

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): June 16, 2020

**MICT, INC.**

(Exact name of registrant as specified in its charter)

<b>DELAWARE</b> (State or other jurisdiction of incorporation)	<b>001-35850</b> (Commission File Number)	<b>27-0016420</b> (IRS Employer Identification No.)
<b>28 West Grand Avenue, Suite 3, Montvale, New Jersey</b> (Address of principal executive offices)		<b>07645</b> (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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	MICT	Nasdaq Capital Market

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 June 16, 2020, MICT, Inc., or the Company, issued a press release announcing its financial results for the quarter ended March 31, 2020 and other financial information. On June 16, 2020, the Company posted to its website a presentation containing its financial results for the quarter ended March 31, 2020, as well as held an investor conference call discussing the financial results for the quarter ended March 31, 2020. Copies of the press release and, the presentation and the transcript of the investor conference call are furnished with this report as Exhibits 99.1, 99.2 and 99.3, respectively.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release dated June 16, 2020</a>
99.2	<a href="#">Presentation dated June 16, 2020</a>
99.3	<a href="#">Transcript of investor call held on June 16, 2020</a>

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**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.

**MICT, INC.**

Dated: June 16, 2020

By: /s/ Darren Mercer  
Name: Darren Mercer  
Title: Interim Chief Executive Officer

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**MICT Reports Financial Results for the First Quarter Ended March 31, 2020**

- *Conference call scheduled for today, June 16, 2020 at 9:00 a.m. EDT*
- *Executed an amended and restated merger agreement with Global Fintech Holdings (GFH) with up to \$15 million in funding to create global platform for fintech and telematics businesses*
- *GFH has made significant progress in achieving its business goals since announcement of the signed merger agreement with MICT 8 weeks ago*
- *MICT increasing its stake in mobile computing and telematics business*

Montvale, NJ – June 16, 2020 - MICT, Inc. (Nasdaq: MICT), today announced financial results for the three months ended March 31, 2020, as well as merger and acquisition developments subsequent to the end of the first quarter.

“As at March 31, 2020, MICT held an ownership interest in Micronet Limited of 30.48% of its issued and outstanding shares, the results of Micronet Limited are therefore not included within MICT’s consolidated financial statements. The first quarter revenues and underlying mobile computing and telematics business of Micronet Limited were negatively impacted by the COVID-19 pandemic as all sales contracts were either deferred or cancelled. Micronet Limited is also seeing the impact continuing into the second quarter. These results notwithstanding, we believe in Micronet’s world class product portfolio and the business’ potential for growth in the second half of 2020, driven by its new video telematics devices and recent U.S. Federal Communications Commission authorizations. We have therefore significantly increased our stake in this business, with the aim of capitalizing from this investment when the telematics market is expected to come back online in the second half of 2020.

“Post quarter end, MICT signed an amended and restated agreement and plan for merger with Global Fintech Holdings, Ltd., or GFH, to move into its long-term aim of participating in the global fintech marketplace. GFH continues to make significant strides in its key core objectives, and we look forward to informing the market in the coming weeks not only on the major developments at GFH since the announcement on April 15, but also on outlining the synergistic benefits of our new strategy based on both existing and new products and platforms in high growth technology sectors.

“As a result of the above, we look forward to the second half of the year with confidence. We believe that shareholders will realize the benefits of the MICT Group’s intended new strategy and approach, expanding from our foundation in the mobile computing and telematics business to encompass a global product platform that includes new geographic markets in Asia and new products in the fintech space,” Mercer concluded.

On April 15, 2020, MICT (i) signed an amended and restated agreement and plan for merger with Global Fintech Holdings, Ltd., or GFH, pursuant to which, in connection with the transactions contemplated thereby, MICT shall diversify into the global fintech industry, and (ii) approved a private placement of convertible notes of up to \$15 million, which shall be convertible into shares of MICT common stock at a conversion price of \$1.10 per share, consisting of \$11 million of committed funding, with the ability to raise an additional \$4 million on the same terms.

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MICT's financial results for the three months ended March 31, 2019 reflect Micronet, Ltd. revenues for the months of January 2019 and February 2019 only. On February 24, 2019, Micronet closed a public equity offering on the Tel Aviv Stock Exchange which resulted in a dilution of MICT's ownership interest in Micronet to below 50%. Thus, based on U.S. generally accepted accounting practices (GAAP), MICT no longer includes Micronet's financial results in its consolidated financial statements effective as of March 1, 2019.

