MEMBER: FINRA, SIPC | WWW.TAGLICHBROTHERS.COM

Research Report – Update

Investors should consider this report as only a single factor in making their investment decision.

Tingo Group, Inc.

Rating: Speculative Buy

Howard Halpern

April 3, 2023

TIO $1.05 — (NASDAQ)

	2021 A*	2022 A	*2023 E*	*2024 E*
Total Revenue (in millions)	$922	$1,152	***$3,049***	***$5,852***
Earnings (loss) per share	($0.94)	$0.65*	***$1.76***	***$3.77***

52-Week range	$1.35 – $0.41	Fiscal year ends:	December
Shares outstanding (a/o 3/31/23)**	163.7 million	Revenue/shares (ttm)*	$2.22
Approximate float	84.0 million	Price/Sales (ttm)	0.5X
Market Capitalization	$171.9 million	Price/Sales (2024) E	0.1X
Tangible Book value/shr	$3.09	Price/Earnings (ttm)*	1.6X
Price/Book	0.3X	Price/Earnings (2024) E	0.3X

**** All amounts reflect Pro-forma data as if Tingo, Inc. and MICT, Inc. were combined to form Tingo Group, Inc. at the start of a given year. 2022 Per share amount is an estimate based on 520 million average shares. **Before the end 2023, shares outstanding should approximate 520 million after conversion of preferred shares issued to Tingo, Inc. shareholders.***

Tingo Group, Inc. is a global agricultural and food financial technology company with operations primarily in Africa with additional operation in Asia and the Middle East. African operations consists of a portfolio of innovative products, including a device-as-a-service smartphone and pre-loaded technology that assists its farmer customers from seed-to-sale, as well as improve their financial security by obtaining access to local, national, and global markets.

Key Investment Considerations:

Maintaining our Speculative Buy rating and increasing our 12-month price target to $6.25 from $3.00 per share due primarily to adopting an EPS valuation model (prior was a sale-per share valuation model).

Tingo Group has significant growth potential as an emerging agricultural and food financial technology company (through the acquisition of Tingo, Inc.) that provides seed-to-sale platforms for farmers in Nigeria with operations expanding to Ghana, Malawi, and other East African countries.

Entering 2023, operations in Africa had 11.4 million customers (up from 9.3 million) on Tingo's platforms. Signed trade deals and partnerships are likely to increase the number of customer using Tingo's platforms to at least 30 million by December 2023, with a majority being deployed to TIO's platform in 2H23.

2022 Pro-forma revenue would have generated revenue of nearly $1.2 billion million with an operating profit of $554.6 million. We projected revenue of approximately $1.2 billion and operating income of $438 million.

In 4Q22, Tingo launched a global commodity platform and export business with the Dubai Multi Commodities Centre and in 1Q23 purchased a Nigerian food processing company. These new offerings should help support the company's mission to increase crop production yields, reduce post-harvest losses, and provide a platform to eliminate food insecurity and enhance economic security to African farmers.

For 2023, we project EPS of $1.76 on revenue of $3 billion. Our forecast should be supported by initial growth of the company's Africa customer base and associated transaction volumes, as well as TIO's commodity exchange operations that is expected to contribute at least $1 billion to revenue, primarily in 2H23.

For 2024, we project EPS of $3.77 on revenue of nearly $5.8 billion. Our forecast should be supported by rapid transaction volumes growth on TIO's Nwassa platform, an acceleration of volumes on its commodity exchange platform, and a significant contribution from Tingo Foods new facility in 2H24.

