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): **February 9, 2023 (December 6, 2022)**

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
Common Stock, $0.001 par value	**MICT**	**Nasdaq Capital Market**

EXPLANATORY NOTE

This 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 December 6, 2022 (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 the acquisition by MICT, Inc. (the "Company") of one hundred percent (100%) of the share capital of Tingo Mobile Limited ("Tingo Mobile"), a company limited by shares organized pursuant to the laws of the Federal Republic of Nigeria (hereinafter, the "Acquisition"). The Acquisition was accomplished via a merger of Esquire Gruppe (BVI) Limited, the immediate parent company of Tingo Mobile, with and into MICT Fintech (BVI) Limited, a wholly-owned subsidiary of the Company. Immediately, prior to the Acquisition, Tingo Mobile was a second-tier subsidiary of Tingo, Inc., a Nevada corporation ("Tingo"). The original structure of the Acquisition was reported as a purchase of one hundred percent of the outstanding common stock of Tingo on the Original Form 8-K, but was since modified, as described above, shortly before the consummation of the Acquisition. Except as set forth herein, no modifications have been made to the information contained in the Original Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The audited financial statements of Tingo as of and for the fiscal year ended December 31, 2021 and of Tingo Mobile Plc as of and for the fiscal year ended December 31, 2020 is filed as Exhibit 99.1 and the unaudited financial statements of Tingo as of and for the period ended September 30, 2022 is filed as Exhibit 99.2 and Each of Exhibits 99.1 and 99.2 are incorporated by reference herein.

(b) Pro Forma Financial Information.

The unaudited pro forma combined statement of operations of the Company relating to the Acquisition of Tingo Mobile, for the fiscal year ended December 31, 2021 and the statement of operations and balance sheet as of and for the nine months ended September 30, 2022, are filed as Exhibit 99.3 and incorporated by reference herein.

(d) Exhibits.

Exhibit No.	Description
99.1	The audited financial statements of Tingo as of and for the fiscal years ended December 31, 2021 and 2020.
99.2	The unaudited financial statements of Tingo as of and for the nine months ended September 30, 2022.
99.3	The unaudited pro forma combined statement of operations of the Company relating to the acquisition of one hundred percent (100%) of the issued and outstanding capital shares and other equity interests of Tingo for the fiscal year ended December 31, 2021 and the statement of operations and balance sheet as of and for the nine months ended September 30, 2022.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

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: February 9, 2023

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

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Gries & Associates, LLC
Certified Public Accountants
501 S. Cherry Street Ste 1100
Denver, Colorado 80246

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
Tingo, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Tingo, Inc. (the Company), which comprise the balance sheet as of December 31, 2021 and the related statements of Operations, Changes in Stockholder's Equity, and Cash Flows for the years then ended, and the related notes to the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Treatment

As discussed in Note 2 to the financial statements, the Company has elected to change its method of accounting for acquisition accounting related to the August 15, 2021 transaction in the year ended December 31, 2021.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United Sates) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we were required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluation of the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgements. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the disclosures to which it relates.

Revenue Recognition, Deferred Income, and Costs matching

Critical Audit Matter Description

The Company recognizes revenue upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company offers customers the ability to purchase cellular phones directly, lease the phones on one year terms, and purchase data and calls, as well as use of the NWASSA platform. As part of these contracts, the Company records Revenue and has short term and long term assets and liabilities recorded related to the cost of contracts and the deferred income and taxes receivable, respectively. The Company also records depreciation expense on a straight-line basis over the useful life of the phones, which is estimated by management at three years.

Significant judgment is exercised by the Company in determining the accounting policies related to these long term transactions, including the following:

- Determination of whether products and services are considered distinct performance obligations that should be accounted for separately versus together, such as phone leases and purchase of data.
- Determination of stand-alone selling prices for each distinct performance obligation and for products and services that are not sold separately.
- The pattern of delivery (i.e., timing of when revenue is recognized) for each distinct performance obligation.
- Estimation of variable consideration when determining the amount of revenue to recognize (i.e., separate items on NWASSA platform)
- Determination of long term costs and identification of amounts in the current period, ensuring the matching principle is specifically followed.

Given these factors, the related audit effort in evaluation management's judgements in determining revenue recognition and cost recognition for the customer agreements was extensive and required a high degree of auditor judgement.

How the Critical Audit Matter Was Addressed in the Audit

Our principal audit procedures related to the Company's revenue recognition for these customer agreements included the following:

- We evaluated management's significant accounting policies related to these customer agreements for reasonableness.
- We selected a sample of customer agreements and performed the following procedures:
  - o Obtained and read contract source documents for each selection, including master agreements, and other documents as needed.
  - o Tested managements identification of significant terms for completeness, including the identification of distinct performance obligations and variable consideration.
- Tested costs related to these revenues, ensuring amount recorded in the current period was in line with expectations.
- We recalculated long term portion of deferred income, prepayments, and VAT receivable, ensuring proper classification between short term and long term on the financial statements.
- We evaluated the reasonableness of management's estimate of stand-alone selling prices for products and services that are not sold separately.
- We tested the mathematical accuracy of managements calculations of revenue and the associated timing of revenue recognized and expenses recorded in the financial statements.

Emphasis of Matters-Risks and Uncertainties

The Company is not able to predict the ultimate impact that COVID -19 will have on its business. However, if the current economic conditions continue, the pandemic could have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Company plans to operate.

Dies & Associates, LLC

We have served as the Company's auditor since 2021.

Denver, Colorado
July 18, 2022, with the exception of Note 8 and Note 12, as to which the
date is November 15, 2022.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of TINGO MOBILE LTD (formerly TINGO MOBILE PLC).

Opinion on the Financial Statements

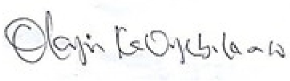
We have audited the accompanying balance sheet of Tingo Mobile Ltd, (the "Company") as of December 31, 2020, and the related statements of comprehensive profit, stockholders' gain and cash flows for the year then ended, and the related notes (collectively referred to as the ("financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020, and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.



OLAYINKA OYEBOLA & CO.

(Chartered Accountants)
We have served as the Company's auditor since February 2020.
February 8, 2023
Lagos, Nigeria

TINGO, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
Assets		
Current Assets		
Cash	$ 128,367,605	$ 28,202,869
Accounts receivable, net	364,308,399	241,953,782
Inventory	129,823	30,491
Total Current Assets	**492,805,827**	**270,187,142**
Non-Current Assets		
Property, plant and equipment, net	1,198,883,019	37,042,344
Work-in-Progress	—	207,968,849
Intangible assets, net	1,670,924	3,055,061
Total non-current assets	**1,200,553,943**	**248,066,254**
Total Assets	**$ 1,693,359,770**	**$ 518,253,396**
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accruals	$ 755,885,193	$ 40,915
Deferred income – current portion	221,215,018	—
Value added tax – current portion	17,162,192	20,493,802
Income tax payable	100,606,352	67,601,594
Total current liabilities	**1,094,868,755**	**88,136,311**
Non-current liabilities		
Deferred Tax	2,171,039	2,360,004
Total non-current liabilities	**2,171,039**	**2,360,004**
Total Liabilities	**1,097,039,794**	**90,496,315**
Stockholders' Equity		
Common stock – Class A, par value $.001 per share, 2,250,000,000 shares authorized, 1,205,016,211 and 1,028,000,000 shares issued and outstanding at December 31, 2021 and December 31, 2020	1,205,016	1,028,000
Common Stock – Class B, par value $.001 per share, 200,000,000 shares authorized, 65,000,000 shares issued and outstanding at December 31, 2021 and December 31, 2020	65,000	65,000
Additional paid-in-capital	330,703,635	508,549
Retained earnings	416,095,565	458,438,770
Deferred stock compensation	(66,357,804)	—
Translation reserve	(85,391,436)	(32,283,238)
Total Stockholders' Equity	**596,319,976**	**427,757,081**
Total Liabilities and Stockholders' Equity	**$ 1,693,359,770**	**$ 518,253,396**

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

TINGO, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

	For the Years Ended	
	December 31, 2021	December 31, 2020
Revenues	$ 865,838,327	$ 585,254,527
Cost of Sales	(284,179,088)	(364,383,712)
Gross Profit	581,659,239	220,870,815

Operating Expenses		
Payroll and related expenses	72,990,188	2,630,454
Distribution expenses	985,801	268,337
Professional fees	192,842,115	298,768
Bank fees and charges	926,256	909,233
Depreciation and amortization	247,177,230	5,769,462
General and administrative expenses – other	1,278,898	440,415
Bad debt expenses	99,247	8,698,024
Total Operating Expenses	516,299,735	19,014,693
Income from Operations	65,359,504	201,856,122
Other Income (Expenses)		
Other income	360,818	268,866
Recovered debt	55,428	9,454,965
Interest expense	—	(869,968)
Total Other Income	416,246	8,853,863
Income before tax	65,775,750	210,709,985
Taxation	(104,802,090)	(68,739,650)
Net Income (Loss)	$ (39,026,340)	$ 141,970,335
Other Comprehensive Loss		
Translation Adjustment	(53,108,198)	(16,106,101)
Total Comprehensive Income (Loss)	$ (92,134,538)	$ 125,864,234
Earnings per share – Basic and Diluted	$ (.09)	$ 0.12
Weighted Average number of common shares outstanding		
Basic and diluted	1,071,260,595	1,028,000,000

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

TINGO, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock – Class A		Common Stock – Class B						
	Number of Shares	Amount	Number of Shares	Amount	Additional Paid In Capital	Deferred Stock Compensation	Retained Earnings	Translation Reserve	Total Stockholders' Equity
Balance as of January 1, 2020	1,028,000,000	$ 1,028,000	65,000,000	$ 65,000	$ 508,549	$ —	$ 316,568,435	$ (16,177,137)	$ 301,892,847
Net income for the year ended December 31, 2020	—	—	—	—	—	—	141,970,335	—	141,970,335
Foreign Currency Translation Adjustment	—	—	—	—	—	—	—	(16,106,101)	(16,106,101)
Balance as of December 31, 2020	1,028,000,000	1,028,000	65,000,000	65,000	508,549	—	458,538,770	(32,283,238)	427,757,081
Net loss for the year ended December 31, 2021	—	—	—	—	—	—	(39,026,340)	—	(39,026,340)
Issuance of shares for acquisition of IWeb (former business)	40,306,211	40,306	—	—	3,175,130	—	(3,316,865)	(93,472)	(194,901)
Issuance of shares for services provided	27,840,000	27,840	—	—	111,332,160	—	—	—	111,360,000
Issuance of shares for incentive compensation plan – consultants	47,020,000	47,020	—	—	81,773,285	(81,820,305)	—	—	—

Issuance of shares for incentive compensation plan – directors, officers and employees	61,850,000	61,850	—	—	133,914,511	(133,976,361)	—	—	—
Vesting of deferred stock compensation	—	—	—	—	—	149,438,862	—	—	149,438,862
Foreign Currency Translation Adjustment	—	—	—	—	—	—	—	(53,014,726)	(53,014,726)
Balance as of December 31, 2021	1,205,016,211	$ 1,205,016	65,000,000	$ 65,000	$ 330,703,635	$ (66,357,804)	$ 416,095,565	$ (85,391,436)	$ 596,319,976