On June 11, 2020, the Micronet shareholders have accepted a tender offer made by MICT, which, upon MICT's purchase of Micronet shares, will initially increase MICT's ownership to 45.53%. In addition, MICT informed Micronet that, assuming the acceptance of the tender offer, it plans to participate in a public offering of Micronet's ordinary shares, pursuant to which we plan to purchase 50% of Micronet's ordinary shares offered in such public offering, up to an amount of \$900,000 in the aggregate.

#### **Q1 2020 Review**

- Total revenue in first quarter of 2020 was \$0, compared to \$477,000 in the first quarter of 2019.
- Gross loss for MICT was \$0 in the first quarter of 2020, compared to \$369,000 in the first quarter of 2019.
- Research and development (R&D) expense for MICT in the first quarter of 2020 was \$0 compared to \$261,000 in the first quarter of 2019.
- Selling, general and administrative (SG&A) expense for MICT was \$770,000 in the first quarter of 2020, as compared to \$1.18 million in the first quarter of 2019.
- Net loss attributable to MICT was \$1,635,000 in the first quarter of 2020, as compared to \$910,000 in the first quarter of 2019. The increase in net loss is primarily a result of share in investee losses of \$640,000. On a per share basis, MICT reported a net loss of \$0.15 per basic and diluted share from continued operations for the first quarter of 2020, as compared to a net loss of \$0.09 per basic and diluted share from continued operations in the first quarter of 2019.
- As of March 31, 2020, MICT had \$2.88 million in cash and equivalents, and no debt.

#### **Conference Call**

The Company invites all those interested in participating in the call today, June 16, 2020 at 9:00 a.m. EDT, to dial 1-888-298-5973. Callers from outside of the U.S. may access the call by dialing: From Europe (including London) dial in +448 0818 90708 From Israel +972 79-939 8931. user pin: 4444

Please dial in a few minutes before 9:00 a.m. EDT. Participants may also access a live webcast of the conference call through the Investor Relations section of MICT's website at: <http://mixlr.com/servicesmict/>

A telephone replay of the call will be available for two weeks at: 1-888 -298 5973. Callers from outside of the U.S- may access the call by dialing: From Europe (including London) dial in +448 0818 90708 From Israel +972 79-939 8931. user pin: 3333

A slide presentation accompanying management's remarks can be accessed at [www.mict-inc.com](http://www.mict-inc.com).

#### **No Offer or Solicitation**

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, no securities shall be sold in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

#### **Important Additional Information Will be Filed with the SEC**

MICT URGES INVESTORS AND STOCKHOLDERS TO READ ANY MATERIALS RELATED TO THE MERGER WITH GFH CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT MICT, GFH, AND OTHER PARTIES. Investors and stockholders may obtain free copies of these materials with the SEC through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

#### **About MICT, Inc.**

MICT, Inc. (MICT) operates through Micronet Ltd. ("Micronet"), a former subsidiary, in which the Company previously held a majority ownership interest that has since been diluted to a minority ownership interest. Micronet operates in the growing commercial Mobile Resource Management (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.

#### **Forward-looking Statements**

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 the proposed timing for the closing of the transaction with GFH, the belief that the merger with GFH will create synergies and advantages for both companies, the belief that Micronet's deferred shipments of some previously placed orders and decisions on potential new orders may crystallize by the end of the second quarter, the belief that Micronet's world class product portfolio and the business' potential for growth in the second half of 2020, the belief that its investments today will result in revenues in the balance of this calendar year, that GFH continues to make significant strides in its key core objectives, MICT's intention to informing the market in the coming weeks not only on the major developments at GFH since the announcement on April 15, but also on outlining the synergistic benefits of its new strategy based on leading products throughout the group from telematics to fintech, its belief that it is looking forward to the second half of the year with considerable confidence, its belief that shareholders will realize the benefits of the MICT Group's intended new strategy and approach, expanding from its foundation in the telematics business to encompass a global product platform that includes new geographic markets in Asia and new products in the fintech space, MICT's intention to participate in a public offering of Micronet's ordinary shares in an amount of up to \$900,000 with the intention of regaining majority control over Micronet, and the belief that a majority stake in Micronet will leverage its global platform to grow the telematics business as well as fintech. 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 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, 2019 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@mict-inc.com](mailto:info@mict-inc.com)

