

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): **November 15, 2021**

MICT, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-35850

(Commission File Number)

27-0016420

(IRS Employer
Identification No.)

**28 West Grand Avenue, Suite 3
Montvale, New Jersey 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
Common Stock, par value \$0.001 per share	MICT	The NASDAQ Capital Market

Item 2.02 Results of Operations and Financial Condition.

On November 15, 2021, MICT, Inc., (the "Company"), issued a press release announcing its financial results for the quarter ended September 30, 2021, and other financial information. On November 15, 2021, the Company posted to its website a presentation containing its financial results for the quarter ended September 30, 2021. The Company also held an investor conference call (the "Investor Call") discussing the financial results for the quarter ended September 30, 2021. The full text of the press release and the presentation are furnished as Exhibits 99.1 and 99.2 to this Current Report on Form 8-K and are incorporated herein by reference.

In accordance with the General Instruction B.2 of Form 8-K the information furnished pursuant to this Item in this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release, dated November 15, 2021
99.2	Presentation dated November 15, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: November 15, 2021

By: /s/ Darren Mercer

Name: Darren Mercer

Title: Chief Executive Officer

MICT, Inc. Reports Strong Performance and Achievement of Major Milestones, Including Revenue Growth of More Than 50% Quarter-over-Quarter and Launch of the Magpie Stock Trading App

Management to Conduct Conference Call Today, November 15, 2021 at 8:30AM ET

MONTVALE, N.J., November 15, 2021 -- MICT, Inc. (Nasdaq: MICT), (the "Company"), today announced its financial results for the third quarter ended September 30, 2021.

Q3 2021 Highlights and Recent Developments

- Insurance business revenues increased to \$18.5 million, up 50% over the second quarter, driven primarily from B2B sales
- Gross profit increased to \$2.7 million, up 312% over the second quarter
- Non-GAAP net loss was \$3.1 million, down from \$8.9 million for Q2
- Company obtained further licences, allowing it to distribute insurance products nationwide for B2B, and for the first time B2B2C and B2C
- Subsidiary, Magpie Securities, launched its first product in September, the Magpie mobile stock trading app
- As of September 30, 2021, cash position was approximately \$105 million

Darren Mercer, MICT's Chief Executive Officer commented, "Our insurance business, which launched in late December 2020, has already grown significantly to a revenue run-rate of \$75 million per annum. To put this into context, in Q3 we achieved revenue growth of more than 50% quarter-over-quarter, which was on the back of a 50% quarter-over-quarter increase in Q2 compared to Q1. Bearing in mind we remain in the early stages of developing the insurance business, we are confident we can continue to deliver strong growth.

"Since obtaining our nationwide license in February, we have increased our holding of local licenses, to the extent we are now in around 130 major cities and provinces, which allow us to process insurance business in almost all of the developed regions in China. As a result, we are able to start processing business on a nearly nationwide basis and are well positioned to develop our strategic relationships into B2B2C partnerships, which will be followed by expansion into direct B2C sales channels. This should enable us to cross-sell a wide range of products with the aim of driving growth and generating higher margins.

"In addition, we are in ongoing discussions with a number of nationwide organizations that, if concluded, should enable us to launch several more specialist insurance products to be offered on a nationwide basis. We are very excited about the progress we have made in our insurance business and its future growth prospects, and whilst we expect recent pressures on commission levels in the automotive insurance sector to impact on our short-term rate of growth, this should be largely offset by the strong underlying performance of our platform and our revenue growth from other insurance products.

"Further, the combination of a rapidly expanding insuree database (currently estimated to be more than 0.5 million), together with a strong portfolio of licenses with nationwide coverage, and a growing range of insurance products, places us in a strong position and allows us to benefit from the strategic advantages we have gained. This, as well as our migration towards higher margin products sold, through higher margin channels, provides us confidence as we move towards year end and into 2022.

"On September 15th, we launched our mobile stock trading app on the proprietary Magpie Securities platform, which was the culmination of nearly a year of intensive technological development. We have managed our rollout plan carefully with an initial focus on a test-and-learn marketing strategy, allowing us to obtain valuable data and customer feedback so that we could make appropriate improvements and refinements.