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

TINGO, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31, 2021	For the Years Ended December 31, 2020
Cash Flows from operating activities		
Net Income (Loss)	$ (39,026,340)	$ 141,970,335
Adjustments to reconcile net income (loss) to cash provided by operating activities		
Depreciation and amortization	247,177,230	5,769,462
Bad debt expense	99,247	8,698,024
Stock issued for services	111,360,000	—
Deferred stock compensation	149,438,862	—
Increase/Decrease related to		
Inventories	(99,332)	229,293
Trade and other receivables	(122,453,864)	(46,457,433)
Prepayments	—	126,902,136
Accounts payable and accruals	755,844,278	(207,900,786)
Deferred income	221,215,018	—
Value added tax	(3,331,610)	—
Income tax payable	32,815,793	32,524,837
Net Cash provided by operating activities	1,353,039,282	61,735,868
Cash flows from investing activities		
Acquisition of IWeb	(194,901)	—
Acquisition of assets	(1,219,815,168)	(197,750)
Acquisition of intangibles	(573,915)	—
Acquisitions of work in progress	—	(199,274,605)
Net Cash used in investing activities	(1,220,583,984)	(199,472,355)
Cash flows from financing activities		
Net repayments on borrowings	—	(8,914,701)
Net Cash used in financing activities	—	(8,914,701)
Translation Adjustment	(32,290,562)	(13,598,355)
Net change in cash and cash equivalents	100,164,736	(160,249,543)
Cash and cash equivalents, beginning of the year	28,202,869	188,452,412
Cash and cash equivalents, end of the year	$ 128,367,605	$ 28,202,869
Supplemental Cash flow information		
Cash paid for period for:		
Taxes	$ 62,946,048	$ 34,182,976
Interest	$ —	$ 869,968
Non-cash disclosures		
Stock issued for services	$ 111,360,000	$ —

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

TINGO, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

(1) Description of Business and Basis of Presentation

Description of Business — Tingo, Inc. (collectively, with our subsidiary, " we," "us," "our," "Tingo" and the "Company"), a Nevada corporation, was formed on February 17, 2015. Our shares trade on the OTC Markets trading platform under the symbol 'TMNA'. We acquired our wholly-owned subsidiary, Tingo Mobile, PLC, a Nigerian public limited company ("Tingo Mobile"), in a share exchange with its sole shareholder effective August 15, 2021. Prior to the acquisition of Tingo Mobile, the Company was headquartered in Thailand and its principal business consisted of technology consulting. This business was discontinued following the acquisition of Tingo Mobile, and we attributed a $3.2 million in net equity to the Company's prior business as shown in the *Consolidated Statements of Shareholders' Equity* above. Because our discontinued operations are immaterial to our overall business, we have not included them in our financial statements except as specifically noted herein.

The Company, including its subsidiary Tingo Mobile, is an Agri-Fintech company offering a comprehensive platform service through use of smartphones — 'device as a service' (using GSM technology) to empower a marketplace to enable subscribers/farmers within and outside of the agricultural sector to manage their commercial activities of growing and selling their production to market participants both domestically and internationally. The ecosystem provides a 'one stop shop' solution to enable such subscribers to manage everything from airtime top ups, bill pay services for utilities and other service providers, access to insurance services and micro finance to support their value chain from 'seed to sale'.

As of December 31, 2021, Tingo had approximately 9.3 million subscribers using its mobile phones and Nwassa payment platform (*www.nwassa.com*). Nwassa is Africa's leading digital agriculture ecosystem that empowers rural farmers and agri-businesses by using proprietary technology to enable access to market. Farm produce can be shipped from farms across Africa to any part of the world, in both retail and wholesale quantities. Nwassa's payment gateway also has an escrow structure that creates trust between buyers and sellers. Our system provides real-time pricing, straight from the farms, eliminating middlemen. Our users' customers pay for produce bought using available pricing on our platform. Our platform is paperless, verified and matched against a smart contract. Data is efficiently stored on the blockchain.

Our platform has created an escrow solution that secures the buyer, funds are not released to the seller until fulfilment. The platform also facilitates trade financing, ensuring that banks and other lenders compete to provide credit to our members.

Tingo aims to be Africa's leading Agri-Fintech player that transforms rural farming communities to connect through our proprietary platform to meet their complete needs from inputs, agronomy, off take and marketplace which delivers sustainable income in an impactful way. Additional information about the Company can be obtained from our website at *www.tingoinc.com*. Our website, however, does not constitute a part of this Annual Report.

Basis of Presentation — The accompanying audited consolidated financial statements have been prepared in accordance with the instructions to Form 10-K and Articles 3 and 3A of Regulation S-X. All normal recurring adjustments considered necessary for a fair presentation have been included.The financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP").

Our results of operations for the year ended December 31, 2021 are not necessarily indicative of results that ultimately may be achieved for 2022.

The Impact of COVID-19 — In response to the COVID-19 pandemic, there have been a broad number of governmental and commercial actions taken to limit the spread of the virus, including social distancing measures, stay-at-home orders, travel restrictions, business shutdowns and slowdowns. The COVID-19 pandemic continues to be dynamic, and near-term challenges across the economy remain. Although vaccines are now being distributed and administered across many parts of the world, new variants of the virus have emerged and may continue to emerge that have shown to be more contagious. We continue to adhere to applicable governmental and commercial restrictions and to work to mitigate the impact of COVID-19 on our employees, customers, communities, liquidity and financial position.

(2) Change in Accounting Treatment

As disclosed in the Company's Current Report on Form 8-K filed on June 15, 2022, in preparation for the planned merger of a subsidiary of the Company with a wholly owned subsidiary of Nasdaq-listed MICT, Inc., the Company reviewed and considered its accounting treatment of its acquisition of Tingo Mobile on August 15, 2021. Based on this review, the Company elected to modify its accounting treatment of the acquisition as a reverse acquisition of the Company by Tingo Mobile instead of as a forward acquisition of Tingo Mobile by the Company as had been previously presented.

Accordingly, the financial statements included herein have been prepared in accordance with reverse acquisition accounting rules, and now include the consolidated operating results of Tingo Mobile for the full periods presented, rather than using forward acquisition accounting as had been presented previously, which included the results of Tingo Mobile only from the date of the Acquisition.

As part of the adjustment, the Company recorded the following corrections to the prior accounting treatment on the balance sheet:

Goodwill	$	(3,694,107,417)
Capitalized Acquisition Expenses	$	(111,360,000)
Additional Paid in Capital	$	4,170,398,452
Accumulated Surplus	$	(397,390,240)
Translation Reserve	$	32,459,205

The Company also recorded expenses of $111,360,000 during 2021 relating to the value of shares issued to a third party as a finder's fee in connection with the Acquisition of Tingo Mobile.

(3) Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Company in the preparation of our financial statements:

Reverse Acquisition Accounting — We have adopted reverse acquisition accounting methods in connection with the Company's Acquisition of Tingo Mobile. Accordingly, the consolidated financial statements reflect the results of Tingo Mobile for the periods indicated in this Report.

Use of Estimates — The preparation of financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Although we believe the estimates and assumptions used in preparing these financial statements and related notes are reasonable in light of known facts and circumstances, actual results could differ from those estimates.

Earnings Per Share — Basic and diluted per share calculations are computed utilizing the weighted-average number of shares of common stock outstanding for the period.

Pursuant to our 2021 Equity Incentive Plan adopted during the fourth quarter of 2021, in accordance with ASC 260, *Earnings Per Share*, the unvested shares of restricted stock awarded pursuant to our equity compensation plans are participating securities and, therefore, are included in the basic earnings per share calculation.

Share-Based Compensation — We account for share-based compensation using the fair value method, as prescribed by ASC 718, *Compensation-Stock Compensation.* Accordingly, for restricted stock awards, we measure the grant date fair value based upon the market price of our common stock on the date of the grant and amortize the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term. For all share-based awards that are not subject to vesting, we recognize expense associated with the award during the period in which the award is granted, in an amount equal to the number of shares granted, multiplied by the closing trading price of the shares on the relevant grant date. Determining the appropriate fair

(3) Significant Accounting Policies (cont.)

value of share-based awards requires the use of subjective assumptions, particularly given that the Company's common stock is not actively traded. The assumptions used in calculating the fair value of share-based awards represents management's best estimates and involve inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, share-based compensation expense could be materially different for future awards.

Classes of Common Stock — The Company has two classes of common stock. Each share of Class A common stock is entitled to one (1) vote, and is entitled to receive dividends when and if declared by the board of directors out of assets legally available therefor. Each share of Class B common stock is entitled to ten (10) votes, but carries no dividend, distribution, liquidation, conversion, or economic rights of any kind.

Retained Earnings — The components that make up distributable earnings (accumulated undistributed deficit) on the Consolidated Balance Sheet as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Net income (loss) for year	$ (39,026,340)	$ 141,970,335
Acquisition of the Company (IWeb)	(3,316,865)	—
Retained Earnings	458,438,770	316,468,435
Retained Earnings	**$ 416,095,565**	**$ 458,438,770**

Accounts Receivable — The total value of the 12-month mobile leasing contract is recognized under accounts receivables at the outset. The balance is due and payable and is credited as receipts are received from the customers. Management reviews accounts receivable periodically to determine if any receivables will potentially be uncollectible. Management's evaluation includes several factors including the aging of the accounts receivable balances, a review of significant past due accounts, economic conditions, and our historical write-off experience, net of recoveries. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. Given the manner in which we bundle our services with our branded phones, we do not typically incur a substantial amount of bad debt. Accordingly, absent a substantial outlying event such as Covid-19, we do not expect to incur bad debts of any material significance. During the year ended December 31, 2021, a general allowance of 3 percent was made on all account receivables to cushion the possible effect of Covid 19 on our customers. On a proforma basis, we recognized bad debt expense of $99,247 and $8,698,024 relating to our receivables in 2021 and 2020, respectively. This is in line with our expectations, inasmuch as our contracts for mobile leasing are with our farmer cooperative partners who, in turn, take responsibility for individual collection efforts from their members.

We offer our customers the option to purchase certain wireless devices in installments over a specified period of time and, in many cases, once certain conditions are met, the end-user may be eligible to trade in the original equipment for a new device and have the remaining unpaid balance paid or settled. As of December 31, 2021, all receivables on this arrangement have been collected and balance written off.

Impairment of Long-Lived Assets — In accordance with authoritative guidance on accounting for the impairment or disposal of long-lived assets, as set forth in Topic 360 of the ASC, the Company assesses the recoverability of the carrying value of its long-lived assets when events occur that indicate an impairment in value may exist. An impairment loss is indicated if the sum of the expected undiscounted future net cash flows is less than the carrying amount of the assets. If this occurs, an impairment loss is recognized for the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. There was no impairment of long-lived assets for the years ended December 31, 2021 and 2020.

(3) Significant Accounting Policies (cont.)

Income Taxes — The Company uses the liability method of accounting for income taxes under which deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the accounting bases and the tax bases of the Company's assets and liabilities. The deferred tax assets are computed using enacted tax rates in effect for the year in which the temporary differences are expected to reverse.

The Company has adopted ASC guidance regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the consolidated financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the consolidated financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement. At December 31, 2021 and 2020, there were no uncertain tax positions that required accrual.

The reconciliation of income tax benefit at the U.S. statutory rate of 25% for the period ended December 31, 2021 and 21% for the year ended December 31, 2020, respectively, to the Company's effective tax rate is as follows:

	Year Ended December 31,			
	2021	Percent	2020	Percent
Federal statutory rates	$ (65,199,716)	25.0%	$ —	21.0%
Valuation allowance against net deferred tax assets	65,199,716	25.0%	—	—
Effective rate	**$ —**	**0.00%**	**$ —**	**0.00%**

The tax effects of temporary differences that give rise to the Company's net deferred tax assets for the period ended December 31, 2021 and 2020 are as follows:

Deferred Tax Assets	**December 31, 2021**	**December 31, 2020**
Beginning of period	$ —	$ —
Net Operating Loss	65,199,716	—
Valuation Allowance	(65,199,716)	—
Net Deferred Tax Assets	**$ —**	**$ —**

The income of a foreign subsidiary is not necessarily subject to U.S. tax, provided the income is from the active conduct of a trade or business within the non-U.S. jurisdiction. However, earnings of the foreign subsidiary, to the extent reinvested in the U.S. or distributed to the U.S. parent as a dividend, may be subject to U.S. tax. In addition, the Internal Revenue Code requires that transfer pricing between a U.S. parent and a foreign subsidiary be made on an arms' length basis. Tingo Mobile, our sole operating subsidiary, did not issue any dividends during the years ended December 31, 2021 and 2020.

