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

FORM 8-K/A

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

Date of Report (Date of earliest event reported): **July 8, 2020**

MICT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-35850**	**27-0016420**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

28 West Grand Avenue, Suite 3,
Montvale, New Jersey 07645
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(201) 225-0190**

N/A
(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:

☐ 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 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. ☐

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

Title of each class	Trading symbol	Name of exchange on which registered
MICT, Inc. Common Shares	**MICT**	**NASDAQ Capital Market**

EXPLANATORY NOTE

This Amendment No. 1 on Form 8-K/A (this "Form 8-K/A") to our Current Report on Form 8-K filed with the Securities and Exchange Commission on July 8, 2020 (the "Original Form 8-K") is being filed to amend Item 9.01 to the Original Form 8-K to include certain financial statements related to MICT, Inc.'s (the "Company") acquisition (the "Merger") of GFH Intermediate Holdings Ltd., a British Virgin Islands company ("Intermediate"), pursuant to the previously announced Agreement and Plan of Merger entered into on November 7, 2019 by and between the Company, Intermediate, Global Fintech Holding Ltd., a British Virgin Islands company and the sole shareholder of Intermediate ("GFH"), and MICT Merger Subsidiary Inc., a British Virgin Islands company and a wholly owned subsidiary of the Company ("Merger Sub"), as amended and restated on April 15, 2020 (the "Restated Merger Agreement"). On July 1, 2020, the Company completed its acquisition of Intermediate. As described in the Restated Merger Agreement, upon consummation of the Acquisition, each outstanding share of Intermediate was cancelled in exchange for a convertible promissory note in the principal amount of $25,000,000 (the "Consideration Note"), which Convertible Note shall be convertible into shares of common stock of MICT at a conversion price of $1.10 per share, subject to stockholder approval. Except as set forth herein, no modifications have been made to the information contained in the Original Form 8-K.

Item 8.01 Other Events

The COVID-19 pandemic, or any other pandemic, epidemic or outbreak of an infectious disease, may materially and adversely affect MICT's business and operations.

The recent outbreak of COVID-19 originated in Wuhan, China, in December 2019 and has since spread to multiple countries, including the United States, Israel and many European countries in which MICT operates. On March 11, 2020, the World Health Organization declared the outbreak a pandemic. While COVID-19 is still spreading and the final implications of the pandemic are difficult to estimate at this stage, it is clear that it has affected the lives of a large portion of the global population. At this time, the pandemic has caused states of emergency to be declared in various countries, travel restrictions imposed globally, quarantines established in certain jurisdictions and various institutions and companies being closed. MICT is actively monitoring the pandemic and is taking any necessary measures to respond to the situation in cooperation with the various stakeholders.

MICT's operations and business have experienced disruptions due to the unprecedented conditions surrounding the spread of COVID-19 throughout North America, Israel and the world. In particular, COVID-19 and measures implemented to reduce the spread of the virus have limited access to the MICT's offices and disrupted its normal interactions with its accounting personnel, legal advisors, auditors and others involved in the preparation of the Proxy Statement in which these financial statements are included. The COVID-19 pandemic and both public and private measures taken to contain it have negatively affected MICT's business, results of operations, financial condition, and liquidity, all of which may continue or worsen. The following are some of the issues that MICT continues to face:

- *Prolonged recessionary concerns.* The COVID-19 pandemic has resulted in a significant reduction of economic activity in the U.S., as well as a significant increase in unemployment, which could lead to a prolonged economic recession;

- *Actual and potential delays in customer payments, defaults on the MICT's customer credit arrangements; or other failures by third parties such as suppliers, and distributors to meet their obligations to MICT due to their economic circumstances.* The financial markets have also been adversely impacted by the COVID-19 pandemic, potentially causing operational cash flow issues for MICT, and potentially causing similar issues for MICT's customers, including, but not limited to, affecting their ability to meet their payment obligations to us;

- *Interruptions in manufacturing or distribution of MICT's products*. Outbreaks in the communities in which MICT operates could affect its ability to operate its manufacturing or distribution activities, and MICT's suppliers could experience similar interruptions.

Due to the uncertainty surrounding the COVID-19 pandemic, MICT will continue to assess the situation, including government-imposed restrictions, market by market. It is not possible at this time to estimate the full impact that the COVID-19 pandemic could have on MICT's business, the continued spread of COVID-19, and any additional measures taken by governments, health officials or by MICT in response to such spread, could have on MICT's business, results of operations and financial condition. The COVID-19 pandemic and mitigation measures have also negatively impacted global economic conditions, which, in turn, could adversely affect MICT's business, results of operations and financial condition. The extent to which the COVID-19 outbreak continues to impact MICT's financial condition will depend on future developments that are highly uncertain and cannot be predicted, including new government actions or restrictions, new information that may emerge concerning the severity, longevity and impact of the COVID-19 pandemic on economic activity.

Even after COVID-19 has subsided, MICT may continue to experience materially adverse impacts to its business as a result of its global economic impact, including any recession that has occurred or may occur in the future. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19, and, as a result, the ultimate impact of COVID-19, or a similar health epidemic or pandemic, is highly uncertain and subject to change. While MICT continues to monitor the business metrics that it has historically used to predict its financial performance, it is uncertain as to whether these metrics will continue to function as they have in the past.

MICT may be subject to litigation and regulatory investigations and proceedings, and may not always be successful in defending itself against such claims or proceedings.

The Company's prospective business operations entail substantial litigation and regulatory risks, including the risk of lawsuits and other legal actions relating to, among other matters, breach of contract, information disclosure, client onboarding procedures, sales practices, product design, fraud and misconduct, and control procedures deficiencies, as well as the protection of personal and confidential information of MICT's prospective clients. MICT may be subject to arbitration claims and lawsuits in the ordinary course of its prospective business. MICT may also be subject to inquiries, inspections, investigations and proceedings by regulatory and other governmental agencies. MICT will be subject to extensive and evolving regulatory requirements, non-compliance with which, may result in penalties, limitations and prohibitions on its future business activities or suspension or revocation of its prospective licenses and trading rights, and consequently may materially and adversely affect its prospective business, financial condition, operations and prospects.