"Notwithstanding the narrow scope of our initial marketing plan, the number of new client registrations and app downloads to date has been promising. The technological performance and functionality of the Magpie app has been enhanced considerably since launch, as we work towards our aim of delivering a superior market leading product. Having observed the marked progress achieved to date, management believes it is now the right time for a significant marketing push as we look to gain a sizeable market share.

"In dealing with the market speculation surrounding the introduction of new regulation with regard to onboarding clients resident in mainland China, it is important to note that Magpie has always been fully compliant with all applicable rules and regulations and as such we believe these latest changes are not of concern.

"Further, Magpie's upcoming ability to onboard overseas clients, anticipated to begin at end of November, fits with our strategy to target the Chinese diaspora initially in Southeast Asia, and thereafter expanding into other territories. To that end, we have been exploring opportunities to acquire the necessary licenses to operate in relevant jurisdictions and we will keep the market appraised as to when there are meaningful developments.

"With regard to our commodities platform, which, as previously disclosed, has been ready to launch since early September, we had signed an agreement to launch in partnership with one of China's leading commodity exchanges. As a result of the extreme volatility in oil and gas prices since September, together with the Chinese government's introduction of new regulation (which is ongoing) our partner, to whom we are reliant, wishes to seek clarification around the new regulation and see a return to normal market conditions before they proceed with the launch. In this regard, both we and our partners are currently monitoring the situation and will keep it under review.

"Importantly, none of our published financial forecasts include revenue from our commodity business, and therefore any elongation of timelines does not adversely impact the revenues nor earnings figures contained in such projections.

"I am pleased to say that we continue to have a strong balance sheet with approximately \$105 million of cash as of the end of Q3, which provides the resources needed to grow our different verticals and execute on our business plan. Our strong balance sheet will also assist us in making strategic acquisitions as and when we identify suitable value accretive opportunities, to which end our recently filed preliminary proxy statement and proposal to increase our authorized share capital will also help us facilitate such potential transactions in the short, medium, and long-term horizons.

"We are very proud and excited about the progress we have made in Q3, where the foundations and key ingredients for our continued growth have been significantly strengthened. Both our insurance and stock trading businesses are in the nascent stage of development, but already achieving impressive growth in customer registrations and the Company as a whole is generating growing revenues.

Q3 2021 Financial Review

- Revenue in the third quarter was \$18.5 million versus \$12.3 million in the prior quarter and \$0 in the year-ago period. The Q/Q increase over Q2 was primarily attributable to continued growth in B2B insurance sales, which grew by more than 50%
- Gross profit was \$2.7 million in Q3, representing an increase of >312% versus Q2 figure of \$0.7 million. Gross margin improved significantly in Q3 to 14.8% from 5.4% in Q2 as the Company reduced its reliance on commission rebates and price incentives to attract new brokers and customers
- R&D expenditure in Q3 was \$0.40 million compared to \$0.39 million in Q2, as the Company continued to invest in the development of its technology.
- Selling & marketing expenses amounted to \$1.5 million in Q3, up marginally from \$1.4 million in Q2
- General and administrative expenses fell significantly in Q3 to \$6.6 million from \$14.9 million in Q2. The Q3 G&A expenditure included > \$1.6m of non-cash costs.
- The Net Loss for Q3 was \$5.3 million, representing a significant improvement over the Net Loss for Q2 of \$18.4 million
- The Non-GAAP Net Loss for Q3 was \$3.1 million, down from \$8.9 million for Q2
- As of September 30, 2021, the cash position was approximately \$105 million

Conference Call to be Held November 15, 2021 at 8:30AM

Participants are asked to pre-register for the call through the following link: <https://dpregrister.com/sreg/10162012/efb1f72c34>.

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Please note that registered participants will receive their dial in number upon registration and will dial directly into the call without delay. Those without internet access or unable to pre-register may dial in by calling: 1-833-953-2437 (domestic) or 1-412-317-5766 (international). All callers should dial in approximately 10 minutes prior to the scheduled start time and ask to be joined into the MICT call.

The conference call will also be available through a live webcast found here: <https://services.choruscall.com/mediaframe/webcast.html?webcastid=ZCUHrFf>.