**MICT, INC. AND SUBSIDIARY**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(USD In Thousands, Except Share and Par Value Data)

	<u>March 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,826	\$ 3,154
Restricted cash	45	45
Trade accounts receivable, net	-	-
Short-term loan to related party Micronet Ltd., net	-	281
Inventories	-	-
Other current assets	1,132	937
<b>Total current assets</b>	<u>4,003</u>	<u>4,417</u>
Property and equipment, net	26	29
Long-term loan to related party Micronet Ltd., net	134	-
Restricted cash escrow	477	477
Micronet Ltd. equity method investment	354	994
<b>Total long-term assets</b>	<u>991</u>	<u>1,500</u>
<b>Total assets</b>	<u>\$ 4,994</u>	<u>\$ 5,917</u>

**MICT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(USD In Thousands, Except Share and Par Value Data)

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
<b>LIABILITIES AND EQUITY</b>		
Short term bank credit and current portion of long term bank loans	\$ -	\$ -
Short term credit from others and current portion of long term loans from others	-	-
Trade accounts payable	-	-
Other current liabilities	540	290
<b>Total current liabilities</b>	<u>540</u>	<u>290</u>
Long term loans from others	-	1,856
Long term escrow	477	477
Accrued severance pay	50	50
<b>Total long term liabilities</b>	<u>527</u>	<u>2,383</u>
Stockholders' Equity:		
Series A Convertible Preferred stock; \$0.001 par value, 3,181,818 and 2,386,363 shares authorized, issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	3	2
Series B Convertible Preferred stock; \$0.001 par value, 1,818,182 and 0 shares authorized, issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	2	0
Common stock; \$0.001 par value, 25,000,000 shares authorized, 11,089,532 shares issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	11	11
Additional paid in capital	14,169	14,107
Additional paid in capital – convertible preferred stock series A	6,437	6,028
Additional paid in capital – convertible preferred stock series B	1,914	
Accumulated other comprehensive (loss)	-	70
Accumulated loss	(18,609)	(16,974)
MICT, Inc. stockholders' equity	<u>3,927</u>	<u>3,244</u>
Non-controlling interests	-	-
<b>Total equity</b>	<u>3,927</u>	<u>3,244</u>
<b>Total liabilities and equity</b>	<u>\$ 4,994</u>	<u>\$ 5,917</u>



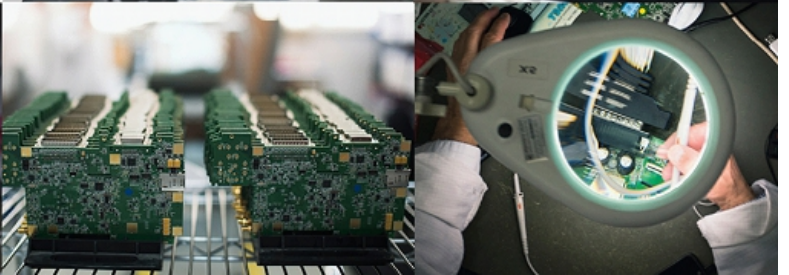
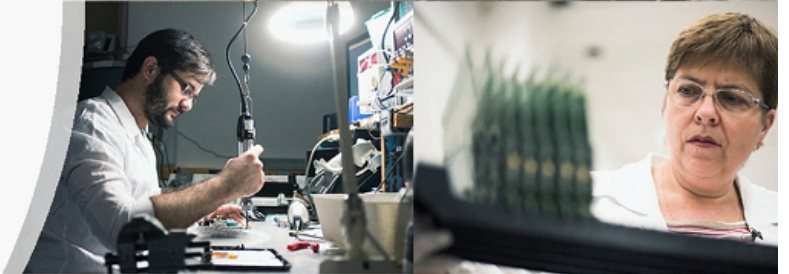
**MICT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(USD In Thousands, Except Share and Earnings Per Share Data)  
(Unaudited)