In our Consolidated Statements of Operations, we have deducted taxes payable in connection with our operations in Nigeria. However, inasmuch as the U.S. and Nigeria do not have a tax treaty, we do not receive a corresponding credit in the U.S. for tax paid in Nigeria by Tingo Mobile, our wholly-owned subsidiary. In addition, our parent company, Tingo, Inc. has incurred operating losses on an unconsolidated basis, largely due to non-cash expenses associated with stock awards made pursuant to our 2021 Equity Incentive Plan. Our ability to utilize tax losses associated with the operations of our parent company is restricted, however, due to limitations on the deductibility of certain share compensation to our executive officers and directors that may be deemed 'excess compensation' pursuant to Section 162(m) of the Internal Revenue Code.

(3) Significant Accounting Policies (cont.)

Subject to any such disallowances pursuant to Code Section 162(m), the Company has approximately $65.2 million of net operating losses carried forward to offset taxable income, if any, in future years which expire commencing in fiscal year 2037. In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on this assessment, management has established a full valuation allowance against all of the deferred tax asset relating to NOL's because it is more likely than not that all of the deferred tax asset will not be realized as the parent company is not presently income producing.

Inventory — The Company holds certain stocks of spare parts to support the maintenance of new phones. These are recorded at cost. The company does not hold significant stock of new phones in the event of damage or replacement. Inventory is measured on the first-in, first-out method.

Operating Segments — We have examined our operating business pursuant to the guidance of ASC 280, *Segment Reporting*, which establishes standards for reporting information about operating segments. It also establishes standards for related disclosures about customers, products and geographic areas. Operating segments are defined as components of an enterprise that engage in business activities that earn revenues, incur expenses and prepare separate financial information that is evaluated regularly by our Chief Operating Decision Maker ("CODM") in order to allocate resources and assess performance. Resources are allocated and performance is assessed by the CODM.

Based on the provisions of ASC 280, we have evaluated our operating business and considered various factors associated therewith, including the concentration of our business in one country and the integration of our leasing business with the use of our agri-fintech platform that utilizes software embedded within the leased device. Accordingly, this evaluation resulted in one reportable segment.

Deferred Income — The Company reflects the full value of the 12-month-year revenues due in accordance with our mobile leasing contracts. We do not allocate the cost of our mobile phones against these revenues, but instead recognize depreciation expense on a straight-line basis ratably over the estimated 3-year useful life of the devices.

Leased Assets — The Company makes the use of leasing arrangements principally for the provision of the offices and related facilities. The rental contracts for offices are typically negotiated for terms of between 1 and 10 years and some of these have extension terms. Lease terms for office fixtures and equipment have lease terms of between 1 year and 10 years without any extension terms. The company does not enter into sale and leaseback arrangements. All the leases are negotiated on an individual basis and contain a wide variety of different terms and conditions such as purchase options and escalation clauses. The Company assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Measurement and Recognition of Leases as a Lessee — At lease commencement date, the company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct expenses incurred by the company, an estimate of any expenses to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

(3) Significant Accounting Policies (cont.)

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the incremental borrowing rate. The incremental borrowing rate is the estimated rate that the Company would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the company.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance expenses. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognized in profit or loss.

Payments under leases can also change when there is either a change in the amounts expected to be paid under residual value guarantees or when future payments change through an index or a rate used to determine those payments, including changes in market rental rates following a market rent review. The lease liability is remeasured only when the adjustment to lease payments takes effect and the revised contractual payments for the remainder of the lease term are discounted using an unchanged discount rate. Except for where the change in lease payments results from a change in floating interest rates, in which case the discount rate is amended to reflect the change in interest rates.

The remeasurement of the lease liability is dealt with by a reduction in the carrying amount of the right-of use asset to reflect the full or partial termination of the lease for lease modifications that reduce the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognized in profit or loss. The right-of-use asset is adjusted for all other lease modifications.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. These leases relate to residential houses for a year. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Accounting Pronouncements — In August 2020, the FASB issued ASU No. 2020-06, “Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity’s Own Equity (Subtopic 815-40) - Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity,” which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments. The new guidance removes the separation models for convertible debt with a cash conversion feature or a beneficial conversion feature. In addition, the new standard provides guidance on calculating the dilutive impact of convertible debt on earnings per share. The ASU clarifies that the average market price should be used to calculate the diluted earnings per share denominator when the exercise price or the number of shares that may be issued is variable. The ASU is effective for the Company on January 1, 2022, including interim periods, with early adoption permitted, although implementation has been delayed for smaller reporting companies for fiscal years beginning after December 15, 2023. The ASU permits the use of either a full or modified retrospective method of adoption. The Company is still evaluating the impact of the adoption of this ASU on its future financial statements and disclosures.

(4) Share-Based Compensation

On October 6, 2021, the Company’s Board of Directors adopted our 2021 Equity Incentive Plan (“Incentive Plan”), the purpose of which was to promote the interests of the Company by encouraging directors, officers, employees, and consultants of Tingo to develop a long-term interest in the Company, align their interests with that of our stockholders, and provide a means whereby they may develop a proprietary interest in the development and financial success of the Company and its stockholders. The Incentive Plan is also intended to enhance the ability of the Company and its subsidiaries to attract and retain the services of individuals who are essential for the growth and profitability of the Company. The Incentive Plan permits the award of restricted stock, common stock purchase options, restricted stock units, and stock appreciation awards. The maximum number of shares of our Class A common stock that are subject to awards granted under the Incentive Plan is 131,537,545 shares. The term of the Incentive Plan will expire on October 6, 2031. On October 12, 2021, our stockholders approved our Incentive Plan and, during the fourth quarter of 2021, the Tingo Compensation Committee granted awards under the Incentive Plan to certain directors, executive officers, employees, and consultants in the aggregate amount of 108,870,000 shares. The majority of the awards so issued are each subject to a vesting requirement over a 2-year period unless the recipient thereof is terminated or removed from their position without “cause”, or as a result of constructive termination, as such terms are defined in the respective award agreements entered into by each of the recipients and the Company. We account for share-based compensation using the fair value method, as prescribed by ASC 718, *Compensation — Stock Compensation*. Accordingly, for restricted stock awards, we measure the grant date fair value based upon the market price of our common stock on the date of the grant and amortize the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term. For all stock awards under the Incentive Plan that are not subject to vesting, we recognize expense associated with the award during the period in which the award is granted, in an amount equal to the number of shares granted, multiplied by the closing trading price of the shares on the relevant grant date. In connection with these awards, we recorded stock-based compensation expense and professional fees of $68.7 million and $80.8 million, respectively, for year ended December 31, 2021. As of December 31, 2021, total compensation expense to be recognized in future periods is $66.4 million. The weighted average period over which this expense is expected to be recognized is 1.8 years.

The following table summarizes the activity related to granted, vested, and unvested restricted stock awards under the Incentive Plan for the year ended December 31, 2021:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested shares outstanding, January 1, 2021	—	—
Shares Granted	108,870,000	$ 1.75
Shares Vested	71,919,167	$ 1.73
Shares Forfeited	—	—
Unvested shares outstanding, December 31, 2021	36,950,833	$ 1.80

TINGO, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(5) Revenue Recognition

Policy

Revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount:

1. Identification of the promised goods in the contract;

2. Determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract;

3. Measurement of the transaction price, including the constraint on variable consideration;

4. Allocation of the transaction price to the performance obligations; and

5. Recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. Once a contract is determined to be within the scope of ASC 606 at contract inception, the Company reviews the contract to determine which performance obligations the Company must deliver and which of these performance obligations are distinct. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations with regard to its leasing contracts are satisfied over time, while other performance obligations are usage-based.

Revenue comprises of the fair value of lease or purchase payments for our smartphone devices, services and financial technology solutions. We offer service-only contracts and contracts that bundle equipment used to access the services and/or with other service offerings. Some contracts have fixed terms and others are cancellable on a short-term basis (i.e., month-to-month arrangements). We have elected to record revenue net of taxes collected from our customers that are remitted to governmental authorities, with the collected taxes recorded within other current liabilities until remitted to the relevant government authority.

Sources

The Company has the following revenue sources:

- Mobile Leasing — our leasing customers enter a 12-month contract for a fixed monthly rental. The customers are committed for the full term. Our accounting policy is to recognize the lease obligations ratably during the contract term. We do not recognize a cost of sales associated with such lease payments. Instead, as the lessor of these devices, we depreciate the mobile devices ratably on a straight line basis over their useful life, which we estimate at 36 months.

- Call and Data Services — our customers use call and data services at normalized rates which, given the increasing proliferation of wifi connections, even in rural locations, have steadily declined over time.

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(5) Revenue Recognition (cont.)

- Nwassa Services — this is our Agri-Fintech platform powered by the smartphones leased on a 12-month term above, known as 'device as a service'. Revenue is recognized based on fixed percentage of the value of the transaction on the following basis when transactions are executed as follows:

  - Agri- Marketplace — percentage of the value of produce trade on Nwassa

  - Mobile airtime top up — fixed percentage of value of top-up

  - Utilities — fixed percentage of value of transaction

  - Mobile Insurance — fixed fee recognized monthly based on contract

  - Financial Services (Loans and related services) — fixed referral fee as completed

While our Nwassa applications are integrated with our branded phones, each of the services are distinct and independent performance obligations of the Company. The range and quantity of services used are determined solely by the end-user.

(6) Foreign Currency Translation

Functional and presentation currency — The consolidated financial statements are presented in U.S. dollars, which is the presentation currency, the functional currency is Nigeria Naira.

The exchange rate used for conversion is:

	December 31, 2021	December 31, 2020
Balance Sheet:		
Nigerian Naira	412.99	379.5
Profit and Loss:		
Nigerian Naira	396.46	379.5

Foreign currency transactions — Foreign currency transactions are translated into the functional currencies of the Company's subsidiaries using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of operations and comprehensive income. Non-monetary items carried at cost are translated using the exchange rate at the date of the transaction. Non-monetary items carried at fair value are translated at the date the fair value is determined. For Nigeria, due to the volatile nature of the exchange rate, we have applied the prudent approach to convert both the Profit and Loss and Balance Sheet at the same rate to indicate a fairer reflection of the state of affairs.

(7) Inventory

Inventory on hand consisted of the following:

	December 31, 2021	December 31, 2020
Spare parts	$ 129,823	$ 30,491
Total Inventory	$ 129,823	$ 30,491

(8) Accounts Receivable

	December 31, 2021	December 31, 2020
Accounts receivable gross	$ 364,350,175	$ —
Allowance for expected credit loss	(42,065)	—
	364,308,110	—
Directors current account	289	241,953,782
Total Accounts Receivable, net	$ 364,308,399	$ 241,953,782

Accounts Receivable — This amount consists almost exclusively of trade receivables relating to the 1-year smartphone leasing contracts that our customers entered during 2021. The release and delivery of new phones in accordance with the new phone contracts took place in May 2021 and September 2021, respectively. The balances reflect the remaining balance outstanding as at December 31, 2021. The previous lease contracts expired in May 2020. The delay in renewal of new contracts was due to impact of Covid 19 and delays in recommencement of our supply chains as a consequence. The new phone leasing contracts will expire in April 2022 and August 2022 respectively. The Company had approximately 9.3 million subscribers for this service as of December 31, 2021. The Company has successfully renewed its previous contract that expired in May 2020 without any attrition in the number of subscribers. We view this as significant, given the gap of a year due to the Covid-19 pandemic that affected our supply chain in 2020 and the early part of 2021. We believe it is a clear demonstration of our ability to maintain subscriber loyalty and reflection of affordability at the price point we offer our subscribers over the three-year leasing period. Management reviews accounts receivable periodically to determine if any receivables will potentially be uncollectible. Management's evaluation includes several factors including the aging of the accounts receivable balances, a review of significant past due accounts, economic conditions, and our historical write-off experience, net of recoveries. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. We recognized bad debt expense of $99,247 and $8,698,024 relating to our receivables in 2021 and 2020, respectively. The allowance for credit loss for the years ended December 31, 2021 and 2020 was $42,065 and zero, respectively.