A webcast replay of the call will be available [here](#) approximately one hour after the end of the call through February 15, 2022. A telephonic replay of the call will be available through November 29, 2021 and may be accessed by calling 1-877-344-7529 (domestic) or 1-412-317-0088 (international) and using access code 10162012.

About MICT, Inc.

MICT, Inc. (NasdaqCM: MICT) operates through its wholly-owned subsidiary, GFH Intermediate Holdings Ltd ("GFHI"), GFHI's various fully-owned subsidiaries or VIE structures. GFHI's versatile proprietary trading technology platform is designed to serve a large number of high growth sectors in the global fintech space. Primary areas of focus include online brokerage for equities trading and sales of insurance products in several high-growth foreign markets including Asia.

Forward-looking Statement

This press release contains express or implied forward-looking statements within the Private Securities Litigation Reform Act of 1995 and other U.S. Federal securities laws. All statements other than statements of historical fact contained in this press release are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, business prospectus, growth strategy and liquidity. 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, 2020 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.

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

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
ASSETS		
Current assets:		
Cash	\$ 105,289	\$ 29,049
Trade accounts receivable, net	20,644	523
Inventories	-	2,002
Other current assets	10,214	1,756
Related parties	2,167	-
Held for sales assets	-	350
Total current assets	<u>138,314</u>	<u>33,680</u>

Property and equipment, net	631	417
Intangible assets, net	18,808	17,159
Goodwill	19,788	22,405
Investment and loan to Magpie (formerly: Huapei)	-	3,038
Right-of-use assets	2,657	291
Long-term deposit and prepaid expenses	188	266
Micronet Ltd. equity method investment	1,764	-
Restricted cash escrow	-	477
Total long-term assets	43,836	44,053
Total assets	\$ 182,150	\$ 77,733

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements

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

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
LIABILITIES AND EQUITY		
Current maturity of long term bank loans	\$ -	\$ 884
Trade accounts payable	18,520	838
Related party	-	163
Lease liabilities- current portion	1,573	
Other current liabilities	5,241	5,102
Total current liabilities	25,334	6,987
Long term escrow	-	477
Lease liabilities	1,132	164
Deferred tax liabilities	3,323	4,256
Accrued severance pay	54	153
Total long-term liabilities	4,509	5,050
Total liabilities	29,843	12,037
Stockholders' Equity:		
Common stock; \$0.001 par value, 250,000,000 shares authorized, 122,435,576 and 68,757,450 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	122	68
Additional paid in capital	220,660	102,333
Capital reserve related to transaction with the minority shareholder	-	(174)
Accumulated other comprehensive loss	(323)	(196)
Accumulated deficit	(68,151)	(39,966)
MICT, Inc. stockholders' equity	152,308	62,065
Non-controlling interests	(1)	3,631
Total equity	152,307	65,696
Total liabilities and equity	\$ 182,150	\$ 77,733

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements

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

	<u>Nine months ended</u> <u>September 30,</u>		<u>Three months ended</u> <u>September 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net revenues	\$ 39,791	\$ 349	\$ 18,515	\$ 349
Cost of revenues	34,436	347	15,769	347
Gross profit	5,355	2	2,746	2
Operating expenses:				
Research and development	1,015	230	396	230
Selling and marketing	3,874	69	1,521	69
General and administrative	26,039	6,337	6,618	4,899