	Three months ended	
	March 31,	
	2020	2019
Revenues	\$ -	\$ 477
Cost of revenues	-	846
Gross profit	-	(369)
Operating expenses:		
Research and development	-	261
Selling and marketing	-	198
General and administrative	770	990
Amortization of intangible assets	-	20
Total operating expenses	770	1,469
Loss from operations	(770)	(1,838)
Share in investee losses	(640)	-
Net profit from loss of control	-	299
Financial (expenses) income, net	(224)	76
Loss before provision for income taxes	(1,634)	(1,463)
Taxes on income (benefit)	1	3
Net loss from continued operation	(1,635)	(1,466)
Net profit (loss) from discontinued operation	-	-
Total net loss	(1,635)	(1,466)
Net loss attributable to non-controlling interests	-	(556)
Net loss attributable to MICT, Inc.	(1,635)	(910)
Basic and diluted loss per share from continued operation	(0.15)	(0.09)
Basic and diluted loss per share from discontinued operation	\$ -	\$ -
Weighted average common shares outstanding:		
Basic	11,089,532	9,707,831



# Always in Front

First Quarter 2020 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 the proposed timing for the closing of the transaction with GFH, the belief that the merger with GFH will create synergies and advantages for both companies, the belief that Micronet's deferred shipments of some previously placed orders and decisions on potential new orders may crystallize by the end of the second quarter, the belief that Micronet's world class product portfolio and the business' potential for growth in the second half of 2020, the belief that its investments today will result in revenues in the balance of this calendar year, that GFH continues to make significant strides in its key core objectives, MICT's intention to informing the market in the coming weeks not only on the major developments at GFH since the announcement on April 15, but also on outlining the synergistic benefits of its new strategy based on leading products throughout the group from telematics to fintech, its belief that it is looking forward to the second half of the year with considerable confidence, its belief that shareholders will realize the benefits of the MICT Group's new strategy and approach, expanding from its foundation in the telematics business to encompass a global product platform that includes new geographic markets in Asia and new products in the fintech space, MICT's intention to participate in a public offering of Micronet's ordinary shares in an amount of up to \$900,000 with the intention of regaining majority control over Micronet, and the belief that a majority stake in Micronet will leverage its global platform to grow the telematics business as well as fintech. 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, 2019 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.

### **No Offer or Solicitation**

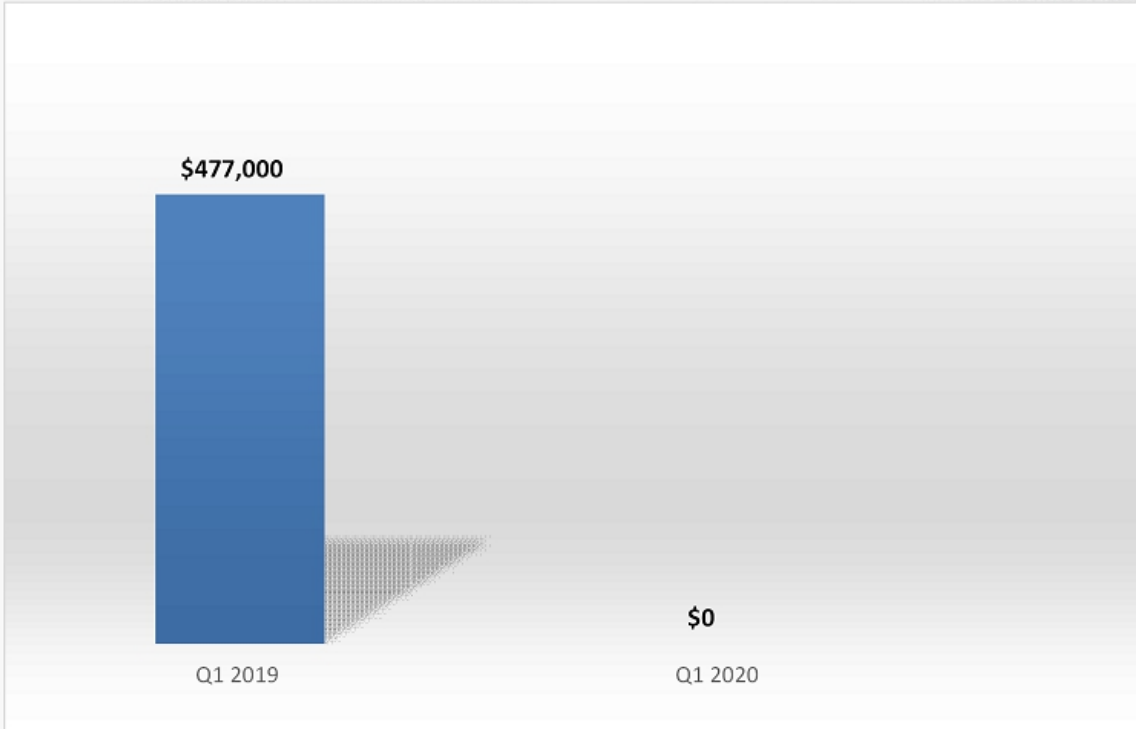
This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, no securities shall be sold in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