Please view our Disclosures on pages 15 - 17

37 Main Street, Cold Spring Harbor, N.Y. 11724
(631) 757-1500

Appreciation Potential

Maintaining our Speculative Buy rating and increasing our 12-month price target to $6.25 from $3.00 per share due primarily to adopting an EPS valuation model (prior was a sale-per share valuation model). Our rating reflects signed trade deals and partnerships that should increase the number of customer using Tingo's platforms to at least 30 million by the end of 2023. A majority of the new customers should be on TIO's platform in 2H23. In 4Q22, the company launched a global commodity exchange platform and export operation with the Dubai Multi Commodities Centre that is anticipated to contribute at least $1 billion to revenue in 2023 with a majority occurring in 2H23. Also, in 1Q23, TIO purchased a Nigerian food processing company that management will seek to grow through its existing facility and the building of a new $1.6 billion food processing plant that is aimed at helping aviate Nigeria's reliance on $10 billion of imports to meet its food and agricultural production shortfalls.

Our 12-month price target of $6.25 per share implies shares have the potential to appreciate approximately 6-fold over the next twelve months. Investors should be aware that we have adopting an EPS valuation model (prior was a sale-per-share valuation model). According to finviz.com, the average forward P/E multiple for companies associated with the various sectors TIO revenues will be derived from is approximately 12.7X, compared to TIO's forward (2023) P/E multiple of 0.6X. We anticipate investors are likely to accord Tingo Group, Inc. a multiple nearer to its own forward multiple than the average of the sector multiples. We applied a P/E multiple of 2.1X to our 2024 EPS forecast of $3.77, discounted for execution risks, to obtain a year-ahead price target of approximately $6.25 per share.

By the end of 2024, we project cash per share of at least $3.25 (based on approximately 525 million shares), up from cash per share of $0.95 at December 31, 2022.

TIO's valuation improvement is likely to occur as investor confidence in the company's operations grows. That confidence is likely contingent upon the company consistently demonstrating quarterly revenue and earnings growth, demonstrating expansion of financial transaction volumes as its customer base grows, signing of additional deals to support commodity exchange platform revenues, as well as successfully managing the operations of Tingo Foods.

We believe Tingo Group, Inc. is suitable for risk tolerant investors seeking exposure to an agriculturally and food distribution focused financial technology company that is expanding within Africa countries.

Overview

Tingo Group, Inc. (formerly known as MICT, Inc.) headquartered in Montvale, New Jersey, is a global agricultural and food financial technology (Fintech) company with operations primarily in Africa with additional Fintech operation in Asia and the Middle East. Tingo Group owns and operates Tingo Mobile, an agricultural Fintech company operating in Africa, with a comprehensive portfolio of innovative products, including a device-as-a-service smartphone and pre-loaded technology platform and service offerings. Entering 2023, operations in Africa had 9.3 million customers on Tingo's Fintech platforms. Signed trade deals and partnerships are likely to increase the number of customer using Tingo's platforms by to at least 30 million by the end of 2023. The company's mission is to assist in providing African farmers a technology platform and associated services that enables them to increase crop production yields, reduce post-harvest losses, and eliminate food insecurity, as well as enhance economic security. To help carry out its mission, TIO launched a global commodity exchange platform and export business that should enable farmers to gain access to national and global markets, as well as the acquisition of a Nigerian food processing company that should assist in the reduction of post-harvest losses and imports of finish food products.

Tingo Group's operations also includes insurance brokerage platform businesses in China, with over 130 offices located in China's cities and major towns along with owning and operating Magpie Securities, a regulated finance services Fintech business operating out of Hong Kong and Singapore.

History

In January 2002, the company was incorporated in Delaware as Lapis Technologies, Inc. In March 2013, its name changed to Micronet Enertec Technologies, Inc. In July 2018, after the Enertec Systems subsidiary was sold the name was changed to MICT Inc. The company's shares have been listed on the NASDAQ Capital Market under the symbol MICT since April 29, 2013. On February 27, 2022, MICT changed its name to Tingo Group, Inc. and will trade on NASDAQ under the new symbol TIO. The change reflects the 4Q22 acquisition Tingo, Inc. (detailed below).