Additionally, the recently completed merger with Global Fintech Holdings Intermediate LTD. (among other parties) and the transactions contemplated thereby, as well as certain private placements completed by the Company, may give rise to litigation and/or other legal disputes. As previously disclosed, in March 2017, MICT entered into an Investment Banking Agreement (the "Sunrise Agreement") with Sunrise Securities LLC and Trump Securities LLC (collectively, "Sunrise") through Sunrise's principal, Amnon Mandelbaum, pursuant to which Sunrise agreed to assist MICT in identifying, analyzing, structuring, and negotiating suitable business opportunities, such as a sale of stock or assets, merger, tender offer, joint venture, financing arrangement, private placement, or any similar transaction or combination thereof. The parties have had disagreements about the applicability of the Sunrise Agreement, and the Company has received demand letters and other correspondences from Sunrise threatening litigation in connection therewith. There can be no assurance that a settlement will be reached with respect to such disagreements.

Actions brought against MICT may result in settlements, injunctions, fines, penalties, suspension or revocation of licenses, reprimands or other results adverse to it that could harm its reputation. Even if MICT is successful in defending itself against these actions, the costs of such defense may be significant. In market downturns, the number of legal claims and the amount of damages sought in legal proceedings may increase.

In addition, MICT may face arbitration claims and lawsuits brought by its prospective users and clients who use its services and find them unsatisfactory. MICT may also encounter complaints alleging misrepresentation with regard to its prospective platforms and/or services. Actions brought against MICT may result in settlements, awards, injunctions, fines, penalties or other results adverse to it including harm to its reputation. Even if MICT is successful in defending against these actions, the defense of such matters may result in its incurring significant expenses. Predicting the outcome of such matters is inherently difficult, particularly where claimants seek substantial or unspecified damages, or when arbitration or legal proceedings are at an early stage. A significant judgement or regulatory action against MICT or a material disruption in MICT's prospective stock trading platform business arising from adverse adjudications in proceedings against the directors, officers or employees would have a material adverse effect on its liquidity, business, financial condition, results of operations and prospects.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The audited financial statements of Intermediate as of December 31, 2019 and for the period from November 4, 2019 (inception) to December 31, 2019 are filed as Exhibit 99.1 hereto and are incorporated herein by reference. The unaudited financial statements of Intermediate as of June 30, 2020 and for the six months ended June 30, 2020, are filed as Exhibit 99.2 and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined financial statements as of June 30, 2020 and for the six months ended June 30, 2020 and the year ended December 31, 2019 of the Company, Micronet and GFHI are filed as Exhibit 99.3 and are incorporated herein by reference.

Such unaudited pro forma financial statements combine the financial statements of the Company, Micronet, Ltd. ("Micronet") and Intermediate, giving effect to (i) the Company's acquisition of 5,999,996 shares of Micronet's ordinary shares (the "Ordinary Shares") in a tender offer for Micronet's Ordinary Shares, and 10,334,000 Micronet Ordinary Shares in a public offering, and (ii) the merger of GFHI with and into Merger Sub, as if they had occurred on January 1, 2019 in respect of the unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2020 and for the year ended December 31, 2019, and on June 30, 2020 in respect of the unaudited pro forma condensed combined balance sheet.

(d) Exhibits.

Exhibit No.	Description
23.1	Consent of RBSM, LLP.
99.1	The audited financial statements of Intermediate as of December 31, 2019 and for the period from November 4, 2019 (inception) to December 31, 2019 (incorporated by reference to the Company's Definitive Proxy Statement of Schedule 14A, filed with the Securities Exchange Commission (the "Commission") on August 12, 2020).
99.2	The unaudited financial statements of Intermediate as of June 30, 2020 and for the six months ended June 30, 2020.
99.3	The unaudited financial statements of Intermediate as of March 31, 2020 and for the three months ended March 31, 2020 (incorporated by reference to the Company's Definitive Proxy Statement of Schedule 14A , filed with the Commisson on August 12, 2020).
99.4	The unaudited pro forma condensed combined financial statements as of June 30, 2020 and for the six months ended June 30, 2020 and the year ended December 31, 2019 of the Company, Micronet and GFHI.
99.5	The unaudited pro forma condensed combined financial statements as of March 31, 2020 and for the three months ended March 31, 2020 and the year ended December 31, 2019 of the Company, Micronet and GFHI (incorporated by reference to the Company's Definitive Proxy Statement of Schedule 14A , filed with the Commission on August 12, 2020).

SIGNATURE

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

MICT, INC.

Date: September 3, 2020

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

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the reference of our firm under the caption “Experts” and use of our report dated July 24, 2020, which includes an explanatory paragraph regarding substantial doubt about the Company’s ability to continue as a going concern, with respect to the financial statements of Global Fintech Holdings Intermediate, Ltd. as of and for the period ended December 31, 2019, in this Registration Statement on Form 8-K/A and related Prospectus of MICT, Inc., and filed with the Securities and Exchange Commission.

/s/RBSM LLP
New York, New York
September 3, 2020

Global FinTech Holdings Intermediate LTD
(A wholly owned subsidiary)
Balance Sheet
(in thousands of US dollars)

	June 30, 2020	December 31, 2019 Audited
Assets		
Current assets:		
Prepayment	$ -	$ 656
Total current Assets	$ -	$ 656
Non Current assets:		
Intangible Assets	$ 1,177	$ -
Total Assets	$ 1,177	$ 656
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accrued expenses - related party	$ 4,356	$ 2,981
Total Liabilities	$ 4,356	$ 2,981
Stockholders' Deficit:		
Share capital		
Accumulated deficit	$ (3,301)	$ (2,307)
Accumulated other comprehensive income	$ 121	(18)
Total Stockholders' Deficit	$ (3,180)	$ (2,325)
Total Liabilities and Stockholders' Deficit	$ 1,177	$ 656

See accompanying footnotes to unaudited financial statements

Global FinTech Holdings Intermediate LTD
(A wholly owned subsidiary)
Statement of Operations
(in thousands of US dollars)

	June 30, 2020 6 months Period
	$
General and administrative	(939)
Amortization	(63)
Net operating Loss	(1,002)
Loss before income tax	(1,002)
Net Loss from continuing operations	$ (1,002)

See accompanying footnotes to unaudited financial statements

Global FinTech Holdings Intermediate LTD
(A wholly owned subsidiary)
Accumulated other comprehensive income
For Six months ended June 30, 2020
(in thousands of US dollars)

	2020
	$
Loss for the year	(1,002)
Items that may be reclassified subsequently to profit or loss:	
Exchange differences on translation of foreign operations	147
Total comprehensive loss for the year	(855)