We offer our customers the option to purchase certain wireless devices in installments over a specified period of time and, in many cases, once certain conditions are met, they may be eligible to trade in the original equipment for a new device and have the remaining unpaid balance paid or settled. As of December 31, 2021, all receivables on this arrangement have been collected and the balance has been written off.

We have a strong history of mobile leasing to our subscriber base in partnership with our farmers' cooperatives. Unlike a typical mobile leasing business, we analyze credit risk on these cooperatives and not directly with our 9.3m subscribers. We have history of leasing to the same number of subscribers since 2017, and have a strong collection record where the cooperatives settle the monthly leasing receivables in bulk. The cooperatives manage the interaction and collection from their members and, therefore, we do not undertake direct credit risk with our subscribers. This 'business to business' credit model has assured minimal bad debts and late payments, as well as reduced administrative effort needed to collect monthly receivables due over the 12-month contract.

Prepayments — This represents the total cost of sales for the mobile devices purchased that are contracted out on our lease agreements. Our policy is to depreciate the cost ratably over a 36-month period, which is the estimated useful life of the devices.

The Company's agreement with its manufacturer does not include a renewal or termination feature once delivery of the devices has occurred and the Company has approved the quality of the delivery and/or waived any such approval by failing to object to any nonconformity within 30 days of delivery.

(9) Property, Plant & Equipment

Changes in cost, depreciation, and net book value during 2021 were recorded as follows:

	LAND $	BUILDING $	MOTOR VEHICLES $	FURNITURE & FITTINGS $	OFFICE EQUIPMENT $	PLANT & MACHINERY $	SITE INSTALLATIONS $	MOBILE DEVICES $	Total $
COST									
January 1, 2021	9,560,176	34,540,253	225,788	65,232	71,899	10,992,230	—	—	55,455,578
ADDITIONS	—	—	—	—	—	—	207,968,849	1,219,411,221	1,427,380,070
Forex translation difference	(765,481)	(2,765,629)	(18,079)	(5,223)	(5,757)	(880,145)	(16,652,011)	—	(21,092,325)
December 31, 2021	**8,794,695**	**31,774,624**	**207,709**	**60,009**	**66,142**	**10,112,085**	**191,316,838**	**1,219,411,221**	**1,461,743,323**
DEPRECIATION									
January 1, 2021	—	7,256,776	104,655	33,763	57,869	10,960,171	—	—	18,413,234
CHARGED FOR THE YEAR	—	1,654,988	31,493	10,817	9,820	10,753	—	244,290,317	246,008,188
Forex translation difference	—	(647,305)	(9,640)	(3,136)	(5,027)	(896,010)	—	—	(1,561,118)
December 31, 2021	**—**	**8,264,459**	**126,508**	**41,444**	**62,662**	**10,092,914**	**—**	**244,290,317**	**262,860,304**
NET BOOK VALUE									
December 31, 2020	9,560,176	27,283,477	121,133	31,469	14,030	32,059	—	—	37,042,344
December 31, 2021	**8,794,695**	**23,510,165**	**81,201**	**18,565**	**3,480**	**37,171**	**191,316,838**	**975,120,904**	**1,198,883,019**

Changes in cost, depreciation, and net book value during 2020 were recorded as follows:

	LAND $	BUILDING $	MOTOR VEHICLES $	FURNITURE & FITTINGS $	OFFICE EQUIPMENT $	PLANT & MACHINERY $	Total $
COST							
January 1, 2020	10,087,768	36,446,408	99,783	37,970	74,339	11,561,491	58,307,759
ADDITIONS	—	—	131,505	29,311	1,451	35,483	197,750
Forex translation difference	(527,592)	(1,906,155)	(5,500)	(2,049)	(3,891)	(604,744)	(3,049,931)
December 31, 2020	**9,560,176**	**34,540,253**	**225,788**	**65,232**	**71,899**	**10,992,230**	**55,455,578**
DEPRECIATION							
January 1, 2020	—	5,834,932	69,704	23,403	45,965	8,687,612	14,661,616
CHARGED FOR THE YEAR	—	1,730,713	38,679	11,609	14,338	2,762,767	4,558,106
Forex translation difference	—	(308,869)	(3,728)	(1,249)	(2,434)	(490,207)	(806,488)
December 31, 2020	**—**	**7,256,776**	**104,655**	**33,763**	**57,869**	**10,960,171**	**18,413,234**
NET BOOK VALUE							
January 1,2020	10,087,768	30,611,476	30,079	14,567	28,374	2,873,879	43,646,143
December 31,2020	**9,560,176**	**27,283,477**	**121,133**	**31,469**	**14,030**	**32,059**	**37,042,344**

As noted above, we recognize depreciation expense relating to our leased mobile phones on a straight-line basis over a 36-month period, which is the estimated useful life of the devices. Property, plant and equipment are carried at historical value and depreciated over their useful life. All property and equipment with a cost of $5,000 or greater are capitalized. Major betterments that extend the useful lives of assets are also capitalized. Normal maintenance and repairs are charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operations.

(9) Property, Plant & Equipment (cont.)

Plant and equipment consist of prototypes, software, furniture and equipment, which are depreciated on a straight-line basis over their expected useful lives.

	Estimated useful lives (years)
Buildings	20
Motor Vehicles	5
Furniture & Fittings	5
Office Equipment	5
Plant & Machinery	4
Mobile Devices	3
Site Installations	20

Site Installations relates to the capitalization of the Company's investment in rural fibre network and equipment. Previously, it was classified as Work in Progress and the works were completed as of December 31, 2021. Depreciation on these assets will commence on January 1, 2022.

The total depreciation charge for the years ended December 31, 2021 and 2020 was $246,008,188 and $ 4,528,106, respectively

(10) Intangible Assets and Work-in-Progress

Intangible Assets — The details below relate to Intangible Assets for Tingo Mobile as consolidated into the Company for the years ended December 31, 2021 and 2020. This represents cost incurred on software development of our mobile operating system and secure browser. This is Tingo's proprietary operating system and mobile/web browser. The system and its technology platform is designed to help our customers securely execute financial transactions. This cost is amortized over 5 (Five) years, because on or before then we are expected to have significantly upgraded the software. For the year ended December 31, 2021, the Company incurred capitalized expenses of $ 0 and charged $1,187,042 in amortization expenses for this period. For the year ended December 31, 2020, the Company incurred capitalized expenses of $0 and charged $1,241,356 in amortization expenses for the period.

	2021	2020
Cost		
Beginning Balance January 1	$ 6,193,507	$ 6,535,305
Additions	—	—
Forex translation difference	(495,912)	(341,798)
Ending Balance December 31	**$ 5,697,595**	**$ 6,193,507**
Amortization		
Beginning Balance January 1	$ 3,138,446	$ 2,004,585
Charge for the year	1,187,042	1,241,356
Forex translation difference	(298,817)	(107,495)
Ending Balance December 31	**4,026,671**	**3,138,446**
Carrying Amount December 31	**$ 1,670,924**	**$ 3,055,061**

(10) Intangible Assets and Work-in-Progress (cont.)

Work-in-Progress — The details below relate to Work-in-Progress for Tingo Mobile as consolidated into the Company for the years ended December 31, 2021 and 2020. Consists of investment in 'Cell On-Wheel'. This is a rollout of broadband fiber and mobile network enhancement across rural Nigeria. The project is now complete and the cost has been capitalized as a fixed asset under 'Site Installations' above.

	December 31, 2021	December 31, 2020
January 1, 2021	$ 207,968,849	$ 8,694,244
Additions	—	200,157,284
Transfer to Capitalization – Site Installations	(191,316,838)	—
Forex translation difference	(16,652,011)	(882,679)
Closing balance – December 31, 2021	**$ —**	**$ 207,968,849**

(11) Liquidity and Financing Arrangements

Liquidity — There are several factors that may materially affect our liquidity during the reasonably foreseeable future including, for example, currency volatility, foreign exchange controls and other items that affect cash flows to our parent company. In view of the foregoing, we believe that our operating cash flow and cash on hand will be sufficient to meet operating requirements from the date of this filing through the next twelve months.

Cash and Cash Equivalents — As of December 31, 2021, we had cash and cash equivalents of $128.4 million on a consolidated basis. As of December 31, 2020, we had cash and cash equivalents of $28.2 million.Our cash and cash equivalents mainly consist of funds held with our bank in Nigeria. We seek to optimize value by managing and placing excess liquidity on fixed deposits to earn income from such excess cashflows.

Short-term Loans — The Company had no short-term loans outstanding as of December 31, 2021 or 2020.

(12) Current and Non-Current Liabilities

Accounts Payable and Accruals

	December 31, 2021	December 31, 2020
Trade payable	$ 754,709,170	$ —
Accrued compensation	1,049,029	—
Other Payables	126,994	40,915
	$ 755,885,193	$ 40,915

Trade Payables — This represents the balance due to our smartphone manufacturer at December 31, 2021. There were no trade payables as of December 31, 2020, inasmuch as our new phone contracts only commenced again in May 2021. We have preferred credit terms with our supplier of smartphones and pay for devices supplied over a two-year period. We minimize our currency risk and settle such supplies in Nigerian Naira to match the basis for our leasing revenues which are also denominated in Naira.

(12) Current and Non-Current Liabilities (cont.)

Deferred Income — The balance represents to gross income due over the term of the 1-year phone leasing cycle. Monthly releases to revenue will be conducted in line with the Company's revenue recognition policy and are expected to reduce to $0 by April 2022 and August 2022 accordingly. There was no deferred income as at December 31, 2020, as the last leasing contracts expired at the end of their full term in May 2020. The table below provides the aging of the balances between current and non-current liabilities as follows:

	December 31,	
	2021	2020
Due within one year	$ 221,215,018	$ —
Over one year	—	—
Total Deferred income	**$ 221,215,018**	**$ —**
Deferred income – current portion	221,215,018	—
Deferred income – non-current portion	—	—
Total Deferred income	**$ 221,215,018**	**$ —**

VAT — This represents the current and future VAT liability at rate of 7.5% relating to the mobile phone leasing contracts included under Accounts Receivable and Deferred Income. The table below shows the aging of when such liabilities will become due and payable:

	December 31,	
	2021	2020
Due within one year	$ 17,162,192	$ 20,493,802
Over one year	—	—
Total Value added tax	**$ 17,162,192**	**$ 20,493,802**
Value added tax – current portion	17,162,192	20,493,802
Value added tax – non-current portion	—	—
Total Value added tax	**$ 17,162,192**	**$ 20,493,802**

(13) Taxation and Deferred Tax

The provision for income tax consists of the following components at December 31, 2021 and 2020:

	December 31,	
	2021	2020
Income tax	$ 104,802,090	$ 68,739,650
Current Tax	**$ 104,802,090**	**$ 68,739,650**

The significant components of our tax liabilities as of December 31, 2021 and 2020 are summarized below:

	December 31,	
	2021	2020
Current Tax Liabilities		
Beginning of period	$ 67,601,594	$ 35,992,292
Charge for the period	104,802,090	68,739,650
	172,403,684	**104,731,942**
Paid during the period	(62,946,048)	(34,182,976)
Forex translation difference	(8,851,284)	(2,947,372)
Total Current Tax Liabilities	**$ 100,606,352**	**$ 67,601,594**

(13) Taxation and Deferred Tax (cont.)