### **Important Additional Information Will be Filed with the SEC**

MICT URGES INVESTORS AND STOCKHOLDERS TO READ ANY MATERIALS RELATED TO THE MERGER WITH GFH CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT MICT, GFH, AND OTHER PARTIES. Investors and stockholders may obtain free copies of these materials with the SEC through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

- During the first quarter of 2020, we advanced towards closing our planned transaction with Global Fintech Holdings, Ltd (GFH). Towards that end, in April we entered into an amended and restated agreement and plan for merger with GFH. Upon closing, MICT will diversify into the global fintech industry. We believe this transaction, once completed, has the potential to significantly increase shareholder value for MICT.
- In connection with the GFH merger, and subject to shareholder approval, MICT has approved a private placement of convertible notes of up to \$15 million, which shall be convertible into shares of MICT common stock at a conversion price of \$1.10 per share, consisting of \$11 million of committed funding, with the ability to raise an additional \$4 million on the same terms.
- On May 19, 2020, MICT made a tender offer, to purchase shares of Micronet. As at March 31, 2020 MICT held an ownership interest in Micronet Limited of 30.48% of its issued and outstanding shares.
- On June 4, 2020, Micronet filed an immediate report with the Tel Aviv Stock Exchange, or TASE, announcing an amendment to the tender offer, or the Amendment to tender offer. Pursuant to the Amendment to tender offer, the number of ordinary shares to be offered pursuant to the tender offer will be up to 6,000,000 ordinary shares, and the proposed purchase price was changed to NIS 0.30 per share (or approximately \$0.09 per share), for aggregate gross proceeds of NIS 1,800,000 (or approximately \$519,865). The tender offer will remain open until June 11, 2020 at 2:00 PM Israel time.
- On June 10, 2020, the Company further informed Micronet that, assuming the full subscription of such Tender Offer is accepted, the Company intends to, but shall not be required to, participate in a public offering of Micronet's Ordinary Shares, pursuant to which the Company may purchase up to \$900,000 of Micronet's Ordinary Shares.
- On June 11, 2020, Micronet filed an immediate report with the TASE reporting that the Tender Offer has been fully accepted.

- Revenues in Q1 2020 were \$0 compared \$477,000 in Q1 2019.
- Gross loss in Q1 2020 was \$0 compared to \$369,000 in Q1 2019.
- Research and development (R&D) expense in Q1 2020 was \$0 compared to \$261,000 in Q1 2019.
- Selling, general and administrative (SG&A) expense in Q1 2020 was \$770,000 compared to \$1.18 million in Q1 2019.
- Net loss attributable to MICT was \$1.64 million in Q1 2020 compared to \$910,000 in Q1 2019.
- As of March 31, 2020, MICT reports no debt, with \$2.9 million in cash.



# Income Statement Highlights

(in 000s except share and per share data)

	Three months ended March 31,	
	2020	2019
Revenues	\$ -	\$ 477
Cost of revenues	-	846
Gross profit	-	(369)
Operating expenses:		
Research and development	-	261
Selling and marketing	-	198
General and administrative	770	990
Amortization of intangible assets	-	20
Total operating expenses	770	1,469
Loss from operations	(770)	(1,838)
Share in investee losses	(640)	-
Net profit from loss of control	-	299
Financial (expenses) income, net	(224)	76
Loss before provision for income taxes	(1,634)	(1,463)
Taxes on income (benefit)	1	3
Net loss from continued operation	(1,635)	(1,466)
Net profit (loss) from discontinued operation	-	-
Total net loss	(1,635)	(1,466)
Net loss attributable to non-controlling interests	-	(556)
Net loss attributable to MICT, Inc.	(1,635)	(910)
Basic and diluted loss per share from continued operation	(0.15)	(0.09)
Basic and diluted loss per share from discontinued operation	\$ -	\$ -
Weighted average common shares outstanding:		
Basic	11,089,532	9,707,831