See accompanying footnotes to unaudited financial statements

Global FinTech Holdings Intermediate LTD
(A wholly owned subsidiary)
Statement of Changes in Stockholders' Deficit
For The Period From November 4, 2019 (Inception) through June 30, 2020
(in thousands of US dollars)

	Shares	Share Capital	Accumulated Deficit	Accumulated other comprehensive income	Total Stockholders' Deficit
Balance - November 4, 2019	-	$ -	$ -	$ -	$ -
Share issuance to founders	1	-	-	-	-
Net loss	-	-	(2,307)	(18)	(2,325)
Balance - December 31, 2019	1	$ -	$ (2,307)	$ (18)	$ (2,325)
Balance - January 1, 2020	1	-	(2,307)	(18)	(2,325)
Net loss	-	-	(1,002)	147	(855)
Balance - June 30, 2020	1	$ -	$ (3,309)	$ 128	$ (3,181)

See accompanying footnotes to unaudited financial statements

Global FinTech Holdings Intermediate LTD
(A wholly owned subsidiary)
Statement of Cash Flows
for Six months ended June 30 , 2020

		June 30, 2020
Cash Flows From Operating Activities		
Net loss	$	(1,002)
Adjustments to reconcile net loss to net cash provided by operating activities used in operating activities:		
Changes in operating assets and liabilities:		
General Prepayment		656
Accrued expenses - related party		1,118
Net Cash Used In Operating Activities		772
Intangible assets		(1,239)
Net Cash Used In Financing Activities		(1,239)
Effect of FX on Net cash		130
Net Change In Cash		-
Cash - Beginning of Period (Inception)		-
Cash - End of Period	$	-

See accompanying footnotes to unaudited financial statements

GLOBAL FINTECH HOLDINGS INTERMEDIATE LTD
(A Wholly Owned Subsidiary)
Notes to Financial Statements
For Six months ended June 30, 2020
(US dollars in thousands, except per share data)

1. Nature of Operations and Going Concern

Global FinTech Holdings Intermediate LTD ("GFHI") was incorporated on November 4, 2019 under the laws of the British Virgin Islands. The Company's registered office is Maples Corporate Services (BVI) Limited, Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands.

GFHI is engaging its resources in China for the creation of and connectivity of financial services and key industrial sectors and commodities markets via a robust fintech trading platform. The Company is developing an advanced technology platform capable of transforming the investing experience for business to consumer and business to business customers in China, by offering a fully digitized and app-enabled brokerage service covering several international and domestic markets. Additionally, through its strong Government relationships, GFHI has secured the opportunity to develop and retail/wholesale insurance products and platforms for the Chinese market. The Company's initial focus is on launching a number of online insurance brokerage platforms for retail and commercial clients.

Going concern and management's plans

These financial statements were prepared on a going concern basis, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. As of December 31, 2019, the Company had no unrestricted funds. For the period from January, 1 2020 through June 30, 2020, the Company had a net loss of $1 million and an accumulated deficit of $3.3 Million as of June 30, 2020. These conditions indicate the existence of material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern. The Company's primary source of operating funds since inception has been equity financings. The Company intends to continue to raise additional capital through debt and equity financings. There is no assurance that these funds will be sufficient to enable the Company to fully complete its development activities or attain profitable operations. If the Company is unable to obtain such additional financing on a timely basis, the Company may have to curtail its development, marketing and promotional activities, which would have a material adverse effect on the Company's business, financial condition and results of operations, and ultimately the Company could be forced to discontinue its operations and liquidate.

2. Summary of Significant Accounting Policies

Basis of presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for financial information. They do not include all information and footnotes required by United States generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material changes in the information disclosed in the notes to the financial statements for the year ended December 31, 2019 included in the Company's Form DEF-14A filed with the Securities and Exchange Commission. The unaudited interim financial statements should be read in conjunction with those financial statements included in the Form DEF-14A. In the opinion of Management, all adjustments considered necessary for a fair presentation, consisting solely of normal recurring adjustments, have been made. Operating results for the Six months ended June 30, 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2020.

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Use of estimates

The financial statements have been prepared under the historic cost convention (subject to adjustments in respect of revaluation of financial assets at fair value through profit or loss) and in accordance with US GAAP as issued by the generally accepted in the United States board. The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Property, plant and equipment and software intangible assets

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Similarly, software intangible assets are stated at cost less accumulated amortisation and any recognised impairment loss.

Depreciation or amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	33%
Fixtures and equipment	20%-33 %
Motor vehicles	33 %
Software	20 %

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Internally generated intangible assets (development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold
- adequate resources are available to complete the development
- there is an intention to complete and sell the product
- the Group is able to sell the product
- sale of the product will generate future economic benefits, and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed.

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

The Company have nil cash as 30 June 2020.

Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

a) Financial assets and liabilities at fair value through profit or loss: A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short term. Cash is included in this category. Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the statement of operations. Gains and losses arising from changes in fair value are presented in the statement of operations in the month in which they arise.

b) Available-for-sale investments: Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Company does not have any instruments classified in this category.

c) Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables comprise of trade and

d) Other receivables: Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value.

e) Financial liabilities at amortized cost: Financial liabilities at amortized cost include payables and accruals. Financial liabilities are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value.

Income taxes

The Company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases ("temporary differences") and loss carry forwards. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is generally recognized in income in the year that includes the date of enactment or substantive enactment. Deferred income tax assets are recognized at each reporting date only to the extent that it is probable that the related tax benefit will be realized.

Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

(US dollars in thousands, except per share data)

3. Intangible Assets

As of June 30, 2020, the net carrying value of the finite-lived intangible assets is comprised of licences valuing $1.17 million. No impairment of Intangible Asset necessary due to the subsequent event transaction with the sale to MICT, and owners planning to exploit the technology. Refer to Note 8 Subsequent Events.

GFH INTERMEDIATE HOLDINGS LIMITED, has signed a licence agreement with BEIJING BROOKFIELD INTERACTIVE SCIENCE & TECHNOLOGY CO. LTD on 18^{th} May 2020 which was effective since January 2020 to have exclusive rights of using Software developed by BNN for 10 years.

This agreement also facilitates the transfer of technology between BNN and GFH.