Amortization of intangible assets	2,301	820	732	820
Total operating expenses	<u>33,229</u>	<u>7,456</u>	<u>9,267</u>	<u>6,018</u>
Loss from operations	(27,874)	(7,454)	(6,521)	(6,016)
Gain (loss) from equity investment	636	(786)	799	-
Other income (expenses), net	70	138	(13)	138
Financial income (expenses), net	61	(8,803)	336	(8,960)
Gain (loss) of control in equity investment held in Micronet	(1,934)	665	-	-
Income (loss) before provision for income taxes	(29,041)	(16,240)	(5,399)	(14,838)
Tax benefit	(410)	(219)	(70)	(225)
Net loss	<u>(28,631)</u>	<u>(16,021)</u>	<u>(5,329)</u>	<u>(14,613)</u>
Net loss attributable to non-controlling interests	<u>(446)</u>	<u>(462)</u>	<u>(1)</u>	<u>(462)</u>
Net loss attributable to MICT, Inc.	<u>\$ (28,185)</u>	<u>\$ (15,559)</u>	<u>\$ (5,328)</u>	<u>\$ (14,151)</u>
Loss per share attributable to MICT, Inc.				
Basic	<u>\$ (0.26)</u>	<u>\$ (1.03)</u>	<u>\$ (0.05)</u>	<u>\$ (0.61)</u>
Diluted	<u>\$ (0.26)</u>	<u>\$ (1.03)</u>	<u>\$ (0.05)</u>	<u>\$ (0.61)</u>
Weighted average common shares outstanding:				
Basic	<u>109,222,674</u>	<u>15,048,644</u>	<u>121,419,308</u>	<u>22,832,683</u>
Diluted	<u>109,222,674</u>	<u>15,048,644</u>	<u>121,419,308</u>	<u>22,832,683</u>

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements

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Non-GAAP Financial Measures

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

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

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

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

- **Amortization of acquired intangible assets** - We are required to amortize the intangible assets, included in our GAAP financial statements, related to the Transaction and the Acquisition. The amount of an acquisition's purchase price allocated to intangible assets and term of its related amortization are unique to these transactions. The amortization of acquired intangible assets are non-cash charges. We believe that such charges do not reflect our operational performance. Therefore, we exclude amortization of acquired intangible assets to provide investors with a consistent basis for comparing pre- and post-transaction operating results.
- **Expenses related to the settlement agreements** - These expenses relate to a settlement agreement as described in part III -Item 1. Legal Proceedings of this reports. We believe that these expenses do not reflect our operational performance. Therefore, we exclude them to provide the investors with a consistent basis for comparing pre- and post-transaction operating results.
- **Stock-based compensation** - is share based awards granted to certain individuals. They are non-cash and affected by our historical stock prices which are irrelevant to forward-looking analyses and are not necessarily linked to our operational performance.
- **Options-based compensation** - Refers to compensation components which includes stock options awards granted to certain employees, officers, directors or consultants of the Company. This is a non cash personal compensation component for our employees, officers, directors or consultants and its cost to the Company is calculated based on B&S. This these costs attributed to the grant of stock options are irrelevant to the forward-looking analyses and are not necessarily linked to our operational performance.

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The following table reconciles, for the periods presented, GAAP net loss attributable to MICT to non-GAAP net income attributable to MICT, and GAAP loss per diluted share attributable to MICT to non-GAAP net loss per diluted share attributable to MICT.:

Nine months ended
September 30,
(Dollars in Thousands,
other than share and
per share amounts)

	<u>2021</u>	<u>2020</u>
GAAP net loss attributable to MICT, Inc.	\$ (28,185)	\$ (15,559)
Amortization of acquired intangible assets	2,301	778
Expenses related to settlement agreements	566	-
Expenses related to beneficial conversion feature expense	-	8,482
Expenses related to purchase of a business	-	1,295
Options- based compensation	585	-
Stock-based compensation	9,869	2,675
Income tax-effect of above non-GAAP adjustments	(604)	(199)
Total Non-GAAP net loss attributable to MICT, Inc.	<u>\$ (15,468)</u>	<u>\$ (2,528)</u>

Non-GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.15)	\$ (0.16)
Weighted average common shares outstanding used in per share calculations	109,222,674	15,048,644
GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.26)	\$ (1.03)
Weighted average common shares outstanding used in per share calculations	109,222,674	15,048,644

**Three months ended
September 30,**

**(Dollars in Thousands,
other than share and
per share amounts)**

	<u>2021</u>	<u>2020</u>
GAAP net loss attributable to MICT, Inc.	\$ (5,328)	\$ (14,151)
Amortization of acquired intangible assets	733	788
Expenses related to beneficial conversion feature expense	-	8,482
Expenses related to purchase of a business	-	935
Expenses related to settlement agreements	34	-
Options- based compensation	127	-
Stock-based compensation	1,501	2,584
Income tax-effect of above non-GAAP adjustments	(190)	(199)
Total Non-GAAP net loss attributable to MICT, Inc.	<u>\$ (3,123)</u>	<u>\$ (1,561)</u>

Non-GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.03)	\$ (0.07)
Weighted average common shares outstanding used in per share calculations	121,419,308	22,832,683
GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.05)	\$ (0.61)
Weighted average common shares outstanding used in per share calculations	121,419,308	22,832,683



Q3-21 Earnings Presentation

MICT, Inc.