Since 2020, new management transformed the company into a financial, financial technology (Fintech), and most recently a food processing and food commodity operation. The transformation occurred through acquisitions, transaction to acquire interests in existing insurance operations in China, and development of Fintech platforms in China, Hong Kong, and Singapore.

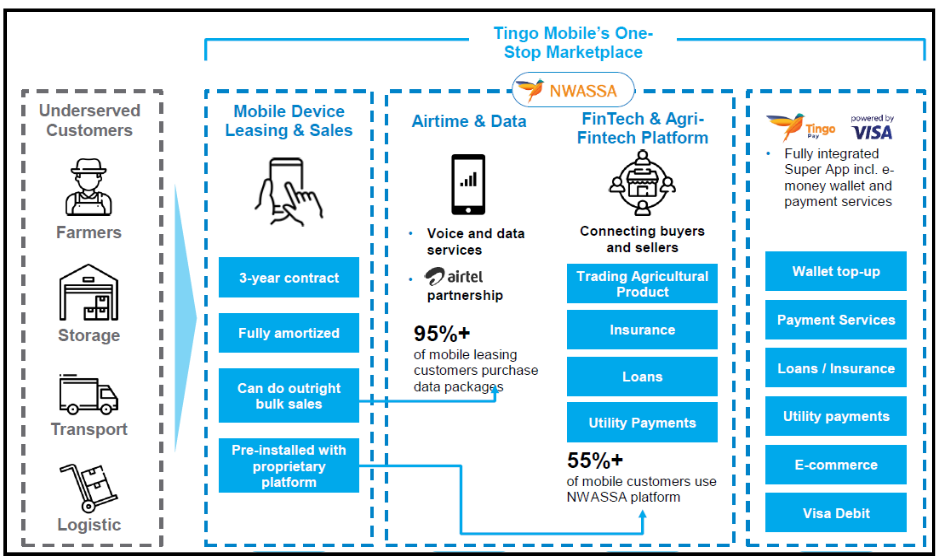
In 4Q22, accelerated growth opportunities occurred through the acquisition of African based Tingo, Inc. and its subsidiary Tingo, Mobile that provides mobile phone and Fintech platforms and services to approximately 9.3 million customers. Their customer base is primarily farmers in Nigeria with expansion to additional African countries along with food processing and commodity sales within Africa and international markets. The consideration paid consisted of the issuance of 19.9% of MICT's common stock to Tingo shareholders and issuance of Series A Preferred Stock and Series B Preferred Stock, each of which are convertible into shares of TIO's (as of February 27, 2023) common stock upon certain conditions being satisfied. Upon complete conversion of the preferred stock, Tingo shareholders will own approximately 75% of TIO's common stock.

In 1Q23, the company acquired Tingo Foods, a Nigerian based food processing company by agreeing to pay the owner, Dozy Mmobuosi (the owner of Tingo, Inc.), a purchase price equal to the cost value of Tingo Foods' stock. That will be satisfied by the issuance of a secured two-year 5% promissory note of $204 million. The acquisition will not result in any new issuance of common stock or issuance of instruments convertible into shares of TIO.

Operations

Tingo

The Tingo Mobile subsidiary will generate the vast majority of TIO's revenues. Tingo and associated operations is an agricultural and food focused financial technology company that provides its customers a comprehensive technology platform and associated operational and financial service through the use of smartphones, with a device as a service revenue model.



The chart on the right from the company's December 2022 presentation shows the offerings that are designed to empower farmers and agricultural cooperatives within the African agricultural sector with potential expansion globally in underserved agricultural markets. The marketplace should enable its customer user base of 11.4 million (entering 2023) to manage their individual personal and commercial activities of growing and selling their agricultural goods to market domestically within Africa and international markets.