Software which is licenced by GHF is B2b technology platform which have following capabilities:

- It is authorised by government of China to perform KYC checks on consumer. This technology platforms will help GFH to satisfy its regulatory requirements to perform KYC on its customers.
- Software is designed to handle large volume of data.
- Software is approved by large Chinese technologies groups as trusted partner and can be connected with other technology companies to cross sell products and benefit from each other technology and services.
- It is highly secured, scalable and robust.

The reason GFHI is amortising the licence for 10 years in the agreement between two parties start from January 2020 and ending on 31st December 2029.

The estimated amortization expense for each of the ten succeeding fiscal years and thereafter related to the Company's finite-lived intangible assets is as follows:

Amortisation schedule	**USD**
2020	124
2021	124
2022	124
2023	124
2024	124
2025	124
2026	124
2027	124
2028	124
2029	124
Total Amortisation	1,240

(US dollars in thousands, except per share data)

Note 4. Prepaid Expenses

	June 30 2020 $'000	December 31 2019 $'000
Current Assets		
Prepayments	-	656
	-	656

As of June 30, 2020, the company has prepaid Nil (2019: $655,901) to BEIJING BROOKFIELD INTERACTIVE SCIENCE & TECHNOLOGY CO. LTD as a licence fee.

4. Share Capital

As of June 30, 2020, the Company was authorized to issue an unlimited number of ordinary shares, $0.001 par value. The holders of the Company's ordinary shares are entitled to one vote per share. On November 4, 2019, one ordinary shares were issued to the founders of the Company.

5. Related Party Transactions

	June 30 2020 $'000	December 31 2019 $'000
Global Fin Tech Holding LTD	(4,356)	(2,981)

6. Income Taxes

During the period from January 1, 2020 to June 30, 2020, the Company operated in and was subject to the tax regime of the British Virgin Islands ("BVI"), a British overseas territory. As the BVI does not impose corporate income taxes, the Company recorded no income tax benefit during that period.

There are no tax effects of temporary differences that give rise to deferred tax assets as of June 30, 2020.

The Company has incurred a loss of $1 million from January 1, 2020 to June 30, 2020. However, as the BVI does not impose corporate income taxes, the Company will not realize any income tax benefit in the future related to that loss.

The Company does not have any uncertain tax positions or events leading to uncertainties regarding any income tax positions.

7. Commitments and Contingencies

The company does not have any commitments and contingencies

8. Subsequent Events

GFHI unaudited quarterly Financial statements were available to be issued on August 28th 2020.

GFHI was acquired by MICT, Inc. on 1st July 2020. MICT, Inc. has completed the acquisition of a Global Fintech Intermediary Holdings Ltd. (“GFHI”) for approximately $25 million in convertible securities. In connection with the previously announced private placement of convertible promissory notes, MICT has also received commitments to purchase the full $15 million of such notes. Upon stockholder approval, both the securities issued as merger consideration and the promissory notes issued in the private placement will be convertible into shares of MICT common stock at a conversion price of $1.10 per share

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On June 23, 2020, Micronet Ltd. ("Micronet"), announced that as a result of the consummation of the special tender offer, or the Tender Offer, in which MICT, Inc. ("MICT") purchased 5,999,996 shares of Micronet's ordinary shares, or the Ordinary Shares, in the aggregate amount of New Israeli Shekels ("**NIS**")1,800,000 (or U.S. Dollars ("**USD**") $515,000) offered in the Tender Offer, and the closing of the public offering, in which MICT purchased 10,334,000 shares of Micronet's Ordinary Shares in the aggregate amount of NIS 3,100,200 (or $887,000), and as a result, MICT regained voting control of Micronet, owning 53.39% of the outstanding Ordinary Shares of Micronet.

On July 1, 2020, MICT completed its acquisition (the "Acquisition") of GFH Intermediate Holdings Ltd. ("GFHI"), pursuant to the previously announced Agreement and Plan of Merger entered into on November 7, 2019 by and between MICT, Micronet, GFHI, Global Fintech Holding Ltd. ("GFH"), a British Virgin Islands company and the sole shareholder of GFHI, and MICT Merger Subsidiary Inc., a British Virgin Islands company and a wholly owned subsidiary of MICT ("Merger Sub"), as amended and restated on April 15, 2020 (the "Restated Merger Agreement"). As described in the Restated Merger Agreement, upon consummation of the Acquisition, the outstanding share of GFHI was cancelled in exchange for a convertible promissory note in the principal amount of $25,000,000 (the "Consideration Note") issued to GFH by MICT, which Consideration Note shall be convertible into shares of common stock of MICT at a conversion price of $1.10 per share, subject to stockholder approval.

The unaudited pro forma condensed combined balance sheet as of June 30, 2020, the unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2020, and the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2019, combine the financial statements of MICT, Micronet and GFHI, giving effect to the transactions described above, as if they had occurred on January 1, 2019 in respect of the unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2020, and for the year ended December 31, 2019, and on June 30, 2020 in respect of the unaudited pro forma condensed combined balance sheet.

The unaudited pro forma condensed combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial information and:

- MICT's consolidated financial statements as well as the related "*Management's Discussion and Analysis of Financial Condition and Results of Operations of MICT*" contained in its June 30, 2020 Form 10-Q filed with the Securities and Exchange Commission ("SEC") on August 14, 2020 and in its December 31, 2019 Form 10-K filed with the SEC on February 19, 2020;

- Micronet's consolidated financial statements, as well as the related "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Micronet*" contained elsewhere herein;

- GFHI's financial statements, as well as the related "*Management's Discussion and Analysis of Financial Condition and Results of Operations of GFHI*" contained elsewhere herein;

- the other information contained in or incorporated by reference into this Current Report on Form 8-K.

The consolidated financial statements of Micronet were prepared in accordance with IFRS. The consolidated financial statements of MICT and GFHI were prepared in accordance with U.S. GAAP. The unaudited pro forma condensed combined financial information includes adjustments to convert the financial information of Micronet to U.S. GAAP from IFRS, as well as reclassifications to conform each entity's historical accounting presentation to MICT's accounting presentation.

