurring licensing revenues
- Micronet's new rugged on-board computing products create strong value for customers
- MRM devices enhance efficiencies and improve cash flow for customers
- Local fleet market and the ELD expected to be the growth engines of the company
 - December 2019: Final date for mandate to be in compliance with ELD market, carriers and drivers who currently use an automated on-board recorded device
- Broadening product portfolio to target the additional segments in the 10 billion MRM market

Revenues for the full year 2017 vs. 2016



Revenues for Q4 2017 vs. Q4 2016



	Year ended December 31,	
	2017	2016
Revenues	\$ 18,366	\$ 13,284
Cost of revenues	14,094	10,657
Gross profit	<u>4,272</u>	<u>2,627</u>
Operating expenses:		
Research and development	1,964	1,802
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Shares used in per share calculations	7,128,655	5,966,622
GAAP basic and diluted loss per share from discontinued operation	\$ (0.68)	\$ (0.21)
GAAP basic and diluted loss per share from continued operation	(0.70)	(0.76)

	December 31, 2017	December 31, 2016
Cash, cash equivalents and marketable securities	\$2.4M	\$4.1M
Trade account receivable, net	\$5.2M	\$3.1M
Bank & others debts	\$5.2M	\$7.4M
Net working capital	\$3M	\$7M
Stockholders' equity	\$6.0M	\$11.0M

Q & A