The entire ecosystem offering enables its farmer and agricultural cooperative customers to have complete Fintech and service platform of solutions that allow for farmers to increase crop production yields and reduce post-harvest losses, as well as improve their financial security by obtaining access to local, national, and global markets and reduce African food insecurity. Increased access to sell agricultural products should result from the launch of a commodity trading platform in partnership with the Dubai Multi Commodities Centre, while achieving reductions in post-harvest losses should occur through the 1Q23 acquisition of Tingo, Foods a food processing company.

The company's Nwassa seed-to-sale marketplace platform was established to allow Nigerian farmers, agricultural cooperatives, buyer of produce, and citizens access to through its Fintech platforms to insurance, micro-finance, mobile phone, data top-up, and other supply chain offerings in order to produce agricultural products. This online marketplace facilitates farm produce to be shipped from farms across Africa to any part of the world, in retail and wholesale quantities. The financial aspect of Nwassa's payment gateway is providing secure transaction since it designed and developed an escrow structure that should create trust between buyers and sellers, as the system provides real-time pricing, straight from the farms, eliminating middlemen. The platform is paperless, verified and matched against a smart contract.

Other offerings within the Tingo Group, Inc. operations include TingoPay, an app that is in partnership with Visa, which offers a range of business-to-consumers and business-to-business services including payment services, an e-wallet, foreign exchange, and merchant services. In 4Q22, the company launched a global commodity platform and export business with the Dubai Multi Commodities Centre and in 1Q23 purchased a Nigerian food processing company.

<u>Asian Operations</u>

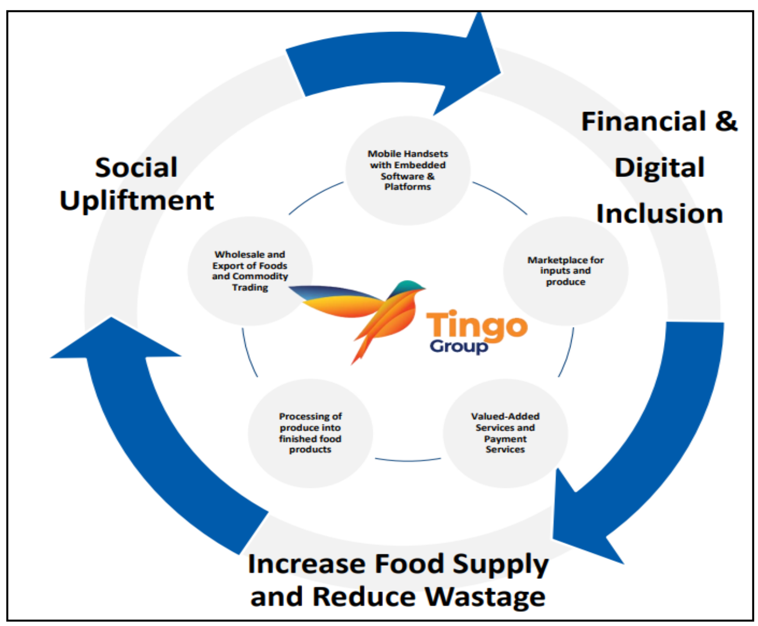
The company holds and operates financial and financial technology insurance brokerage platform business in China, with over 130 offices located in China's cities and towns. Also, the company's owns Magpie Securities, a regulated finance services Fintech business operating out of Hong Kong and Singapore.

The company built its insurance brokerage operations through VIE agreements with Chinese companies (such as Beijing Fucheng, Guangxi Zhongtong, and All Weather Insurance Agency). VIE stand for variable interest entity which is a legal business structure where an investor has a controlling interest despite not having a majority of voting rights since the controlling interest is arranged via a contractual relationship rather than direct ownership.

In 3Q21, Magpie Invest, a global stock trading app was launched through its wholly owned subsidiary, Magpie Securities Limited. Magpie is licensed to deal in securities, futures, and options, and also undertake the business of securities advisory services and asset management. Magpie is a member of the Hong Kong Stock Exchange, the Hong Kong Stock Exchange Clearing Company, the Hong Kong Stock Exchange China Connect and the London Stock Exchange.

