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MICT Appoints Specialist Legal Counsel and Team of Expert Advisors to Investigate Suspected Market Manipulation and Illegal Naked Short Selling in Company's Stock and Take Appropriate Action

Directors Initiate Multi-Faceted Strategy to Address Significant Disconnect Between the Company's Share Price and Its Believed True Value, Including Potential Security Repurchases, Special Dividend Programs, and a Dual Listing

MONTVALE, N.J., Feb. 07, 2023 (GLOBE NEWSWIRE) -- MICT, Inc. (NASDAQ: MICT) ("MICT" and the "Company") announced today it has appointed special legal counsel, Warsaw Burstein LLP, The Christian Levine Law Group and Greenberg Taurig LLP, together with an extensive team of expert advisors, to investigate the suspected market manipulation and naked short selling of the Company's stock and take appropriate action in the event there has been any such unlawful activity.

Given the Company's level of consolidated group profitability following the acquisition of Tingo Mobile Limited ("Tingo Mobile"), a company whose Q3 2022 profit before tax equated to an annualized run rate of \$650 million, and its strong balance sheet and sizeable cash balance, the Board is concerned that the Company's share price and market capitalization, currently standing at approximately \$175 million, is being artificially depressed through various market manipulation tactics. It is also of concern that several announcements have been made during recent months which, despite attracting significant trading volumes, appear to have been met with predatory action to depress the Company's share price.

Additionally, the Board has recently become concerned that potential market manipulation tactics were deployed to artificially depress the Company's share price and cause a breach of compliance with the \$1.00 minimum bid price requirement under Nasdaq Listing Rule 5550(a)(2) for continued listing on The Nasdaq Capital Market.

Furthermore, pursuant to the Board's recent discussions with its advisors, it now believes that the suspected market manipulation and depression of the share price may have disadvantaged and harmed the Company in relation to at least one corporate transaction.

The Board recognizes that it has a fiduciary duty to fully investigate the suspected market manipulation of the Company's stock. In the event there has been any form of market manipulation, including naked short selling, spoofing and/or the sale of synthetic shares, the Board will take appropriate actions and seek restitution. To this end, the Company will not hesitate to claim recompense for any adverse impact that the seeming artificial depression of its share price had on the terms of its recent acquisition of Tingo Mobile. The Board and its advisors will also provide evidence of any unlawful activities to the relevant authorities and regulators.

The Company has retained a team of experienced lawyers and advisors, including two firms of securities lawyers, a multinational Top 10 U.S. law firm, share-trading analyst, ShareIntel, a former U.S. Under Secretary of Commerce and former advisor to the Chair of the SEC and to Nasdaq, a leading regulatory consultant and expert on short selling, a former attorney with the SEC, an expert witness in securities trading practices, a senior regulatory attorney, a former Head of the Office of General Counsel to the NYSE, an expert researcher on securities law and a specialist advisor on short selling and market manipulation, among other professionals. These Firms and their experts and analysts have successfully represented multiple mid and small-cap companies in investigating and prosecuting brokerage firms and other third parties who have engaged in unlawful market manipulation and recovered significant damages for their clients.

In addition to the market manipulation investigations, the Board has authorized the following actions that are designed to achieve three objectives: namely to maximize and protect shareholder value for those holders of authentic shares; expose those parties that may have sold synthetic shares or elicited naked short sales; and make it more difficult to perpetrate market manipulation in the future:

- A 'warrant and share buyback program', as initially disclosed in the Company's press release of November 29, 2022, and as initiated on February 3, 2023, with the repurchase of warrants that represented 28,117,835 shares of MICT common stock.
- A potential special dividend plan, various options for which are currently being considered for deployment during the year.
- A possible dual listing of the Company's common stock on one or more additional exchanges, in parallel to the Company's present primary listing on Nasdaq.

Alan Pollack from Warshaw Burstein and Wes Christian from The Christian Levine Law Group, commented "It is our intention to thoroughly investigate and discover who is responsible for any manipulation of the market price of MICT's securities and aggressively seek to hold them accountable for their unlawful conduct. Our client is committed to protecting the rights and interests of its shareholders and is prepared to take whatever action is necessary and appropriate to preserve and protect its business."