The significant components of our deferred tax liabilities as of December 31, 2021 and 2020 are summarized below:

	December 31,	
	2021	2020
Deferred Tax		
Beginning of period	$ 2,360,004	$ 1,444,469
Change for the period	—	993,204
Forex translation difference	(188,965)	(77,669)
Total Deferred Tax Liabilities	**$ 2,171,039**	**$ 2,360,004**

(14) Commitments and Contingencies

Commitments

Operating Leases — We have operating leases covering office space in Nigeria and the United States. Our operating lease in Nigeria is a one-year lease with an option for the Company to renew, and the operating lease in the United States is on a month-to-month basis. We consider each of these arrangements to be a 'low value lease' and, accordingly, have not recognized a right of use asset or liability in our financial statements.

Purchase Commitments — Our principal purchase commitment consists of our agreement with our smartphone manufacturer, wherein we have two years to make full payment, but are otherwise not obligated to make any specified minimum payment during the interim. We nevertheless periodically make payments out of operating cash from time to time during the payment term and, at December 31, 2021, we had future commitments of approximately $754.7 million remaining under this agreement. Other than customary software licenses, we had no other significant purchase commitments, or commitments for capital expenditures, as of such date.

Contingencies

Generally — Estimated losses from contingencies are accrued by a charge to earnings when information available prior to the issuance of the financial statements indicates that it is likely that a future event will confirm that an asset has been impaired or a liability incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. As of December 31, 2021, we have not assessed any charges against earnings for contingencies.

(15) Concentrations

Customers — While we may sell our branded phones from time to time to bulk purchasers, our primary customers consist of two farmers' cooperatives in Nigeria, who collectively have approximately 9.3 million members. The cooperatives account for virtually all of our leasing revenue, while the members of the cooperatives account for a substantial majority of our Agri-Fintech revenue generated through our Nwassa platform. Should either of these cooperatives experience financial difficulties, our revenue and cash flows could be adversely impacted.

Manufacturer — We outsource the manufacture of our smartphones to a single manufacturer. During 2020 and 2021, we experienced substantial delays in the supply of new devices to our customers as a result of supply chain disruptions resulting principally from Covid-19, which in turn affected our revenue. Given that our manufacturer is located in China and may be subject to further economic dislocation in the future, we are subject to future risks of delayed or non-fulfillment under any new supply agreements into which we may enter.

(16) Related-Party Transactions and Agreements

From time to time, we may enter into transactions or incur indebtedness to persons affiliated with members of our board of directors or executive officers. We will seek to ensure that, to the greatest extent possible, any such agreements or transactions are undertaken on an arms-length basis and representative of standard commercial terms and conditions that would be available to us from third parties. During the year ended December 31, 2021, we noted no such transactions or agreements with such related parties of the Company.

(17) Legal Proceedings

While we are not currently subject to any legal proceedings, from time to time, the Company or one or more of its subsidiaries may become a party to certain proceedings incidental to the normal course of our business. While the outcome of any potential legal proceedings cannot at this time be predicted with certainty, we do not expect that any such proceedings will have a material effect upon our financial condition or results of operations.

(18) Subsequent Events

Management performed an evaluation of the Company's activity through the date the financial statements were issued, noting there were no subsequent events.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

On October 6, 2022, Tingo, Inc., a Nevada corporation ("Tingo" or the "Seller"), entered into the Second Amended and Restated Merger Agreement (the "Second Amended Agreement") with MICT, Inc., a Delaware corporation ("MICT"), which amends the Amended and Restated Merger Agreement between the parties dated June 15, 2022 (the "Amended Agreement").

Pursuant to the Second Amended Agreement, (i) Tingo shall form a British Virgin Islands company and wholly-owned subsidiary ("Tingo Sub") and transfer into Tingo Sub all of its rights, title, interest and liabilities in all of its other subsidiaries, and (ii) MICT shall form a Delaware corporation and wholly-owned subsidiary ("Delaware Sub") and cause Delaware Sub to form a British Virgin Islands company and wholly-owned subsidiary of Delaware Sub ("BVI Sub").

Subject to the terms and conditions set forth in the Second Amended Agreement, upon the consummation of the transactions contemplated therein (the "Closing"), BVI Sub will merge with and into Tingo Sub (the "Business Combination" and, together with the other transactions contemplated by the Second Amended Agreement, the "Transactions"), with the BVI Sub continuing as the surviving company in the Business Combination and a wholly- owned subsidiary of Delaware Sub.

As consideration for the Merger, the Seller shall receive from MICT, in the aggregate, (a) 25,783,675 shares of MICT common stock equal to approximately 19.9% of the total issued and outstanding MICT Common Stock; (ii) 2,604.28 shares of Series A Preferred Stock convertible into 26,042,808 shares of MICT common stock equal to approximately 20.1% of the total issued and outstanding MICT common stock; and (iii) 33,687.21 shares of Series B Preferred Stock convertible into 336,872,138 shares of MICT Common Stock equal to approximately 35% of the total issued and outstanding MICT common stock (collectively the "Merger Consideration"). The Series A Preferred Stock only automatically converts upon the approval of MICT's stockholders. The Series B Preferred Stock only automatically converts upon the approval of MICT's stockholders and upon Nasdaq's approval of the change of control of MICT.

Of the aggregate Merger Consideration, 5% of such common stock and preferred stock shall be held in escrow for a period of up to two years after the closing of the Merger and will serve as the sole source of payment for any obligations incurred by Tingo's pre-closing stockholders in relation to any indemnification claims.

The unaudited pro forma condensed combined balance sheet as of September 30, 2022 and the unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2022 and for the year ended December 31, 2021, combine the historical financial statements of MICT with the historical financial statements of Tingo to give effect to the Business Combination. The Business Combination is reflected as if it had occurred on January 1, 2021 with respect to the unaudited pro forma condensed combined statements of operations and on September 30, 2022 with respect to the unaudited pro forma condensed combined balance sheet.

Accounting for the Merger

The financial statements of MICT and Tingo were prepared in accordance with United States generally accepted accounting principles. Notwithstanding the legal form of the merger agreement, the business combination will be accounted for under the acquisition method in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 805 "Business Combinations" ("ASC 805")

In accordance with ASC 805, the Company has determined that (a) both MICT and Tingo represent businesses; (b) MICT is the accounting acquirer, meaning the transaction is a forward acquisition; (c) Tingo is subject to acquisition accounting, with a write-up of its net assets to fair value; and (d) the difference between the fair value of the purchase consideration and the fair value of Tingo's net assets represents goodwill.

MICT has been determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- MICT's existing shareholders will have the greatest voting power, initially with an 80.1% interest in the combined entity.
- MICT will have the majority of the initial Board of Director representation (66.6%) as well as significant influence to elect future Board members; and
- MICT's senior management team, consisting of Darren Mercer, CEO and Kevin Chen, CFO, will be the senior management of the combined entity following the consummation of the Business Combination.

The unaudited pro forma condensed combined financial information should be read in conjunction with the financial statements of each of MICT and Tingo, which are incorporated by reference into this filing.

The unaudited pro forma adjustments give effect to events that are directly attributable to the proposed transaction and are based on available data and certain assumptions that management believes are factually supportable.

The unaudited pro forma condensed combined financial information is presented for informational purposes only, in order to aid you in your analysis of the financial aspects of the proposed transaction. The unaudited pro forma condensed combined financial information described above has been derived from the historical financial statements of MICT and Tingo. The unaudited pro forma condensed combined financial information is based on MICT's accounting policies. Further review may identify additional differences between the accounting policies of MICT and Tingo. The unaudited pro forma adjustments and the 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 occurred had the transactions taken place on the dates noted, or of MICT's future financial position or operating results.

MICT, Inc
Unaudited Pro Forma Condensed Combined Balance Sheet
As of September 30, 2022

	MICT	Tingo	Transaction Accounting Adjustments		Pro Forma Combined

	Note A	Note B	Note C		
Assets					
Current Assets:					
Cash	$ 68,351,000	$ 246,550,136	$ (3,202,894)	(c)	$ 311,698,242
Accounts and other receivables, net	9,084,000	386,037,551	(61,918)	(d)	395,059,633
Related parties	8,533,000	-	(3,700,000)	(d)	4,833,000
Other current assets	10,319,000	-	-		10,319,000
Total Current Assets	96,287,000	632,587,687	(6,964,812)		721,909,875
Property and equipment, net	611,000	876,114,483	-		876,725,483
Intangible assets, net	19,059,000	779,697	669,258,303	(a)	689,097,000
Goodwill	19,788,000	-	2,680,822,755	(a)	2,700,610,755
Right-of-use assets	1,711,000	-	-		1,711,000
Long-term deposit and prepaid expenses	508,000	-	-		508,000
Deferred tax assets	2,893,000	-	-		2,893,000
Restricted cash escrow	2,388,000	-	-		2,388,000
Micronet ltd. equity method investment	924,000	-	-		924,000
Total long-term assets	47,882,000	876,894,180	3,350,081,058		4,274,857,238
Total Assets	$ 144,169,000	$ 1,509,481,867	$ 3,343,116,246		$ 4,996,767,113
Liabilities, Temporary Equity and Stockholders' Equity					
Current Liabilities:					
Short-term loan	$ 761,000	$ 3,659,945	$ (3,500,000)	(d)	$ 920,945
Accounts payable and accruals	8,536,000	3,593,658	(261,918)	(d)	11,867,740
Deposit held on behalf of clients	1,495,000	-	-		1,495,000
Obligations to related party	728,000	85,574,855	-		86,302,855
Lease liabilities - current portion	1,025,000	-	-		1,025,000
Deferred income - current portion	-	336,752,128	-		336,752,128
Value added tax - current portion	-	26,515,899	-		26,515,899
Tax liability	-	144,295,342	-		144,295,342
Other current liabilties	7,121,000	-	-		7,121,000
Total current liabilities	19,666,000	600,391,827	(3,761,918)		616,295,909
Long-term Liabilties:					
Lease liabilties	763,000	-	-		763,000
Deferred tax liabilities	3,340,000	4,160,098	201,011,000	(a)	208,511,098
Accrued severance pay	49,000	-	-		49,000
Total long-term liabilities	4,152,000	4,160,098	201,011,000		209,323,098
Total liabilities	23,818,000	604,551,925	197,249,082		825,619,007
Reedeemable Series A preferred stock	-	-	271,618,000	(a)	271,618,000
Reedeemable Series B preferred stock	-	-	3,513,467,000	(a)	3,513,467,000
Stockholders' Equity:					
Common stock	129,566	1,227,516	(1,201,732)	(a), (b)	155,350
Common stock - Class B	-	65,000	(65,000)	(b)	-
Additional paid in capital	224,888,434	419,181,135	(150,291,919)	(a), (b)	493,777,650
Accumulated other comprehensive (loss) income	(522,000)	-	-		(522,000)
Accumulated (deficit) surplus	(107,088,000)	612,007,343	(615,210,237)	(b), (c)	(110,290,894)
Deferred stock compensation	-	(43,282,593)	43,282,593	(b)	-
Translation reserve	-	(84,268,459)	84,268,459	(b)	-
Sub-total	117,408,000	904,929,942	(639,217,836)		383,120,106
Non-controlling interests	2,943,000	-	-		2,943,000
Total Stockholders' Equity	120,351,000	904,929,942	(639,217,836)		386,063,106
Total Liabilities, Temporary Equity and Stockholders' Equity	$ 144,169,000	$ 1,509,481,867	$ 3,343,116,246		$ 4,996,767,113

See notes to unaudited pro forma condensed combined financial information.