In addition, the consolidated financial statements of MICT and GFHI are presented in**USD**, whereas, the consolidated financial statements of Micronet are presented in **NIS**. Therefore, the unaudited pro forma condensed combined financial information includes adjustments to convert Micronet's financial information from NIS to USD.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting in accordance with Accounting Standards Codification 805 - Business Combinations (“**ASC 805**”), which requires that one company is designated as the acquirer for accounting purposes. It has been determined that MICT is the accounting acquirer of both Micronet and GFHI. Accordingly, the assets acquired and liabilities assumed of Micronet and GFHI are recorded based on preliminary estimates of fair value. Any excess of the purchase price over the fair value of identified assets acquired and liabilities assumed is recognized as goodwill.

The final purchase consideration and the allocation of the purchase consideration may materially differ from that reflected in the unaudited pro forma condensed combined financial information after final valuation procedures are performed and amounts are finalized following the completion of the acquisition.

The unaudited pro forma adjustments give effect to events that are directly attributable to the transaction and are based on available data and certain assumptions that management believes are factually supportable. In addition, with respect to the unaudited pro forma condensed combined statements of operations, the unaudited pro forma adjustments are expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial information is presented for informational purposes only and to aid you in your analysis of the financial aspects of the transactions described above. The unaudited pro forma condensed combined financial information described above has been derived from the historical financial statements of MICT, Micronet and GFHI and the related notes, as described above. The unaudited pro forma condensed combined financial information has been conformed to MICT’s accounting policies. Further review may identify additional differences between the accounting policies of MICT, Micronet and GFHI. The unaudited pro forma adjustments and the unaudited pro forma condensed combined financial information do not reflect the impact of synergies or post-transaction management actions and are not necessarily indicative of the financial position or results of operations that may have actually occurred had the transactions taken place on the dates noted.

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MICT, Inc.
Unaudited Pro Forma Condensed Combined Balance Sheet
June 30, 2020
(USD 000’s except for shares and per share amounts)

	MICT	Micronet	GFHI	Pro Forma Adjustments: Micronet Tender Offer	Pro Forma Adjustments: Micronet Transaction	Pro Forma Adjustments: GFHI Transaction	Pro Forma Adjustments: Financing Transaction	Preliminary Pro Forma Combined	Subsequent Pro Forma Adjustments	Final Pro Forma Combined
	Note A	Note B	Note C	Note D	Note E	Note F	Note G		Note H	
Assets										
Current assets:										
Cash and cash equivalents	$ 9,707	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,707	$ 6,649	$ 16,356
Inventories	1,852	-	-	-	-	-	-	1,852	-	1,852
Trade receivables	305	-	-	-	-	-	-	305	-	305
Other current assets	1,541	-	-	-	-	-	-	1,541	-	1,541
				-					-	
Total current assets	13,405	-	-	-	-	-	-	13,405	6,649	20,054
Non-current assets:										
Property and equipment	689	-	-	-	-	-	-	689	-	689
Right of use assets	310	-	-	-	-	-	-	310	-	310
Goodwill	2,618	-	-	-	-	19,788	-	22,406	-	22,406
Intangible assets	2,475	-	1,177	-	-	15,393	-	19,045	-	19,045
Restricted cash escrow	477	-	-	-	-	-	-	477	-	477
Long term deposit	26	-	-	-	-	-	-	26	-	26
Total non current assets	6,595	-	1,177	-	-	35,181	-	42,953	-	42,953
Total assets	$ 20,000	$ -	$ 1,177	$ -	$ -	$ 35,181	$ -	$ 56,358	$ 6,649	$ 63,007
Liabilities and shareholders’ equity										
Current liabilities:										
Trade accounts payable	$ 1,193	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,193	$ -	$ 1,193
Due to related parties	-	-	4,357	-	-	(4,357)	-	-	-	-
Borrowings - current portion	1,186	-	-	-	-	-	-	1,186	-	1,186
Convertible notes - current portion	8,151	-	-	-	-	-	-	8,151	(8,151)	-
Other current liabilities	1,865	-	-	-	-	-	-	1,865	-	1,865
Total current liabilities	12,395	-	4,357	-	-	(4,357)	-	12,395	(8,151)	4,244
Non current liabilities:										
Long-term escrow	477	-	-	-	-	-	-	477	-	477
Accrued severance pay, net	145	-	-	-	-	-	-	145	-	145
Deferred tax liabilities	362	-	-	-	-	-	-	362	-	362
Convertible notes - non-current	-	-	-	-	-	32,050	-	32,050	(32,050)	-
Deferred tax liabilities	-	-	-	-	-	4,308	-	4,308	-	4,308
Lease liabilities - non-current	102	-	-	-	-	-	-	102	-	102
Total non current liabilities	1,086	-	-	-	-	36,358	-	37,444	(32,050)	5,394
Total liabilities	13,481	-	4,357	-	-	32,001	-	49,839	(40,201)	9,638

Shareholders' equity:										
Convertible preferred stock - Series A	3	-	-	-	-	-	-	3	(3)	-
Convertible preferred stock - Series B	2	-	-	-	-	-	-	2	(2)	-
Common stock	11	-	-	-	-	2	-	13	44	57
Additional paid-in capital	22,549	-	-	-	-	2,759	-	25,308	52,056	77,364
Other reserves	-	-	-	-	-	-	-	-	-	-
Accumulated deficit	(18,382)	-	(3,301)	-	-	540	-	(21,143)	(5,245)	(26,388)
Accumulated other comprehensive income	164	-	121	-	-	(121)	-	164	-	164
Noncontrolling interest	2,172	-	-	-	-	-	-	2,172	-	2,172
Total shareholders' equity (deficiency)	6,519	-	(3,180)	-	-	3,180	-	6,519	46,850	53,369
Total liabilities and shareholders' equity	$ 20,000	$ -	$ 1,177	$ -	$ -	$ 35,181	$ -	$ 56,358	$ 6,649	$ 63,007

See notes to the unaudited pro forma condensed combined financial information

MICT, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Six Months Ended June 30, 2020
(USD 000's except for shares and per share amounts)