*In Millions*

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Cash, cash equivalents and restricted cash	\$2.9 M	\$3.2 M
Net working capital	\$3.5 M	\$4.1 M
Stockholders' equity	\$3.9 M	\$3.2 M



MICT Q1 2020 Earnings Call  
June 16, 2020  
9:00 a.m. EDT

Operator:

Thank you. Good morning and thank you for calling in to review MICT's First Quarter 2020 results. Management will provide an overview of the results.

Importantly, there is a slide presentation which management will use during their overview. This presentation can be found on the Investor Relations section of the company's website, [www.mict-inc.com](http://www.mict-inc.com), under Events and Presentations. You may also access a pdf copy of the presentation by clicking the link in the company's press release regarding these financial results issued this morning and then clicking a second link labeled "First Quarter 2020 Results". Callers accessing the pdf copy of the presentation will need to manually scroll through the slides as management goes through the presentation.

I will now take a brief moment to read the Safe Harbor statement. During the course of this call, management will make express and 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 the proposed timing for the closing of the transaction with Global Fintech Holdings Ltd., or GFH, the belief that the merger with GFH is expected to create synergies and advantages for both companies, the belief that once the transaction with GFH is completed, has the potential to significantly increase shareholder value for MICT, the belief that Micronet's deferred shipments of some previously placed orders and decisions on potential new orders may crystallize by the end of the second quarter, the belief that Micronet's world class product portfolio and the business' potential for growth in the second half of 2020, the belief that its investments today will result in revenues in the balance of this calendar year, that GFH continues to make significant strides in its key core objectives, MICT's intention to informing the market in the coming weeks not only on the major developments at GFH since the announcement on April 15, but also on outlining the synergistic benefits of its new strategy based on leading products throughout the group from telematics to fintech, its belief that it is looking forward to the second half of the year with considerable confidence, its belief that shareholders will realize the benefits of the MICT Group's new strategy and approach, expanding from its foundation in the telematics business to encompass a global product platform that includes new geographic markets in Asia and new products in the fintech space, the proposed tender offer of Micronet Ltd.'s, or Micronet, ordinary shares, MICT's intention to participate in a public offering of Micronet's ordinary shares in an amount of up to \$900,000 with the intention of regaining majority control over Micronet, and the belief that a majority stake in Micronet will leverage its global platform to grow the telematics business as well as fintech.

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 factor section and elsewhere in the company's annual report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission.

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## **No Offer or Solicitation**

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, no securities shall be sold in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

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Please note that the date of this conference call is June 16, 2020 and any forward-looking statements that management makes today are based on assumptions that are reasonable as of this date. Except as otherwise required by law, the company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

On the call this morning, we have Darren Mercer, board member and interim Chief Executive Officer of MICT, and Moran Amran, controller of MICT. And again, as a reminder, management will be referring to a slide presentation that can be accessed via the Investor Relations section of the company's site or the link in the press release.

We will start with an opening message from Darren, who will give an overview of business developments for the three months ended March 31, 2020. Then, we will move to review the numbers with Moran. I will now turn the call over to Darren, who will begin the presentation on slide 5. Please go ahead, Darren.

Darren Mercer:

Slide 4 Thank you, good morning everyone.

During the first quarter of 2020, we advanced towards closing our planned transaction with Global Fintech Holdings, Ltd (GFH). Towards that end, in April we entered into an amended and restated agreement and plan for merger with(GFH). Upon closing, MICT will diversify into the global fintech industry. We believe this transaction, once completed, has the potential to significantly increase shareholder value for MICT.

In connection with the GFH merger, and subject to shareholder approval, MICT has approved a private placement of convertible notes of up to \$15 million, which shall be convertible into shares of MICT common stock at a conversion price of \$1.10 per share, consisting of \$11 million of committed funding, with the ability to raise an additional \$4 million on the same terms.

As background for any new investors on the call, MICT had previously owned a majority stake in Micronet Ltd., which was our operating company. As of March 31, 2020 MICT owned 30.48% of Micronet's issued and outstanding shares as a result of Micronet closing a public equity offering on the Tel Aviv Stock Exchange, or the TASE, which resulted in a dilution of MICT's ownership interest.