MICT, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Nine Months Ended September 30, 2022

		Tingo			Transaction	
	MICT	As Reported	Reclassify Adjustments	As Reclassified	Accounting Adjustments	Pro Forma Combined
	Note A		Note B		Note C	
Net Revenues	$ 35,278,000	$ 817,443,320	$ -	$ 817,443,320	$ -	$ 852,721,320
Cost of revenues	28,746,000	28,374,179	313,915,790	342,289,969	-	371,035,969
Gross profit	6,532,000	789,069,141	(313,915,790)	475,153,351	-	481,685,351
Operating Expenses:						
Payroll and related expenses	-	53,036,574	(53,036,574)	-	-(d)	-
Distribution expenses	-	913,102	(913,102)	-	-	-
Research and development expenses	1,509,000	-	1,078,000	1,078,000	-	2,587,000
Selling and marketing expenses	4,873,000	-	1,952,400	1,952,400	-	6,825,400
Professional fees	-	69,255,362	(69,255,362)	-	-(d)	-
Bank fees and charges	-	1,297,297	(1,297,297)	-	-	-
Depreciation and amortization	-	313,915,790	(313,915,790)	-	-	-
Amortization of intangible assets	2,381,000	-	568,569	568,569	53,803,046(a)	56,752,615

General and administrative expenses - other	30,224,000	7,812,627	121,017,186	128,829,813	-	159,053,813
Bad debt expenses	-	113,820	(113,820)	-	-	-
Total operating expenses	38,987,000	446,344,572	(313,915,790)	132,428,782	53,803,046	225,218,828
Income (loss) from operations	(32,455,000)	342,724,569	-	342,724,569	(53,803,046)	256,466,523
Other Income (Expense):						
Loss from equity investment	(557,000)	-	-	-	-	(557,000)
Other income	535,000	990,525	-	990,525	-	1,525,525
Financial expense, net	(718,000)	(65,918)	-	(65,918)	-	(783,918)
Total other income (expense)	(740,000)	924,607	-	924,607	-	184,607
Income (loss) before income taxes	(33,195,000)	343,649,176	-	343,649,176	(53,803,046)	256,651,130
Income tax provision (benefit)	(1,782,000)	147,737,398	-	147,737,398	(16,311,478)(b)	129,643,920
Net income (loss)	(31,413,000)	195,911,778	-	195,911,778	(37,491,568)	127,007,210
Net loss attributable to non-controlling stockholders	(719,000)	-	-	-	-	(719,000)
Net income (loss) attributable to controlling stockholders	$ (30,694,000)	$ 195,911,778	$ -	$ 195,911,778	$ (37,491,568)	$ 127,726,210
Net Income (Loss) Per Share - Basic	$ (0.24)					$ 0.85
Net Income (Loss) Per Share - Diluted	$ (0.24)					$ 0.25
Weighted Average Common Shares Outstanding:						
- Basic	126,184,400				24,494,491(c)	150,678,891
- Diluted	126,184,400				388,698,621(c)	514,883,021

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, 2021

		Tingo			Transaction	
	MICT	As Reported	Reclassify Adjustments	As Reclassified	Accounting Adjustments	Pro Forma Combined
	Note A	(as restated)	Note B		Note C	
Net Revenues	$ 55,676,000	$ 865,838,327	$ -	$ 865,838,327	$ -	$ 921,514,327
Cost of revenues	46,456,000	284,179,088	247,177,230	531,356,318	-	577,812,318
Gross profit	9,220,000	581,659,239	(247,177,230)	334,482,009	-	343,702,009
Operating Expenses						
Payroll and related expenses	-	72,990,188	(72,990,188)	-	- (e)	-
Distribution expenses	-	985,801	(985,801)	-	-	-
Research and development expenses	889,000	-	386,116	386,116	-	1,275,116
Selling and marketing expenses	6,814,000	-	643,528	643,528	-	7,457,528
Professional fees	-	192,842,115	(192,842,115)	-	- (e)	-
Bank fees and charges	-	926,256	(926,256)	-	-	-
Depreciation and amortization	-	247,177,230	(247,177,230)	-	-	-
Amortization of intangible assets	2,925,000	-	1,187,042	1,187,042	71,308,445(a)	75,420,487
General and administrative expenses - other	36,488,000	1,278,898	265,626,921	266,905,819	3,202,894(b)	306,596,713
Bad debt expenses	-	99,247	(99,247)	-	-	-
Total operating expenses	47,116,000	516,299,735	(247,177,230)	269,122,505	74,511,339	390,749,844
Income (loss) from operations	(37,896,000)	65,359,504	-	65,359,504	(74,511,339)	(47,047,835)
Other Income (Expense):						
Gain from equity investment	353,000	-	-	-	-	353,000
Loss of controlling equity investment held in Micronet	(1,934,000)	-	-	-	-	(1,934,000)
Loss from decrease in holding percentage in former VIE	(1,128,000)	-	-	-	-	(1,128,000)
Other income, net	1,261,000	360,818	-	360,818	-	1,621,818
Recovered debt	-	55,428	-	55,428	-	55,428
Financial income, net	395,000	-	-	-	-	395,000
Total other income (expense)	(1,053,000)	416,246	-	416,246	-	(636,754)
Income (loss) before income taxes	(38,949,000)	65,775,750	-	65,775,750	(74,511,339)	(47,684,589)
Income tax provision (benefit)	(1,791,000)	104,802,090	-	104,802,090	(21,748,637)(c)	81,262,453
Net income (loss)	(37,158,000)	(39,026,340)	-	(39,026,340)	(52,762,702)	(128,947,042)
Net loss attributable to non-controlling stockholders	(730,000)	-	-	-	-	(730,000)
Net loss attributable to controlling stockholders	$ (36,428,000)	$ (39,026,340)	$ -	$ (39,026,340)	$ (52,762,702)	$ (128,217,042)
Net Loss Per Share - Basic	$ (0.32)					$ (0.94)
Net Loss Per Share - Diluted	$ (0.32)					$ (0.26)
Weighted Average Common Shares Outstanding:						
- Basic	112,562,199				24,494,491(d)	137,056,690
- Diluted	112,562,199				388,698,621(d)	501,260,820

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 and Tingo. The unaudited pro forma condensed combined financial information is presented as if the Business Combination had been completed on January 1, 2021 with respect to the unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2022 and for the year ended December 31, 2021 and on September 30, 2022 in respect of 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 business combination occurred as of the date 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 business combination.

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

Transaction Accounting Adjustments

Unaudited Pro Forma Condensed Combined Balance Sheet – As of September 30, 2022

The following pro forma adjustments give effect to the business combination.

Note A Derived from the unaudited condensed consolidated balance sheet of MICT as of September 30, 2022, which are incorporated by reference into this filing.

Note B Derived from the unaudited condensed consolidated balance sheet of Tingo as of September 30, 2022, which are incorporated by reference into this filing.

Adjustments:

Note C (a) It was determined that MICT was the accounting acquirer and Tingo was the accounting acquiree. Thepreliminary purchase price allocation is as follows:

Merger consideration		$ 4,054,000,000
Less: Acquired tangible net assets		904,150,245
Excess purchase price		3,149,849,755
Fair value adjustments:		
Intangible - farmer cooperative	$ 91,111,000	
Intangible - trade names and trade marks	193,761,000	
Intangible - software	385,166,000	
Intangibles - total	670,038,000	
Deferred tax liabilities	(201,011,000)	
Total fair value adjustments		469,027,000
Goodwill		$ 2,680,822,755

The $4,054,000,000 preliminary value of the Merger Consideration transferred was derived using a discounted cash flow analysis with the assistance of a third-party valuation expert.

The pro forma adjustments give effect to the forward acquisition accounting, and specifically (a) to recognize $670,038,000 of Tingo identified intangible assets (including $385,166,000 of software with a 7-year useful life, $193,761,000 of trade names and trademarks with a 17-year useful life and $91,111,000 related to the farmer cooperative with a 15-year useful life), which included $779,697 of historical intangible assets, plus $669,258,303 of incremental intangible assets; (b) to recognize $201,011,000 of Tingo deferred tax liabilities (associated with the identified intangible assets); (c) to recognize Tingo goodwill of $2,680,822,755; and (d) to recognize the $4,054,000,000 value of the Merger Consideration transferred to the accounting acquiree, including (i) $271,618,000 of Redeemable Series A Preferred Stock which is classified as temporary equity; (ii) $3,513,467,000 of Redeemable Series B Preferred Stock which is classified as temporary equity; and (iii) $268,915,000 of common stock (of which $25,784 was recorded as par value and $268,889,216 was recorded as additional-paid- in capital).

(b) To derecognize Tingo's historical equity.

(c) To give effect to the $3,202,894 of MICT post-September 30, 2022 merger expenses that are expected to be incurred, by (1) crediting cash; and (2) debiting accumulated surplus (deficit).

(d) To eliminate MICT's $3,700,000 loaned to Tingo, plus $61,918 of accrued interest.

Unaudited Pro Forma Condensed Combined Statement of Operations For The Nine Months Ended September 30, 2022

Note A Derived from the unaudited condensed consolidated statement of operations of MICT for the nine months ended September 30, 2022, which are incorporated by reference into this filing.

Note B Derived from the unaudited condensed consolidated statement of operations of Tingo for the nine months ended September 30, 2022, which are incorporated by reference into this filing. In addition, certain operating expense reclassifications were made in order to state the Tingo operating expenses consistent with the operating expense presentation of MICT (the accounting acquirer).

Adjustments:

Note C a) The increase of the identified Tingo intangible assets to fair value (based on the preliminary purchase price allocation) resulted in $53,803,046 of incremental amortization of such intangible assets over their useful lives for the nine months ended September 30, 2022.

b) The identified definite-lived intangible assets of Tingo resulted in the recognition of deferred tax liabilities. Such deferred tax liabilities resulted in the recognition of $16,311,478 of deferred tax benefits for the nine months ended September 30, 2022, which is directly associated with the recognition of the incremental amortization of Tingo intangible assets.

c) To give effect to the immediate issuance of 24,494,491 shares of common stock (95% of the 25,783,675 shares of common stock transferred to Tingo as Merger Consideration) to the former Tingo Stockholders which are not subject to indemnification claims, which increases the basic weighted average shares outstanding. Because 1,289,184 shares of common stock (5% of the 446,283,026 shares of common stock issued as Merger Consideration) will be escrowed for up to two years in order to potentially satisfy indemnification claims, the escrowed shares will not be included in basic weighted average shares outstanding becausetheir issuance to former Tingo shareholders is subject to a contingency.

Also, to give effect to the aggregate 388,698,621 shares of common stock equivalents issuable to the former Tingo Stockholders as Merger Consideration, within diluted weighted average shares outstanding.

d) The historical Tingo income statement for the nine months ended September 30, 2022 included aggregate stock-based compensation of $111,575,211, which is also included in the pro forma combined income statement for the nine months ended September 30, 2022, pursuant to the rules of the Securities and Exchange Commission related to the preparation of pro forma financial statements. MICT did not assume the Tingo stock-based compensation awards in the Business Combination. Post-Business Combination, the former Tingo employees and consultants may receive new stock-based compensation awards, but management doesn't currently expect the near-term nine month stock-based compensation expense to approach the magnitude of the stock- based compensation recorded in Tingo's historical income statement for the nine months ended September 30, 2022.

Unaudited Pro Forma Condensed Combined Statement of Operations For The Year Ended December 31, 2021

Note A Derived from the audited consolidated statement of operations of MICT for the year ended December 31, 2021, which are incorporated by reference into this filing.

Note B Derived from the audited consolidated statement of operations of Tingo for the year ended December 31, 2021, which are incorporated by reference into this filing. In addition, certain operating expense reclassifications were made in order to state the Tingo operating expenses consistent with the operating expense presentation of MICT (the accounting acquirer).