	MICT	Micronet	GFHI	Pro Forma Adjustments: Micronet Tender Offer	Pro Forma Adjustments: Micronet Transaction	Pro Forma Adjustments: GFHI Transaction	Pro Forma Adjustments: Financing Transaction	Preliminary Pro Forma Combined	Subsequent Pro Forma Adjustments	Final Pro Forma Combined
	Note A	Note B	Note C	Note D	Note E	Note F	Note G		Note H	
Revenue	$ -	$ 1,089	$ -	$ -	$ -	$ -	$ -	$ 1,089	$ -	$ 1,089
Cost of revenues	-	(1,603)	-	-	-	-	-	(1,603)	-	(1,603)
General and administrative expenses	(1,438)	(903)	(1,002)	-	(106)	(1,028)	-	(4,477)	-	(4,477)
Sales and marketing espenses	-	(556)	-	-	-	-	-	(556)	-	(556)
Research and development espenses	-	(547)	-	-	-	-	-	(547)	-	(547)
Net operating loss	(1,438)	(2,520)	(1,002)	-	(106)	(1,028)	-	(6,094)	-	(6,094)
Finance (costs) income	157	(51)	-	-	263	-	-	369	-	369
Gain on previously held equity in Micronet	665	-	-	-	(665)	-	-	-	-	-
Other income	-	28	-	-	-	-	-	28	-	28
Share of investment losses	(786)	-	-	-	786	-	-	-	-	-
Net loss before income tax	(1,402)	(2,543)	(1,002)	-	278	(1,028)	-	(5,697)	-	(5,697)
Income tax (provision) benefit	(6)	(1)	-	-	-	381	-	374	-	374
Net loss from continuing operations	$ (1,408)	$ (2,544)	$ (1,002)	$ -	$ 278	$ (647)	$ -	$ (5,323)	$ -	$ (5,323)
Earnings (loss) per share from continuing operations										
Basic-	$ (0.13)									$ (0.09)
Diluted-	$ (0.13)									$ (0.09)
Number of common shares outstanding										
Basic-	11,092,144	-	-	-	-	1,950,000	-	13,042,144	44,545,453	57,587,597
Diluted-	11,092,144	-	-	-	-	1,950,000	-	13,042,144	44,545,453	57,587,597

See notes to the unaudited pro forma condensed combined financial information

MICT, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2019
(USD 000's except for shares and per share amounts)

	MICT	Micronet	GFHI	Pro Forma Adjustments: Micronet Tender Offer	Pro Forma Adjustments: Micronet Transaction	Pro Forma Adjustments: GFHI Transaction	Pro Forma Adjustments: Financing Transaction	Preliminary Pro Forma Combined	Subsequent Pro Forma Adjustments	Final Pro Forma Combined
	Note A	Note B	Note C	Note D	Note E	Note F	Note G		Note H	
Revenue	$ 477	$ 8,270	$ -	$ -	$ -	$ -	$ -	$ 8,747	$ -	$ 8,747
Cost of revenues	(846)	(6,518)	-	-	-	-	-	(7,364)	-	(7,364)
General and administrative expenses	(3,047)	(1,344)	(2,307)	-	(274)	(2,931)	-	(9,903)	-	(9,903)
Sales and marketing espenses	(198)	(1,082)	-	-	-	-	-	(1,280)	-	(1,280)
Research and development espenses	(255)	(1,354)	-	-	-	-	-	(1,609)	-	(1,609)
Net operating loss	(3,869)	(2,028)	(2,307)	-	(274)	(2,931)	-	(11,409)	-	(11,409)
Finance (costs) income	(388)	(56)	-	-	94	-	-	(350)	-	(350)
Share of results of associates	(795)	-	-	-	795	-	-	-	-	-
Other income	299	12	-	-	(299)	-	-	12	-	12
Net loss before income tax	(4,753)	(2,072)	(2,307)	-	316	(2,931)	-	(11,747)	-	(11,747)
Income tax provision	(17)	(68)	-	-	-	762	-	677	-	677
Net loss from continuing operations	$ (4,770)	$ (2,140)	$ (2,307)	$ -	$ 316	$ (2,169)	$ -	$ (11,070)	$ -	$ (11,070)
Earnings (loss) per share from continuing operations										
Basic-	$ (0.45)									$ (0.19)
Diluted-	$ (0.45)									$ (0.19)
Number of common shares outstanding										
Basic-	10,697,329	-	-	-	-	1,875,000	-	12,572,329	44,545,453	57,117,782
Diluted-	10,697,329	-	-	-	-	1,875,000	-	12,572,329	44,545,453	57,117,782

See notes to the unaudited pro forma condensed combined financial information

Basis of Presentation

The unaudited pro forma condensed combined financial information set forth herein is based upon the historical financial statements of MICT, Micronet and GFHI. The unaudited pro forma condensed combined financial information is presented as if the transactions had been completed on January 1, 2019 with respect to the unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2020 and for the year ended December 31, 2019, and on June 30, 2020 in respect to the unaudited pro forma condensed combined balance sheet.

The unaudited pro forma condensed combined financial information is presented for informational purposes only and is not necessarily indicative of the combined financial position or results of operations had the transactions occurred as of the dates indicated, nor is it meant to be indicative of any anticipated combined financial position or future results of operations that the combined company will experience after the completion of the transactions.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting in accordance with ASC 805, which requires that one company is designated as the acquirer for accounting purposes. It has been determined that MICT is the accounting acquirer in both transactions. Accordingly, the assets acquired and liabilities assumed of Micronet and GFHI are recorded based on preliminary estimates of fair value. Any excess of the purchase price over the fair value of identified assets acquired and liabilities assumed is recognized as goodwill.

MICT's consolidated financial information was prepared in accordance with U.S. GAAP and is presented in USD. Any entity historically presented otherwise has been converted for the purpose of this unaudited pro forma condensed consolidated financial information.

Pro forma adjustments reflected in the unaudited pro forma condensed combined balance sheet are based on items that are factually supportable and directly attributable to the transactions. Pro forma adjustments reflected in the pro forma condensed combined statements of operations are based on items that are factually supportable, directly attributable to the transactions and expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial information does not reflect the cost of any integration activities or benefits from the transactions, including potential synergies that may be generated in future periods.

All Monetary Amounts Other Than Share or Per Share Information Are Presented in 000's Unless Otherwise Indicated

Pro Forma Adjustments

The following pro forma adjustments give effect to the transactions.

Unaudited Pro Forma Condensed Combined Balance Sheet – As of June 30, 2020

Note A Derived from the consolidated financial statements of MICT, Inc. as of June 30, 2020, as previously filed with the SEC.

Note B No adjustments as Micronet has already been consolidated with MICT as of June 30, 2020.

Note C Derived from the financial statements of GFHI as of June 30, 2020, included elsewhere in this Current Report on Form 8-K.

Pro Forma Adjustments:

Note D No adjustments as the Micronet tender offer occurred prior to June 30, 2020.