On May 19, 2020, Micronet filed an immediate report with the Tel Aviv Stock Exchange, or TASE, announcing the commencement of a special tender offer by MICT Telematics Ltd., a wholly owned subsidiary of MICT, or MICT Telematics, under Israel law with respect to the purchase by the Company, through MICT Telematics, of up to 8,000,000 ordinary shares, par value New Israeli Shekels, or NIS, 0.1, of Micronet, at a proposed purchase price of NIS 0.16 per share (or approximately \$0.05), for aggregate gross proceeds of NIS 1,280,000 (or approximately \$364,512), or the Tender Offer.

On June 4, 2020, Micronet filed an immediate report with the TASE, announcing an amendment to the Tender Offer, or the Amendment to Tender Offer. Pursuant to the Amendment to Tender Offer, the number of Micronet's ordinary shares to be offered pursuant to the tender offer was increased to 6,000,000 ordinary shares, and the proposed purchase price was changed to NIS 0.30 per share (or approximately \$0.09 per share), for aggregate gross proceeds of NIS 1,800,000 (or approximately \$519,865).

On June 10, 2020, MICT further informed Micronet that, assuming the full subscription of such Tender Offer was accepted, the MICT intends to, but shall not be required to, participate in a public offering of Micronet's Ordinary Shares, pursuant to which MICT may purchase up to \$900,000 of Micronet's ordinary shares.

On June 11, 2020, Micronet filed an immediate report with the TASE reporting that the Tender Offer had been fully accepted.

Slide 5 On Slide 5, we will review MICT's Q1 2020 financial results.

As a reminder, As of March 31, 2020 MICT holds a 30.48% stake in Micronet, therefore, based on U.S. GAAP rules, MICT no longer reports consolidated results due to reduced ownership of Micronet effective March 1, 2019.

Revenues in Q1 2020 were \$0 compared \$477,000 in Q1 2019.

Gross loss in Q1 2020 was \$0 compared to \$369,000 in Q1 2019.

Research and development expense in Q1 2020 was \$0 compared to \$261,000 in Q1 2019.

Selling, general and administrative expense in Q1 2020 was \$770,000 compared to \$1.18 million in Q1 2019.

Net loss attributable to MICT was \$1.64 million in Q1 2020 compared to \$910,000 in Q1 2019.

As of March 31, 2020, MICT reported no debt, with \$2.9 million in cash.

I will now turn the call to Moran for a more detailed financial review.

Moran Amran:

Slide 6 Thank you Darren and good morning everyone. The next slide illustrates the revenues for the first quarter of 2020 as compared to the same period in 2019. Revenues were \$0 in Q1 2020, compared to \$477,000 in Q1 2019.

Slide 7 Slide 7 provides a more detailed breakdown of the first quarter 2020 and 2019 numbers.

Total operating expenses in Q1 2020 were \$770,000 as compared to \$1.47 million in Q1 2019. Loss from operations was \$770,000 in Q1 2020 as compared to \$1.84 million in Q1 2019. Net loss attributable to MICT in Q1 2020 was \$1.64 million or \$0.15 per basic and diluted share, as compared to a net loss of \$910,000 million or \$0.09 per basic and diluted share in Q1 2019.

Slide 8 Turning to slide 8, on our balance sheet we have \$2.9 million in cash and cash equivalents, a \$3.5 million in working capital, and \$3.9 million in shareholders' equity as of March 31, 2020.

I will now turn the call back to Darren.

Darren :

Summary

We believe that the merger of GFH and MICT will create synergies and advantages for both companies. We believe this merger will accelerate MICT's strategy to become a global player in fintech. We believe that our enlarged resources and global team with strong networks in Asia have the experience, relationships and potential pipeline of deals to provide MICT with opportunities to significantly increase its earnings, and it is contemplated that further acquisitions will follow. We look forward to closing this GFH transaction.

This broader corporate platform is expected to create new opportunities in the telematics space for MICT, as well as fintech. We have therefore made a tender offer to increase our holdings in Micronet to a majority position.

Thank you for joining us on the call today, and we will update you on the latest developments on our corporate transactions and business developments in the near future.

In closing, I would also like to thank our dedicated employees.