A NEW DIRECTION
FINTECH

MICT (Nasdaq Capital Markets)

www.mict-inc.com



Safe Harbor Statements

Safe harbor statement under the Private Securities Litigation Reform Act of 1995:

This presentation may contain forward-looking statements that involve risks, uncertainties, and assumptions. If any such uncertainties materialize or if any of the assumptions proves incorrect, the results of MICT, Inc. could differ materially from the results expressed or implied by the forward-looking statements we make. All statements other than statements of historical fact could be deemed forward-looking, including any projections of product or service availability, subscriber growth, earnings, revenues, or other financial items and any statement regarding strategies or plans of management for future operations, statements or belief, any statements concerning new, planned, or upgraded service or technology developments and consumer contracts or use of our services.

The risks and uncertainties referred to above include, but are not limited to, risks associated with developing and delivering new functionality for our service, new products and services, our new business model, our past operating losses, possible fluctuation in our operating results and rate of growth, the outcome of any litigation, risks associated with completed and any possible mergers and acquisitions, our relatively limited operating history, our ability to expand, retain, and motivate our employees and manage our growth, new releases of our service and successful customer deployment. Further information on potential factors that could affect the financial results of MICT, Inc. is included in our annual report on Form 10-K for the most recent fiscal year and in our quarterly report on Form 10-Q of the most recent fiscal quarter. These documents and others containing important disclosures are available on the SEC Filings section of the Investor information of our Website.

MICT, Inc. assumes no obligation and does not intend to update these forward-looking statements.

Q3-21 Accomplishments

- Total revenues increased >50% Q/Q, \$18.5 million in Q3 versus \$12.3 million in Q2
- Revenue growth driven entirely from B2B insurance brokerage
- Gross Profit increased by ~ 312% Q/Q, \$2.7 million in Q3 versus \$0.7m in Q2
- Gross Margin increased by ~ 174% Q/Q, 14.8% in Q3 versus 5.4% in Q2
- Stock trading app, Magpie, launched in September 2021
- As of September 30, 2021, cash position approximately \$105 million

Second Quarter At A Glance Q3-21 vs. Q2-21

Q3-21	Q2-21
<ul style="list-style-type: none"> ▪ \$18.5M in revenue, primarily from B2B insurance business; equating to >50% Q/Q growth and with benefit of higher margins 	<ul style="list-style-type: none"> ▪ \$12.3M Revenue, all from B2B insurance business
<ul style="list-style-type: none"> ▪ Local licenses acquired in ~130 cities / provinces providing new cross-selling opportunities for B2B2C and B2C and specialty products with higher margins 	<ul style="list-style-type: none"> ▪ Insurance brokerage revenues grew by 50% over Q1, aided by acquisition of nationwide license throughout China
<ul style="list-style-type: none"> ▪ Magpie Stock Trading App launched in September 2021; technical / functional improvements made constantly thereafter, performing well and further upgrades planned 	<ul style="list-style-type: none"> ▪ Stock trading platform, Magpie, in final stages of testing, set for full launch in mid-September
<ul style="list-style-type: none"> ▪ Commodity Platform was completed on time by early September. Awaiting green-light from key partners to launch, timing impacted by new sector regulation and market volatility 	<ul style="list-style-type: none"> ▪ Partnership signed with leading oil and gas trade center, enabling offer of commodity trading and futures exchange services
<ul style="list-style-type: none"> ▪ Approximately \$105M in Cash 	<ul style="list-style-type: none"> ▪ Approximately \$114M Cash

Fintech: Insurance Business

Achieved more than 0.5m customer registrations already through B2B, with the aim to cross-sell more products and migrate to higher margin channels