Note E No adjustments as the Micronet transaction occurred prior to June 30, 2020.

Note F On July 1, 2020, MICT completed the acquisition of GFHI, pursuant to the previously announced Agreement and Plan of Merger entered into on November 7, 2019 by and between MICT, Micronet, GFHI, GFH, and Merger Sub, as amended and restated on April 15, 2020 (the "Restated Merger Agreement"). As described in the Restated Merger Agreement, upon consummation of the Acquisition, the outstanding share of GFHI was cancelled in exchange for a convertible promissory note in the principal amount of $25,000 (the "Consideration Note") issued to GFH by MICT. The Consideration Note is automatically convertible into shares of common stock of MICT at a conversion price of $1.10 per share, subject to stockholder approval. The convertible notes are generally due two years from the date of issuance, but certain notes will be due five years from the date of issuance. For the purposes of the pro forma balance sheet the Company has presented the Consideration Note at fair value. The fair value was calculated using the $1.41 share price as of July 1, 2020.

A pro forma adjustment was made to reflect the fact that MICT did not assume GFHI's $4,357 of indebtedness to its former parent GFH.

The transaction between GFHI and MICT also resulted in the granting of an aggregate of 1,650,000 ordinary shares of MICT stock, including 1,250,000 shares issued to the transaction advisors and 400,000 ordinary shares issued to the former MICT CEO pursuant to his golden parachute agreement. As of June 30, 2020, the closing price of MICT ordinary shares was $1.47 per share, which resulted in a pro forma adjustment to record $2 of common stock, $2,423 of additional paid in capital, reflected on balance sheet, and $2,425 of stock-based compensation expense (accumulated deficit).

Furthermore, upon closing of the business combination, the Company issued 300,000 shares of common stock to the non-executive directors pursuant to a prior arrangement, including 150,000 shares which vest immediately and another 150,000 shares which vest ratably over a six month period. For pro forma purposes, the Company used the June 30, 2020 closing price of $1.47 to value the common stock and arrived at $221 for the immediately vested shares. Also, upon the closing of the business combination, the Company granted 100,000 options with an exercise price of $1.41 per share to a non-executive director pursuant to a prior arrangement. The options vested immediately and have a ten year contractual life and were valued at $115. The Company has recorded these grants as stock based compensation as of June 30, 2020, with a charge to accumulated deficit and credit to additional paid in capital.

In connection with the consolidation of GFHI, we made pro forma adjustments to eliminate GFHI's historical equity balances which resulted an increase of $3,301 in accumulated deficit, partially offset by a decrease of $121 of accumulated other comprehensive income.

Management engaged a third-party valuation firm to assist them with the valuation of the intangible assets that are detailed in the schedule below.

In addition, the following table summarizes the allocation of the preliminary purchase price as of the acquisition date.

Global FinTech Holdings Purchase Price Allocation
(000's) USD

Total share consideration (1)		32,050
Total Purchase Consideration	$	32,050
Less:		
Customer database (2)		4,500
Trade name/ trademarks		580
Developed technology		11,490
Deferred tax liability (3)		(4,308)
Fair value of net assets acquired	$	12,262
Goodwill value	$	19,788

(1) The purchase consideration represents the fair value of the Convertible Promissory Notes that are convertible into common stock of MICT Inc.

(2) The Customer database value is based on the cost to recreate, as indicated by Management.

(3) Represents the income tax effect of the difference between the accounting and income tax bases of the identified intangible assets, using an assumed statutory income tax rate of 26%.

Note G No adjustments.

Note H To record the issuance of the remaining $15,000 of convertible notes (the "Investor Notes") for aggregate gross proceeds of $6,649 ($15,000 – ($8,151 June 30, 2020 carrying value + 200 debt discount)), which convert automatically upon the closing of MICT's acquisition of GFHI, subject to stockholder approval, at a conversion price of $1.10 per share; par value $0.001 per share. These convertible notes are currently classified as convertible notes – current portion on the pro forma balance sheet, because the shareholders have the ability to redeem the notes for their original investment until shareholder approval is obtained.

To give effect to the automatic conversion of the $25,000 Consideration Note (fair value of $32,050) and the $15,000 of Investor Notes into 22,727,272 and 13,636,363 ordinary shares of MICT common stock, respectively, par value $0.001 per share, upon MICT stockholder approval and amendment of its Certificate of Incorporation to authorize and reserve for a sufficient number of shares of MICT common stock upon conversion of the Consideration Note and the Investor Notes. This transaction resulted in a credit of $36 to common stock and a $47,014 credit to additional paid in capital.

Furthermore, upon conversion of the Investor Notes, the Company has given effect to the recognition of the contingent beneficial conversion feature. For pro forma purposes, the Company has utilized its closing stock price on June 30, 2020 ($1.47) in the calculation of the conversion feature's intrinsic value. As a result the Company has recognized a $5,045 debit to retained earnings and a corresponding credit to additional paid in capital on the pro forma balance sheet as of June 30, 2020.

Also, in connection with the closing of the acquisition, the 3,181,818 shares of Convertible Preferred Stock – Series A (convertible into 6,363,636 shares of common stock) and 1,818,182 shares of Convertible Preferred Stock – Series B (convertible into 1,818,182 shares of common stock) automatically converted into an aggregate of 8,181,818 ordinary shares of MICT, upon MICT shareholder approval. Given that the par value of MICT's preferred stock and ordinary shares each have a par value of $0.001, the conversion resulted in reductions of the preferred stock of $3 (Series A) and $2 (Series B), with a corresponding increase of $8 for the common stock and a $3 reduction to additional paid in capital.

Unaudited Pro Forma Condensed Combined Statement of Operations - For The Six Months Ended June 30, 2020

Note A Derived from the unaudited interim condensed consolidated financial statements of MICT, Inc. for the period ended June 30, 2020, as previously filed with the SEC.

Note B Derived from the unaudited interim condensed consolidated financial statements of Micronet for the six months ended June 30, 2020 prepared in accordance with IFRS, and included elsewhere in this Current Report on Form 8-K, adjusted to conform with U.S. GAAP. The average exchange rate used to translate NIS to USD for the three months ended June 30, 2020 was the rate of 0.2855 as set out in the table below.