Adjustments:

Note C a) The increase of the identified Tingo intangible assets to fair value (based on the preliminary purchase price allocation) resulted in $71,308,445 of incremental amortization of such intangible assets over their useful lives for the year ended December 31, 2021.

b) To give effect to the $3,202,894 of MICT post-September 30, 2022 merger expenses that are expected to be incurred. Such costs will not impact the combined income statement beyond 12 months after the acquisition date.

c) The identified definite-lived intangible assets of Tingo resulted in the recognition of deferred tax liabilities. Such deferred tax liabilities resulted in the recognition of $21,748,637 of deferred tax benefits for the year ended December 31, 2021, which is directly associated with the recognition of the incremental amortization of Tingo intangible assets.

d) To give effect to the immediate issuance of 24,494,491 shares of common stock (95% of the 25,783,675 shares of common stock transferred to Tingo as Merger Consideration) to the former Tingo Stockholders which are not subject to indemnification claims, which increases the basic weighted average shares outstanding. Because 1,289,184 shares of common stock (5% of the 446,283,026 shares of common stock issued as Merger Consideration) will be escrowed for up to two years in order to potentially satisfy indemnification claims, the escrowed shares will not be included in basic weighted average shares outstanding because their issuance to former Tingo shareholders is subject to a contingency. Also, to give effect to the aggregate 388,698,621 shares of common stock equivalents issuable to the former Tingo Stockholders as Merger Consideration, within diluted weighted average shares outstanding.

e) The historical Tingo income statement for the year ended December 31, 2021 included aggregate stock-based compensation of $260,798,862, which is also included in the pro forma combined income statement for the year ended December 31, 2021, pursuant to the rules of the Securities and Exchange Commission related to the preparation of pro forma financial statements. MICT did not assume the Tingo stock-based compensation awards in the Business Combination. Post- Business Combination, the former Tingo employees and consultants may receive new stock- based compensation awards, but management doesn't currently expect the near-term annual stock-based compensation expense to approach the magnitude of the stock-based compensation recorded in Tingo's historical income statement for the year ended December 31, 2021.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

On October 6, 2022, Tingo, Inc., a Nevada corporation ("Tingo" or the "Seller"), entered into the Second Amended and Restated Merger Agreement (the "Second Amended Agreement") with MICT, Inc., a Delaware corporation ("MICT"), which amends the Amended and Restated Merger Agreement between the parties dated June 15, 2022 (the "Amended Agreement").

Pursuant to the Second Amended Agreement, (i) Tingo shall form a British Virgin Islands company and wholly-owned subsidiary ("Tingo Sub") and transfer into Tingo Sub all of its rights, title, interest and liabilities in all of its other subsidiaries, and (ii) MICT shall form a Delaware corporation and wholly-owned subsidiary ("Delaware Sub") and cause Delaware Sub to form a British Virgin Islands company and wholly-owned subsidiary of Delaware Sub ("BVI Sub").

Subject to the terms and conditions set forth in the Second Amended Agreement, upon the consummation of the transactions contemplated therein (the "Closing"), BVI Sub will merge with and into Tingo Sub (the "Business Combination" and, together with the other transactions contemplated by the Second Amended Agreement, the "Transactions"), with the BVI Sub continuing as the surviving company in the Business Combination and a wholly-owned subsidiary of Delaware Sub.

As consideration for the Merger, the Seller shall receive from MICT, in the aggregate, (a) 25,783,675 shares of MICT common stock equal to approximately 19.9% of the total issued and outstanding MICT Common Stock; (ii) 2,604.28 shares of Series A Preferred Stock convertible into 26,042,808 shares of MICT common stock equal to approximately 20.1% of the total issued and outstanding MICT common stock; and (iii) 33,687.21 shares of Series B Preferred Stock convertible into 336,872,138 shares of MICT Common Stock equal to approximately 35% of the total issued and outstanding MICT common stock (collectively the "Merger Consideration"). The Series A Preferred Stock only automatically converts upon the approval of MICT's stockholders. The Series B Preferred Stock only automatically converts upon the approval of MICT's stockholders and upon Nasdaq's approval of the change of control of MICT.

Of the aggregate Merger Consideration, 5% of such common stock and preferred stock shall be held in escrow for a period of up to two years after the closing of the Merger and will serve as the sole source of payment for any obligations incurred by Tingo's pre-closing stockholders in relation to any indemnification claims.

The unaudited pro forma condensed combined balance sheet as of September 30, 2022 and the unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2022 and for the year ended December 31, 2021, combine the historical financial statements of MICT with the historical financial statements of Tingo to give effect to the Business Combination. The Business Combination is reflected as if it had occurred on January 1, 2021 with respect to the unaudited pro forma condensed combined statements of operations and on September 30, 2022 with respect to the unaudited pro forma condensed combined balance sheet.

Accounting for the Merger

The financial statements of MICT and Tingo were prepared in accordance with United States generally accepted accounting principles. Notwithstanding the legal form of the merger agreement, the business combination will be accounted for under the acquisition method in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 805 "Business Combinations" ("ASC 805")

In accordance with ASC 805, the Company has determined that (a) both MICT and Tingo represent businesses; (b) MICT is the accounting acquirer, meaning the transaction is a forward acquisition; (c) Tingo is subject to acquisition accounting, with a write-up of its net assets to fair value; and (d) the difference between the fair value of the purchase consideration and the fair value of Tingo's net assets represents goodwill.

MICT has been determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- MICT's existing shareholders will have the greatest voting power, initially with an 80.1% interest in the combined entity.
- MICT will have the majority of the initial Board of Director representation (66.6%) as well as significant influence to elect future Board members; and
- MICT's senior management team, consisting of Darren Mercer, CEO and Kevin Chen, CFO, will be the senior management of the combined entity following the consummation of the Business Combination.

The unaudited pro forma condensed combined financial information should be read in conjunction with the financial statements of each of MICT and Tingo, which are incorporated by reference into this filing.

The unaudited pro forma adjustments give effect to events that are directly attributable to the proposed transaction and are based on available data and certain assumptions that management believes are factually supportable.

The unaudited pro forma condensed combined financial information is presented forinformational purposes only, in order to aid you in your analysis of the financial aspects of the proposed transaction. The unaudited pro forma condensed combined financial information described above has been derived from the historical financial statements of MICT and Tingo. The unaudited pro forma condensed combined financial information is based on MICT's accounting policies. Further review may identify additional differences between the accounting policies of MICT and Tingo. The unaudited pro forma adjustments and the 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 occurred had the transactions taken place on the dates noted, or of MICT's future financial position or operating results.

MICT, Inc
Unaudited Pro Forma Condensed Combined Balance Sheet
As of September 30, 2022

	MICT	Tingo	Transaction Accounting Adjustments	Pro Forma Combined
	Note A	Note B	Note C	

Assets

Current Assets:				
Cash	$ 68,351,000	$ 246,550,136	$ (3,202,894)(c)	$ 311,698,242
Accounts and other receivables, net	9,084,000	386,037,551	(61,918)(d)	395,059,633
Related parties	8,533,000	-	(3,700,000)(d)	4,833,000
Other current assets	10,319,000	-	-	10,319,000
Total Current Assets	96,287,000	632,587,687	(6,964,812)	721,909,875
Property and equipment, net	611,000	876,114,483	-	876,725,483
Intangible assets, net	19,059,000	779,697	669,258,303(a)	689,097,000
Goodwill	19,788,000	-	2,680,822,755(a)	2,700,610,755
Right-of-use assets	1,711,000	-	-	1,711,000
Long-term deposit and prepaid expenses	508,000	-	-	508,000
Deferred tax assets	2,893,000	-	-	2,893,000
Restricted cash escrow	2,388,000	-	-	2,388,000
Micronet ltd. equity method investment	924,000	-	-	924,000
Total long-term assets	47,882,000	876,894,180	3,350,081,058	4,274,857,238
Total Assets	$ 144,169,000	$ 1,509,481,867	$ 3,343,116,246	$ 4,996,767,113
Liabilities, Temporary Equity and Stockholders' Equity				
Current Liabilities:				
Short-term loan	$ 761,000	$ 3,659,945	$ (3,500,000)(d)	$ 920,945
Accounts payable and accruals	8,536,000	3,593,658	(261,918)(d)	11,867,740
Deposit held on behalf of clients	1,495,000	-	-	1,495,000
Obligations to related party	728,000	85,574,855	-	86,302,855
Lease liabilities - current portion	1,025,000	-	-	1,025,000
Deferred income - current portion	-	336,752,128	-	336,752,128
Value added tax - current portion	-	26,515,899	-	26,515,899
Tax liability	-	144,295,342	-	144,295,342
Other current liabilties	7,121,000	-	-	7,121,000
Total current liabilities	19,666,000	600,391,827	(3,761,918)	616,295,909
Long-term Liabilties:				
Lease liabilties	763,000	-	-	763,000
Deferred tax liabilities	3,340,000	4,160,098	201,011,000(a)	208,511,098
Accrued severance pay	49,000	-	-	49,000
Total long-term liabilities	4,152,000	4,160,098	201,011,000	209,323,098
Total liabilities	23,818,000	604,551,925	197,249,082	825,619,007
Reedeemable Series A preferred stock	-	-	271,618,000(a)	271,618,000
Reedeemable Series B preferred stock	-	-	3,513,467,000(a)	3,513,467,000
Stockholders' Equity:				
Common stock	129,566	1,227,516	(1,201,732)(a), (b)	155,350
Common stock - Class B	-	65,000	(65,000)(b)	-
Additional paid in capital	224,888,434	419,181,135	(150,291,919)(a), (b)	493,777,650
Accumulated other comprehensive (loss) income	(522,000)	-	-	(522,000)
Accumulated (deficit) surplus	(107,088,000)	612,007,343	(615,210,237)(b), (c)	(110,290,894)
Deferred stock compensation	-	(43,282,593)	43,282,593(b)	-
Translation reserve	-	(84,268,459)	84,268,459(b)	-
Sub-total	117,408,000	904,929,942	(639,217,836)	383,120,106
Non-controlling interests	2,943,000	-	-	2,943,000
Total Stockholders' Equity	120,351,000	904,929,942	(639,217,836)	386,063,106
Total Liabilities, Temporary Equity and Stockholders' Equity	$ 144,169,000	$ 1,509,481,867	$ 3,343,116,246	$ 4,996,767,113

See notes to unaudited pro forma condensed combined financial information.

MICT, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Nine Months Ended September 30, 2022

	MICT	Tingo As Reported	Tingo Reclassify Adjustments	Tingo As Reclassified	Transaction Accounting Adjustments	Pro Forma Combined
	Note A	\--------------------	-----Note B-----	--------------------/	Note C	

Net Revenues	$ 35,278,000	$ 817,443,320	$ -	$ 817,443,320	$ -	$ 852,721,320
Cost of revenues	28,746,000	28,374,179	313,915,790	342,289,969	-	371,035,969
Gross profit	6,532,000	789,069,141	(313,915,790)	475,153,351	-	481,685,351
Operating Expenses:						
Payroll and related expenses	-	53,036,574	(53,036,574)	-	-(d)	-
Distribution expenses	-	913,102	(913,102)	-	-	-
Research and development expenses	1,509,000	-	1,078,000	1,078,000	-	2,587,000
Selling and marketing expenses	4,873,000	-	1,952,400	1,952,400	-	6,825,400
Professional fees	-	69,255,362	(69,255,362)	-	-(d)	-
Bank fees and charges	-	1,297,297	(1,297,297)	-	-	-
Depreciation and amortization	-	313,915,790	(313,915,790)	-	-	-
Amortization of intangible assets	2,381,000	-	568,569	568,569	53,803,046(a)	56,752,615
General and administrative expenses - other	30,224,000	7,812,627	121,017,186	128,829,813	-	159,053,813
Bad debt expenses	-	113,820	(113,820)	-	-	-
Total operating expenses	38,987,000	446,344,572	(313,915,790)	132,428,782	53,803,046	225,218,828
Income (loss) from operations	(32,455,000)	342,724,569	-	342,724,569	(53,803,046)	256,466,523
Other Income (Expense):						
Loss from equity investment	(557,000)	-	-	-	-	(557,000)
Other income	535,000	990,525	-	990,525	-	1,525,525
Financial expense, net	(718,000)	(65,918)	-	(65,918)	-	(783,918)
Total other income (expense)	(740,000)	924,607	-	924,607	-	184,607
Income (loss) before income taxes	(33,195,000)	343,649,176	-	343,649,176	(53,803,046)	256,651,130
Income tax provision (benefit)	(1,782,000)	147,737,398	-	147,737,398	(16,311,478)(b)	129,643,920
Net income (loss)	(31,413,000)	195,911,778	-	195,911,778	(37,491,568)	127,007,210
Net loss attributable to non-controlling stockholders	(719,000)	-	-	-	-	(719,000)
Net income (loss) attributable to controlling stockholders	$ (30,694,000)	$ 195,911,778	$ -	$ 195,911,778	$ (37,491,568)	$ 127,726,210
Net Income (Loss) Per Share - Basic	$ (0.24)					$ 0.85
Net Income (Loss) Per Share - Diluted	$ (0.24)					$ 0.25
Weighted Average Common Shares Outstanding:						
- Basic	126,184,400				24,494,491(c)	150,678,891
- Diluted	126,184,400				388,698,621(c)	514,883,021