- Generated \$18.5 million of revenues from insurance division in Q3, up >50% Q over Q
- 50% Q/Q growth in insurance revenues since launch in December 2020. Q3 Insurance revenues almost equal to entire insurance revenue of H1 2021
- More than 0.5m insurees registered already, and continuing to deliver significant growth in customer acquisition numbers
- In addition to nationwide license, recent acquisition of local licenses covering most of developed China (~130 cities / provinces) facilitates expansion into B2B2C business and then B2C, which is expected to drive further growth and an increase in margins
- Strategy to cross sell products to existing insurees and migrate towards higher margin insurance products and higher margin sales channels

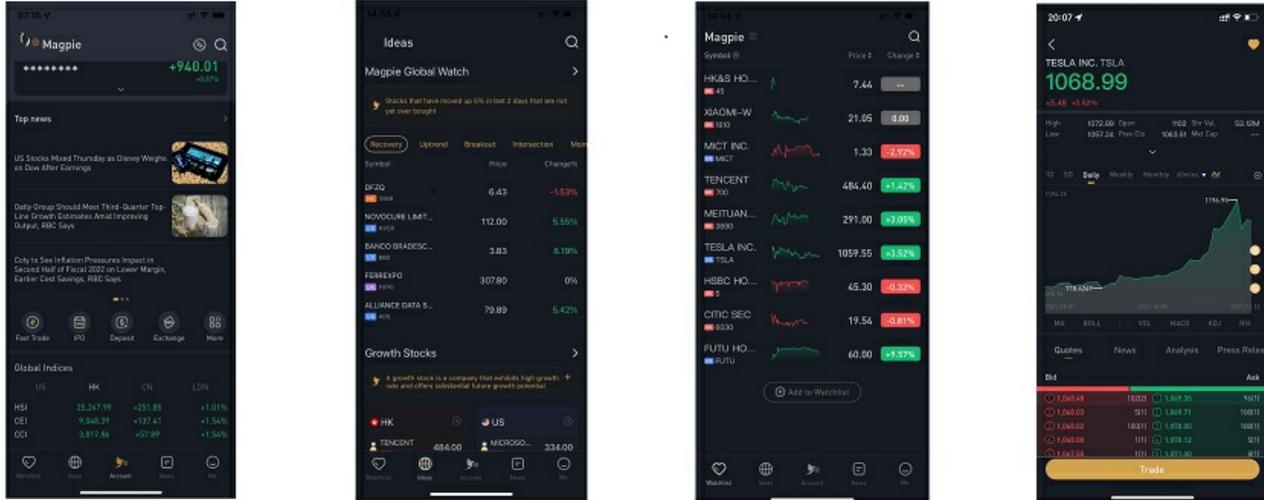
Fintech: Stock Trading Business

Magpie stock trading app launched mid-September

- Initial focus has been on test and learn marketing strategy, to obtain data, gain customer feedback, refine the marketing strategy and improve the app's technical functionality
- Constant technological upgrades made since launch to achieve a market leading product
- Download numbers have been highly encouraging, ahead of wider rollout and marketing campaigns
- Aiming to achieve worldwide accessibility by end of November, albeit the initial target market is the Chinese diaspora and South East Asia
- Fully compliant with both new and existing regulations in China. Robust controls and procedures in place to ensure no breaches of regulations historically or in the future

Fintech: Stock Trading Business

Magpie stock trading app launched mid-September



Fintech: Oil and Gas Commodities

Commodities trading platform launch is pending greenlight from key partners and introduction of new legislation

- Platform was ready for scheduled launch by early September.
- Already commenced customer acquisition from clients of Shanghai Petroleum and Natural Gas Trading Center (account for approximately 20% of China's oil and gas trade).
- Key partners are awaiting finalization of new Government legislation in sector and reduction in market volatility before greenlighting the launch.
- The Company and its key partners will continue to monitor the situation and consider any possible improvements to the strategy.