NIS to USD Translation:

	Micronet IFRS (NIS 000)	EXCHANGE RATE 0.2855	Micronet (IFRS) ($000)	(a) GAAP Adjustments	Micronet (U.S. GAAP) ($000)
Revenue					
Revenues	3,815		$ 1,089	$ -	$ 1,089
Cost of revenues	(5,622)		(1,605)	2	(1,603)
Research and development	(2,209)		(631)	83	(548)
Sales and marketing	(1,948)		(556)	-	(556)
General and administrative	(2,808)		(802)	(102)	(904)
Net operating loss	(8,772)		(2,505)	(17)	(2,522)
			-		
Finance costs	(237)		(68)	17	(51)
Other income	99		28	-	28
Loss before income tax	(8,910)		(2,545)	-	(2,545)
Income tax benefit (provision)	(5)		(1)	-	(1)
Net loss from continuing operations	(8,915)		$ (2,546)	$ -	$ (2,546)

a) The Company recorded U.S. GAAP adjustments, including a decrease in cost of revenues of $2, which was offset by a net decrease of $17 of operating expenses related to depreciation, interest, bad debt and rent expense adjustments, and a $17 reduction of finance costs.

Note C Derived from the unaudited interim condensed financial statements of GFHI for the six months ended June 30, 2020, which are included elsewhere in this Current Report on Form 8-K.

Pro Forma Adjustments:

Note D No adjustments.

Note E To record $206 of amortization related to internally developed technology of $1,580,000 with a useful life of 5 years, customer relationships of $410,000 with a useful life of 6 years plus tradenames and trademarks of $270,000 with a useful life of 10 years. Also, to eliminate the historical intangible asset amortization of $100.

Additionally, we offset $263 of previously recorded finance costs related to the impact of the impairment of MICT's loan to Micronet and we offset $786 of MICT's previously recorded share of Micronet's operating results.

Also, eliminate the $665 gain on previously held equity in Micronet because it was directly related to the transaction, but has no continuing impact.

Note F To record $1,465 of amortization of the fair value of internally developed technology with a useful life of 6 years, a customer database with a useful life of 5 years, plus tradenames and trademarks with a useful life of 5 years. This was offset by $63 of historical intangible asset amortization.

Furthermore, to record an income tax benefit related to the amortization of intangible assets.

Also, the weighted average shares outstanding were incremented by the1,650,000 shares granted to transaction advisors and the former MICT CEO. Additionally, the weighted average shares outstanding increased by 300,000 due to the shares granted to the non-executive directors.

Also, to eliminate $374 of GFHI non-recurring merger expenses.

Note G No adjustments.

Note H The shares outstanding were incremented by 44,545,453 shares as detailed in balance sheet Note H.

Unaudited Pro Forma Condensed Combined Statement of Operations - For The Year Ended December 31, 2019

Note A Derived from the audited consolidated financial statements of MICT, Inc. for the period ended December 31, 2019, as previously filed with the SEC.

Note B Derived from the audited consolidated financial statements of Micronet for the year ended December 31, 2019 prepared in accordance with IFRS, and included elsewhere in this Current Report on Form 8-K, adjusted to conform with U.S. GAAP. The average exchange rate used to translate NIS to USD for the year ended December 31, 2019 was the rate of 0.2806 as set out in the table below.

NIS to USD Translation:

	Twelve Months Ended December 31, 2019					(b)	
	Micronet IFRS (NIS 000)	EXCHANGE RATE 0.2806	Micronet (IFRS) ($000)	(a) GAAP Adjustments	Micronet (U.S. GAAP) ($000)	Removal of Control Period ($000)	Final Micronet ($000)
Revenue							
Revenues	31,177		$ 8,747	$ -	$ 8,747	$ (477)	$ 8,270
Cost of revenues	(26,271)		(7,370)	6	(7,364)	846	(6,518)
Research and development	(5,584)		(1,567)	(42)	(1,609)	255	(1,354)
Sales and marketing	(4,557)		(1,279)	(1)	(1,280)	198	(1,082)
General and administrative	(5,118)		(1,436)	(135)	(1,571)	227	(1,344)
Net operating loss	(10,353)		(2,905)	(172)	(3,077)	1,049	(2,028)
			-				
Finance costs	(517)		(145)	34	(111)	55	(56)
Other income	42		12	-	12	-	12
Loss before income tax	(10,828)		(3,038)	(138)	(3,176)	1,104	(2,072)
Income tax benefit (provision)	(244)		(68)	-	(68)	-	(68)
Net loss from continuing operations	(11,072)		$ (3,106)	$ (138)	$ (3,244)	$ 1,104	$ (2,140)

a) The Company recorded a decrease in cost of revenues of $6, offset by a net increase of $178 of operating expenses and $34 of finance costs related to depreciation, interest, bad debt and rent expense adjustments.

b) These adjustments represent the elimination of Micronet's operating results for the period from January 1, 2019 to February 24, 2019 ("the Control Period") during which time Micronet was consolidated into MICT.

Note C Derived from the audited financial statements of GFHI for the year ended December 31, 2019, which are included elsewhere in this Current Report on Form 8-K.

Pro Forma Adjustments:

Note D No adjustments.

Note E To record $411 of amortization related to internally developed technology of $1,580,000 with a useful life of 5 years, customer relationships of $410,000 with a useful life of 6 years plus tradenames and trademarks of $270,000 with a useful life of 10 years. Also, to eliminate the historical intangible asset amortization of $137.

Additionally, we offset $795 consisting of $608 of previously recognized MICT share in Micronet's losses and $187 related to the impairment of MICT's equity method investment in Micronet LTD. Also, we offset $299 of gains previously recorded related to the deconsolidation of Micronet on February 24, 2019. Finally, we offset $94 of previously recorded finance costs related to the impact of the impairment of MICT's loan to Micronet.

Note F To record $2,931 of amortization of the fair value of internally developed technology with a useful life of 6 years, a customer database with a useful life of 5 years, plus tradenames and trademarks with a useful life of 5 years.

Furthermore, to record an income tax benefit related to the amortization of intangible assets.

Also, the weighted average shares outstanding were incremented by 1,650,000 shares granted to transaction advisors and the former MICT CEO.

Additionally, the weighted average shares outstanding increased by 150,000 shares due to the immediately vested shares granted to the non-executive directors and by 75,000 shares due to the 150,000 shares granted to the non-executive directors which vested after six months.

Note G No adjustments.

Note H The shares outstanding were incremented by 44,545,453 shares as detailed in balance sheet Note H.