Growth Potential

The company's goals are to provide financial technology platforms and services to enhance food security, secure the financial futures of farmers in Africa, and quickly ramp revenue (see chart on right that defines Tingo's anticipated revenue generating ecosystem – March 2023 presentation). To achieve their goals, the company has and will continue to sign trade deals, develop partnerships, utilizing its commodity trading exchange platform partnership, and complete strategic acquisitions. Internal growth should result from Tingo Group's operations developing and implementing programs to educate its customer base as to the available tools that can be used to fully execute a farmers' seed-to-sale production strategy. If successful, the education programs should translate into increased transaction volumes from its existing 11.4 million customer base (entering 2023), as well as its anticipated expanded customer base to at least 30 million a majority of which should be on TIO's platform be the end of 2023. The increased customer base reflects previously signed trade deals.



4Q22 Trade Deals
To increase the company's customer base of farmers and agricultural cooperatives, Tingo signed a trade deal with All Farmers Association of Nigeria (AFAN), which is an umbrella body for 56 farmers' commodity associations in Nigeria. AFAN committed to enroll at least 20 million new members into Tingo's platforms, including its Nwassa agricultural financial technology and services platform. As AFAN works with the Nigeria's Ministry of Agriculture its membership base could eventually increase to as much as 60 million, which should benefit Tingo beyond our forecast period.

Additional customer growth should come from the company's trade deal with the Kingdom of Ashanti, through the Ashanti Investment Trust. The Kingdom of Ashanti presides over Ghana's Ashanti Region with a population of 5.4 million. This region has an important impact over much of the country's population of 32 million. The trade deal should translate into enrolling at least 2 million new members and upwards of over 4 million new members to Tingo's financial technology platform and services.

To broaden its position in Africa, the company announced operations were launched in Malawi that will establish a strategic presence in East Africa to accelerate Tingo's Pan-African rollout. Over time this move should enable the company to enter neighboring countries such as Tanzania, Zambia, and Mozambique.

Commodity Platform Partnership
At the end of 2022, the company launched its global commodity platform and export business in partnership with the Dubai Multi Commodities Centre. Management anticipates that its relationships and trade deals such as farming co-operatives, associations in Nigeria and Ghana that include AFAN, should secured access to significant quantities of agricultural produce for export, including wheat, millet, cassava, ginger, cashew nuts, cocoa and cotton. Engagement and education of its customer base of this platform should help drive increased crop production and reduction in post-harvest losses due to this commodity platform providing direct access to export markets and potentially higher commodity prices.

The company announce it secured an export contract with an anticipated sales value of approximately $65 million. The expectation is that total value of export sales could reach at least $1 billion dollars in 2023, with the vast majority occurring in 2H23.

Tingo Food Acquisition
In 1Q23, the company acquired Tingo, Food, which was established by Dozy Mmobuosi (the founder of Tingo, Inc.). According to unaudited results, Tingo Foods generated revenue of approximately $400 million in 4Q22 and in February 2023 had existing inventory of processed food products valued at $204 million.

This operation should grow quickly as through a joint venture Tingo Foods has committed to build and operate a state-of-the-art $1.6 billion food processing facility in Nigeria that could employ upwards of 12,000 people. We anticipate the company will increase its capital spending to assist in financing the new facility. The food processing facility is anticipated to be completed by the end of 1H24. The existing facility which currently produces a range of products such as rice, pasta, noodles, and other staple foods will expand into new product areas such as tea, coffee, cereals, chocolate, biscuits, cooking oils, non-dairy milks, carbonated drinks, and mineral water in 2H24. This new facility, which should be the first of its kind in Nigeria aims to reduce Africa's reliance on the import of finished food and beverage products and to increase exports of made-in-Africa produce, which in turn is expected to reduce the prices of finished products and significantly reduce shipping miles, as well as carbon emissions. This facility should be in a position to help aviate Nigeria's reliance on $10 billion of imports to meet its food and agricultural production shortfalls of wheat, rice, poultry, fish, food services, and consumer-oriented foods (according to an October 2021 International Trade Administration Report).