MICT Q3 2021 Results

- Total revenue in the third quarter of 2021 was \$18.51M versus \$12.34M in Q2, up >50%
- Gross profit of \$2.7M in Q3 2021 versus \$0.7M in Q2 2021, up >312%
- Significant Q/Q increase in gross margin, 14.8% in Q3 2021 versus 5.4% in Q2, due to reduced reliance on commission rebates and price incentives to attract new brokers
- Continued investment in research and development on technology - spending \$0.40M in Q3 2021 versus \$0.39M in Q2
- Selling and marketing expenses were \$1.5M in Q3 2021 versus \$1.4M in Q2
- General and administrative expenses were \$6.6M in Q3 2021, down from \$14.9M in Q2 2021. Q3 G&A included >\$1.6M of non-cash costs.
- Net loss in Q3 2021 was \$5.3M versus a loss of \$18.4M in Q2
- Non-GAAP net loss in Q3 2021 was \$3.1M versus a loss of \$8.9M in Q2

Balance Sheet Highlights

In \$000's	As of	
	09/30/2021	12/31/2020
Cash, cash equivalents and restricted cash	\$ 105,289	\$ 29,049
Total current assets	\$ 138,314	\$ 33,680
Total assets	\$ 182,150	\$ 77,733
Total current liabilities	\$ 25,334	\$ 6,987
Total long-term liabilities	\$ 4,509	\$ 5,050
Total equity	\$ 152,307	\$ 65,696

Income Statement Results

MICT, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (USD In 000's, Except Share and Earnings Per Share Data) - Unaudited

	Nine months ended		Three months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Net revenues	\$ 39,791	\$ 349	\$ 18,515	\$ 349
Cost of revenues	34,436	347	15,769	347
Gross profit	5,355	2	2,746	2
Operating expenses:				
Research and development	1,015	230	396	230
Selling and marketing	3,874	69	1,521	69
General and administrative	26,039	6,337	6,618	4,899
Amortization of intangible assets	2,301	820	732	820
Total operating expenses	33,229	7,456	9,267	6,018
Loss from operations	(27,874)	(7,454)	(6,521)	(6,016)
Gain (loss) from equity investment	636	(786)	799	-
Other income (expenses), net	70	138	(13)	138
Financial income (expenses), net	61	(8,803)	336	(8,960)
Gain (loss) of control in equity investment held in Micronesia	(1,934)	665	-	-
Income (loss) before provision for income taxes	(29,041)	(16,240)	(5,399)	(14,838)
Tax benefit	(410)	(219)	(70)	(225)
Net loss	(28,631)	(16,021)	(5,329)	(14,613)
Net loss attributable to non-controlling interests	(446)	(462)	(1)	(462)
Net loss attributable to MICT, Inc.	\$ (28,185)	\$ (15,559)	\$ (5,328)	\$ (14,151)
Loss per share attributable to MICT, Inc.				
Basic	\$ (0.26)	\$ (1.03)	\$ (0.05)	\$ (0.61)
Diluted	\$ (0.26)	\$ (1.03)	\$ (0.05)	\$ (0.61)
Weighted average common shares outstanding:				
Basic	109,222,674	15,048,644	121,419,308	22,832,683
Diluted	109,222,674	15,048,644	121,419,308	22,832,683

Q3-21 Non-GAAP Financial Measures

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

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

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

Q3-21 Non-GAAP Financial Measures

	Nine months ended September 30,	
	(Dollars in Thousands, other than share and per share amounts)	
	2021	2020
GAAP net loss attributable to MICT, Inc.	\$ (28,185)	\$ (15,559)
Amortization of acquired intangible assets	2,301	778
Expenses related to settlement agreements	566	-
Expenses related to beneficial conversion feature expense	-	8,482
Expenses related to purchase of a business	-	1,295
Options- based compensation	585	-
Stock-based compensation	9,869	2,675
Income tax-effect of above non-GAAP adjustments	(604)	(199)
Total Non-GAAP net loss attributable to MICT, Inc.	<u>\$ (15,468)</u>	<u>\$ (2,528)</u>
Non-GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.15)	\$ (0.16)
Weighted average common shares outstanding used in per share calculations	109,222,674	15,048,644
GAAP net loss per diluted share attributable to MICT, Inc.	\$ (0.26)	\$ (1.03)
Weighted average common shares outstanding used in per share calculations	109,222,674	15,048,644

MICT, Inc.

A New Direction

MICT (Nasdaq Capital Markets)

www.mict-inc.com