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, 2021

		Tingo				
	MICT	**As Reported (as restated)**	**Reclassify Adjustments**	**As Reclassified**	**Transaction Accounting Adjustments**	**Pro Forma Combined**
	Note A	\-------------------	-----Note B-----	-------------------/	**Note C**	
Net Revenues	$ 55,676,000	$ 865,838,327	$ -	$ 865,838,327	$ -	$ 921,514,327
Cost of revenues	46,456,000	284,179,088	247,177,230	531,356,318	-	577,812,318
Gross profit	9,220,000	581,659,239	(247,177,230)	334,482,009	-	343,702,009
Operating Expenses						
Payroll and related expenses	-	72,990,188	(72,990,188)	-	-(e)	-
Distribution expenses	-	985,801	(985,801)	-	-	-
Research and development expenses	889,000	-	386,116	386,116	-	1,275,116
Selling and marketing expenses	6,814,000	-	643,528	643,528	-	7,457,528
Professional fees	-	192,842,115	(192,842,115)	-	-(e)	-
Bank fees and charges	-	926,256	(926,256)	-	-	-
Depreciation and amortization	-	247,177,230	(247,177,230)	-	-	-
Amortization of intangible assets	2,925,000	-	1,187,042	1,187,042	71,308,445(a)	75,420,487
General and administrative expenses - other	36,488,000	1,278,898	265,626,921	266,905,819	3,202,894(b)	306,596,713
Bad debt expenses	-	99,247	(99,247)	-	-	-
Total operating expenses	47,116,000	516,299,735	(247,177,230)	269,122,505	74,511,339	390,749,844
Income (loss) from operations	(37,896,000)	65,359,504	-	65,359,504	(74,511,339)	(47,047,835)

Other Income (Expense):						
Gain from equity investment	353,000	-	-	-	-	353,000
Loss of controlling equity investment held in Micronet	(1,934,000)	-	-	-	-	(1,934,000)
Loss from decrease in holding percentage in former VIE	(1,128,000)	-	-	-	-	(1,128,000)
Other income, net	1,261,000	360,818	-	360,818	-	1,621,818
Recovered debt	-	55,428	-	55,428	-	55,428
Financial income, net	395,000	-	-	-	-	395,000
Total other income (expense)	(1,053,000)	416,246	-	416,246	-	(636,754)
Income (loss) before income taxes	(38,949,000)	65,775,750	-	65,775,750	(74,511,339)	(47,684,589)
Income tax provision (benefit)	(1,791,000)	104,802,090	-	104,802,090	(21,748,637)(c)	81,262,453
Net income (loss)	(37,158,000)	(39,026,340)	-	(39,026,340)	(52,762,702)	(128,947,042)
Net loss attributable to non-controlling stockholders	(730,000)	-	-	-	-	(730,000)
Net loss attributable to controlling stockholders	$ (36,428,000)	$ (39,026,340)	$ -	$ (39,026,340)	$ (52,762,702)	$ (128,217,042)
Net Loss Per Share - Basic	$ (0.32)					$ (0.94)
Net Loss Per Share - Diluted	$ (0.32)					$ (0.26)
Weighted Average Common Shares Outstanding:						
- Basic	112,562,199				24,494,491(d)	137,056,690
- Diluted	112,562,199				388,698,621(d)	501,260,820

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 and Tingo. The unaudited pro forma condensed combined financial information is presented as if the Business Combination had been completed on January 1, 2021 with respect to the unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2022 and for the year ended December 31, 2021 and on September 30, 2022 in respect of 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 business combination occurred as of the date 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 business combination.

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

Transaction Accounting Adjustments

Unaudited Pro Forma Condensed Combined Balance Sheet – As of September 30, 2022

The following pro forma adjustments give effect to the business combination.

Note A Derived from the unaudited condensed consolidated balance sheet of MICT as of September 30, 2022, which are incorporated by reference into this filing.

Note B Derived from the unaudited condensed consolidated balance sheet of Tingo as of September 30, 2022, which are incorporated by reference into this filing.

Adjustments:

Note C (a) It was determined that MICT was the accounting acquirer and Tingo was the accounting acquiree. The preliminary purchase price allocation is as follows:

Merger consideration		$ 4,054,000,000
Less: Acquired tangible net assets		904,150,245
Excess purchase price		3,149,849,755
Fair value adjustments:		
Intangible - farmer cooperative	$ 91,111,000	
Intangible - trade names and trade marks	193,761,000	
Intangible - software	385,166,000	
Intangibles - total	670,038,000	
Deferred tax liabilities	(201,011,000)	
Total fair value adjustments		469,027,000
Goodwill		$ 2,680,822,755

The $4,054,000,000 preliminary value of the Merger Consideration transferred was derived using a discounted cash flow analysis with the assistance of a third-party valuation expert.

The pro forma adjustments give effect to the forward acquisition accounting, and specifically (a) to recognize $670,038,000 of Tingo identified intangible assets (including $385,166,000 of software with a 7-year useful life, $193,761,000 of trade names and trademarks with a 17-year useful life and $91,111,000 related to the farmer cooperative with a 15-year useful life), which included $779,697 of historical intangible assets, plus $669,258,303 of incremental intangible assets; (b) to recognize $201,011,000 of Tingo deferred tax liabilities (associated with the identified intangible assets); (c) to recognize Tingo goodwill of $2,680,822,755; and (d) to recognize the $4,054,000,000 value of the Merger Consideration transferred to the accounting acquiree, including (i) $271,618,000 of Redeemable Series A Preferred Stock which is classified as temporary equity; (ii) $3,513,467,000 of Redeemable Series B Preferred Stock which is classified as temporary equity; and (iii) $268,915,000 of common stock (of which $25,784 was recorded as par value and $268,889,216 was recorded as additional-paid-in capital).

(b) To derecognize Tingo's historical equity.

(c) To give effect to the $3,202,894 of MICT post-September 30, 2022 merger expenses that are expected to be incurred, by (1) crediting cash; and (2) debiting accumulated surplus (deficit).

(d) To eliminate MICT's $3,700,000 loaned to Tingo, plus $61,918 of accrued interest.

Unaudited Pro Forma Condensed Combined Statement of Operations For The Nine Months Ended September 30, 2022

Note A Derived from the unaudited condensed consolidated statement of operations of MICT for the nine months ended September 30, 2022, which are incorporated by reference into this filing.

Note B Derived from the unaudited condensed consolidated statement of operations of Tingo for the nine months ended September 30, 2022, which are incorporated by reference into this filing.

In addition, certain operating expense reclassifications were made in order to state the Tingo operating expenses consistent with the operating expense presentation of MICT (the accounting acquirer).

Adjustments:

Note C a) The increase of the identified Tingo intangible assets to fair value (based on the preliminary purchase price allocation) resulted in $53,803,046 of incremental amortization of such intangible assets over their useful lives for the nine months ended September 30, 2022.

b) The identified definite-lived intangible assets of Tingo resulted in the recognition of deferred tax liabilities. Such deferred tax liabilities resulted in the recognition of $16,311,478 of deferred tax benefits for the nine months ended September 30, 2022, which is directly associated with the recognition of the incremental amortization of Tingo intangible assets.

c) To give effect to the immediate issuance of 24,494,491 shares of common stock (95% of the 25,783,675 shares of common stock transferred to Tingo as Merger Consideration) to the former Tingo stockholders which are not subject to indemnification claims, which increases the basic weighted average shares outstanding. Because 1,289,184 shares of common stock (5% of the 446,283,026 shares of common stock issued as Merger Consideration) will be escrowed for up to two years in order to potentially satisfy indemnification claims, the escrowed shares will not be included in basic weighted average shares outstanding because their issuance to former Tingo shareholders is subject to a contingency.

Also, to give effect to the aggregate 388,698,621 shares of common stock equivalents issuable to the former Tingo stockholders as Merger Consideration, within diluted weighted average shares outstanding.

d) The historical Tingo income statement for the nine months ended September 30, 2022 included aggregate stock-based compensation of $111,575,211, which is also included in the pro forma combined income statement for the nine months ended September 30, 2022, pursuant to the rules of the Securities and Exchange Commission related to the preparation of pro forma financial statements. MICT did not assume the Tingo stock-based compensation awards in the Business Combination. Post-Business Combination, the former Tingo employees and consultants may receive new stock-based compensation awards, but management doesn't currently expect the near-term nine month stock-based compensation expense to approach the magnitude of the stock-based compensation recorded in Tingo's historical income statement for the nine months ended September 30, 2022.

Unaudited Pro Forma Condensed Combined Statement of Operations For The Year Ended December 31, 2021

Note A Derived from the audited consolidated statement of operations of MICT for the year ended December 31, 2021, which are incorporated by reference into this filing.

Note B Derived from the audited consolidated statement of operations of Tingo for the year ended December 31, 2021, which are incorporated by reference into this filing.

In addition, certain operating expense reclassifications were made in order to state the Tingo operating expenses consistent with the operating expense presentation of MICT (the accounting acquirer).

Adjustments:

Note C a) The increase of the identified Tingo intangible assets to fair value (based on the preliminary purchase price allocation) resulted in $71,308,445 of incremental amortization of such intangible assets over their useful lives for the year ended December 31, 2021.

b) To give effect to the $3,202,894 of MICT post-September 30, 2022 merger expenses that are expected to be incurred. Such costs will not impact the combined income statement beyond 12 months after the acquisition date.

c) The identified definite-lived intangible assets of Tingo resulted in the recognition of deferred tax liabilities. Such deferred tax liabilities resulted in the recognition of $21,748,637 of deferred tax benefits for the year ended December 31, 2021, which is directly associated with the recognition of the incremental amortization of Tingo intangible assets.

d) To give effect to the immediate issuance of 24,494,491 shares of common stock (95% of the 25,783,675 shares of common stock transferred to Tingo as Merger Consideration) to the former Tingo stockholders which are not subject to indemnification claims, which increases the basic weighted average shares outstanding. Because 1,289,184 shares of common stock (5% of the 446,283,026 shares of common stock issued as Merger Consideration) will be escrowed for up to two years in order to potentially satisfy indemnification claims, the escrowed shares will not be included in basic weighted average shares outstanding because their issuance to former Tingo shareholders is subject to a contingency.

   Also, to give effect to the aggregate 388,698,621 shares of common stock equivalents issuable to the former Tingo stockholders as Merger Consideration, within diluted weighted average shares outstanding.

e) The historical Tingo income statement for the year ended December 31, 2021 included aggregate stock-based compensation of $260,798,862, which is also included in the pro forma combined income statement for the year ended December 31, 2021, pursuant to the rules of the Securities and Exchange Commission related to the preparation of pro forma financial statements. MICT did not assume the Tingo stock-based compensation awards in the Business Combination. Post-Business Combination, the former Tingo employees and consultants may receive new stock-based compensation awards, but management doesn’t currently expect the near-term annual stock-based compensation expense to approach the magnitude of the stock-based compensation recorded in Tingo’s historical income statement for the year ended December 31, 2021.