The company entered into a partnership with Evtec Energy Plc, which has committed to build a $150 million net zero carbon emission solar plant to provide sustainable and low-cost energy source to power Tingo Foods new facility. In turn, Tingo Foods enter into a power purchase agreement.

Visa Partnership TingoPay– 1Q23

In February 2023, the company officially launched it Pan-African strategic partnership with Visa, which aims to improve access to digital payments and financial services, and drive financial inclusion across Africa. The Tingo Visa card and TingoPay app and TingoPay business portal, if successful will open global opportunities to Tingo's customers by enabling secure cashless payments at more than 61 million merchants in over 200 countries through Visa's global network. The integration of Visa's merchant services with TingoPay's commerce portal and the Nwassa marketplace, will enable businesses to accept payments easily and securely in any currency from retail and business customers, and use its e-wallet to immediately fund purchases of inputs and make other payments.

It is anticipated that TingoPay's users will benefit from a broad selection of value-added services, including ability to pay utilities, bills, top-up airtime and data, make funds and forex transfers, apply for loans, arrange pensions, purchase insurance products, make travel bookings, as well as access the Nwassa agricultural produce marketplace.

Insurance and Magpie Operations

The company it is in the process of pivoting its insurance and financial services businesses to compliment the Tingo brand and leverage Tingo's fast growing African customer base through the addition of new products.

Projections

Basis of Forecast

We project significant revenue through our forecast period. In 2024, we anticipate revenue reaching nearly $5.9 billion from an estimated $3 billion in 2023, up from 2022 pro-forma revenue of nearly $1.2 billion. Our revenue projections for 2023 and 2024 are predicated on successful implementation of trade deals signed in 4Q22 that should significantly increase Tigno's new customers to at least 30 million entering 2024. That increase should cause significant transaction growth on TIO's financial technology and services platforms, resulting in higher 2H23 revenues that should continue throughout 2024. Our forecast includes a significant 2H23 contribution from the company's global commodity platform and export business in partnership with the Dubai Multi Commodities Centre (DMCC) that is anticipated to generate at least $1 billion revenue and likely increase to approximately $2 billion in 2024. In 2023, over 90% of DMCC revenue should occur in 2H23. Tingo Foods should make a modest contribution to total revenue relative to the company's other operations in 2023. In 2024, Tingo Foods contribution should increase rapidly especially in 2H24 once the company's new food processing plant becomes operational.

Economy

In January 2023, the International Monetary Fund (IMF) projects its Sub-Saharan Africa economic growth estimates to 3.8% for 2022 and 4.1% for 2023. The IMF anticipates economic growth in Nigeria of 3.2% in 2023 and 2.9% in 2024. Economic growth should be supported by measures taken to address insecurity issues in the oil sector within Nigeria. In China, the IMF predict economic growth of 5.2% in 2023 and 4.5% in 2024.

In Nigeria, growth in agricultural output, productivity, and yield will be necessitated by projected population growth that should reach over 370 million by 2050, up from over 213 billion in 2021 according to World Bank statistics.

Operations – 2023

We project revenue increasing 164.8% to $3 billion from approximately $1.2 billion in 2022 (on a pro-forma basis). Tingo's operations should experience significant 2H23 growth from its increased customer base, which should drive transaction volume on its financial technology and service platforms, as well as a significant contribution of approximately $1 billion from its commodity exchange operations.

We forecast gross profit of $1.7 billion on gross margin of 56.2%. We anticipate gross margin for the company's Tingo Mobile operations of approximately 75% as established customer carry margins of over 80% while newer customer margins should experience lower margins during their first year. The commodity operations are anticipated to have gross margin of approixmately 20%.