Darren Mercer, Chief Executive Officer of MICT, commented: "As stated in previous recent announcements, the Board has ongoing concerns about the significant disconnect between our share price and the group's strong financial position and profitability since the acquisition of Tingo Mobile. Having completed extensive due diligence on Tingo Mobile, through several leading globally recognized professional advisors, and subsequently

appointing Deloitte as our group auditor, there seems no logical reason as to why the Company's performance and other attributes are not reflected in the share price. In particular it makes no sense that our market capitalization, which currently stands at around \$175 million, is at a significant discount to the combined cash balance of MICT and Tingo Mobile at September 30, 2022 of \$314 million.

"Moreover with MICT's shares trading on a profit before tax Price Earnings multiple of less than 0.30, which on a fully diluted basis equates to approximately 0.85, and notwithstanding that we have announced we expect to deliver a significant improvement in 2023, which would amplify the disconnect even further, the Board is unaware of any other company listed on any major stock exchange in the world that would trade on such a low rating.

"The magnitude of this disconnect has prompted us to take decisive action, including through the appointment of experienced securities legal counsel and other special advisors, to fully investigate our concerns and take appropriate action.

"In addition to the investigation, the Board, with the input of its team of professional advisors, are fast-tracking several other actions which have been under consideration for a number of weeks with the aim of protecting the Company from market manipulation in the future, including the implementation of a special dividend plan, a warrant and share buyback program, and a secondary listing.

"With the business growing from strength to strength and our expansion accelerating, I and the Board are committed to taking whatever action is needed to protect the Company and its shareholders with the aim of ensuring that we are valued appropriately, in line with other Nasdaq listed fintech companies."

About MICT

On November 30, 2022, MICT acquired 100% of Tingo Mobile Limited, which is the leading Agri-Fintech company operating in Africa, with a marketplace platform that empowers social upliftment through mobile, technology and financial access for rural farming communities. Tingo's novel "device as a service" model allows it to add market leading applications to enable customers to trade, buy top ups, pay bills, access insurance and lending services. Tingo Mobile is seeking to expand its operations across select markets in Africa and certain other parts of the world. Tingo Mobile's strategic plan is to become an eminent global Fintech and Agri-Fintech business delivering social upliftment and financial inclusion to millions of SME farmers and businesses.

MICT is a financial technology business principally focused on the growth and development of a suite of consumer fintech services across approximately 130 cities in China, with planned expansion into additional markets. MICT has developed highly scalable proprietary platforms for insurance products (B2B, B2B2C and B2C) and financial services/products (B2C), the technology for which is highly adaptable for other applications and markets. MICT has acquired and holds the requisite license and approvals with the Hong Kong Securities and Futures Commission to deal in securities and provide securities advisory and asset management services. MICT also has memberships/registrations with the Hong Kong Stock Exchange and the requisite Hong Kong and China Direct clearing companies. MICT's financial services business and first financial services product, the Magpie Invest app, is able to trade securities on Nasdaq, NYSE, TMX, HKSE, China Stock Connect, LSE, the

Frankfurt Stock Exchange and the Paris Stock Exchange.

Tingo Mobile offers its 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 September 30, 2022, Tingo Mobile had approximately 9.3 million subscribers using its mobile phones and Nwassa platform, subsequent to which it has entered into a number of trade agreements with parties that are contracted to deliver an additional 22 million or more new subscribers. Nwassa is Africa’s leading digital agriculture ecosystem that empowers rural farmers and agri-businesses by using proprietary technology to enable access to markets in which they operate. 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. Tingo Mobile’s system provides real-time pricing, straight from the farms, eliminating middlemen. Tingo Mobile’s users pay for produce bought using available pricing on its platform.

Disclaimer

The information in this news release includes certain information and statements about management and the Board's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward-looking statements. Forward-looking statements in this news release include, but are not limited to, the ability of the Company to implement certain corporate actions, such as security repurchases and the implementation of a special dividend. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Company believes that the expectations reflected in forward looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

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