We projected operating income of $1.4 billion as the company should experience operating margin expense of 9.8%. We project operating expenses of $300 million, which should support the company's anticipated significant revenue growth. The increase in operating expenses reflects costs associated with operating Tingo's growing businesses (financial technology and services platforms, a food processing facility, and commodity trading platform) in Africa and legacy financial and insurance operation in Asia. We project non-operating expense of $975,000 related to interest expense.

We project net income attributable to Tingo Group, Inc. of $919 million or $1.76 per share on 522.5 million average diluted shares outstanding and income tax expense of $492 million (a 35% rate). We previously forecast net income attributable to Tingo Group, Inc. of more than $1 billion or $1.94 per share on 522.5 million average diluted shares outstanding and income tax expense of $549 million (a 35.2% rate). We adjusted our forecast due to higher than previously anticipated expenses to achieve significant revenue growth.

Operations – 2024

We project revenue increasing 91.9% to nearly $5.9 billion from an estimated $3 billion in 2022. We anticipate growth from the company's increased customer base that should reach over 30 million by the end of 2023, which which should drive transaction volume on its financial technology and service platforms, as well as a significant contribution of nearly $2 billion from its commodity exchange operations and nearly $1 billion from the operations of Tingo Foods.

We forecast gross profit more than doubling to nearly $3.5 billion from an estimated $1.7 billion in 2023, on gross margin of 59.8% compared to 56.2% in 2023.

We projected operating income of $3 billion, up from an estimated $1.4 billion in 2023. We anticipate operating margin expense improving to 7.7% from an estimated 9.8% in 2023. We project operating expenses increasing 50.3% to $451 million from $300 million in 2023 in order to support significant revenue growth and inclusion of the company new food processing facility in 2H24.

We project non-operating expense increasing to $1.6 million from an estimated $975,000 in 2023, due primarily to interest expense on the note issued to acquire Tingo Foods and the partial financing of the company's new food processing facility.

We project net income attributable to Tingo Group, Inc. of nearly $2 billion or $3.77 per share on 525 million average diluted shares outstanding and income tax expense of nearly $1.1 billion (a 35% rate).

Finances

For 2023, we project cash earnings of nearly $1.1 billion and an increase in working capital of $373 million. Cash from operations of $717 million should cover capital expenditures and repayment of debt. We anticipate cash should increase by $460 million to nearly $963 million or approximately $1.83 per share at the end of 2023.

For 2024, we project cash earnings of $2.2 billion and an increase in working capital of $378 million. Cash from operations of nearly $1.9 billion should cover capital expenditures and repayment of debt. We anticipate cash should increase by $766 million to $1.7 billion or at least $3.25 per share at the end of 2024.

2022 Pro-Forma Results

2022 Pro-Forma Ting Group, Inc. (combines from the start of the year MICT and Tingo, Inc. operations)

The company's would have reported combined revenue for growth of 25% to nearly $1.2 billion from pro-forma revenue of nearly $922 million 2021. The year-ago period included non-recurring mobile handset sales of $301 million. Excluding the non-recurring revenue in 2021, growth was due primarily to a 50.3% increase in mobile handset leasing to $476 million from $317 million and a more than doubling of the Nwassa platform transaction revenue to $532 million from nearly $199 million last year.

Gross profit would have nearly doubled to $675 million from $344 million due primarily to revenue growth and gross margin of 58.6% from 37.3% last year. Operating income improved to $555 million from an operating loss of $47 million in 2021.

Pro-forma net income after non-controlling stockholders was approximately $338 million or $0.65 per share on average fully diluted shares outstanding of 520 million. Average diluted shares accounts for the conversion of two classes of preferred stock issued to holders of Tingo, Inc. once shareholder approvals are obtained.

Capital Structure
On December 31, 2022, the company had cash of $500 million, current assets of $531 million, and total assets of nearly $1.7 billion that includes goodwill of $101 million, intangible assets of $185 million, and property and equipment of $855 million.

The company had total current liabilities of $265 million, which included related party payables of $57 million and nearly $193 million of other current liabilities. Long-term liabilities were nearly $91 million most of which is related to deferred tax liabilities and $377,000 long term loan. Total stockholders' equity was nearly $773 million.

Subsequent to the end of 4Q22, the company issued a promissory note of $204 million as consideration to purchase Tingo Foods. The two-year promissory note bears annual interest of 5%.

Market Briefs

In September 2021, the global financial technology (Fintech) market was $110.6 billion in 2020, and is projected to experience annualized growth of 20.3% to $698.5 billion in 2030. Fintech can be defined as the application of new technological advancements to products and services in the financial industry that aims to improve and automate (digitally) the delivery and use of financial services. The overall industry aims to compete with existing traditional financial methods in delivery of financial services by implementing several technologies such as application programming interface, artificial intelligence, blockchain, and data analytics.

African Fintech
In August 2022, McKinsey & Company published Fintech in Africa: The end of the beginning, which indicated that in 2020 and 2021 combined, the tech startups in Africa tripled to 5,200 companies with nearly half being financial technology (Fintech) companies. African Fintech's are making it their business to disrupt and augment traditional financial services. McKinsey estimates African Fintech's generated revenues of at least $4 billion but could have been as much as 6 billion in 2020 with an average penetration levels of 3% to 5% (excluding South Africa).

In Africa, 90% of transactions are done in cash, which translates to significant growth potential for companies. According to McKinsey, if the overall sector reaches a similar penetration level seen in Kenya (a country with one of the highest levels of Fintech penetration in the world), African Fintech revenues could reach an estimated eight times their current value by 2025. Ghana and West African countries are expected to grow at the fastest annual rates of 15% and 13%, respectively, until 2025. Nigeria and Egypt should each achieve annual growth of 12% through 2025.

Fintech growth should occur due to increasing smartphone ownership, declining internet costs, expanded network coverage, a young, fast-growing, and rapidly urbanizing population, as well as the increased uses of Apps to enhance productivity and financial transactions. Fintech growth should bring social benefits within African nations.

Example presented by McKinsey's research is that Niger women who received government subsidies through mobile money instead of cash have greater power in household decision-making, while in Kenya, women-led households that adopted mobile money saw an increase in household savings. By innovating with products that meet the needs of people across cultures, genders, technology, and geography, Fintech is helping to reframe African financial services by creating new economic opportunities.

Singapore Fintech
According to a Canadian government Trade Commission report, Singapore is becoming a smart nation and digitally-enabled society. The Fintech industry will be a critical component of that growth as Singapore's central bank and financial industry regulator is keeping focused on developing the foundational digital infrastructure. At the end of 2020, over 40% of Southeast Asia's Fintechs were based in Singapore.

Market intelligence firm, Mordor Intelligence, anticipates Singapore's Fintech industry should experience annualized growth of 16% from 2023 to 2028. During the COVID-19 pandemic contributed to an accelerated pace of digital adoption. Singapore is likely to continue as a leading Fintech hub in Southeast Asia. To support Fintch growth in Singapore is having regulatory support, talent, tax treaties, ownership, and share structures within a politically friendly environment.

Competitive Landscape

Tingo Group, Inc. operations primarily operates within the financial technology sector (Fintech). The company's technology offerings in the Fintech sector competes with large, diversified software and service companies and independent suppliers of software products. Existing and potential financial institution clients could also develop and use their own in-house systems. In addition, competition can include vendors that offer similar transaction processing products and services to financial institutions.

In addition to the Fintech market, the company's Tingo Mobile competes with a large number of mobile phone carriers, which include MTN, Airtel, Glo, and 9 Mobile. Those are the four largest mobile networks and may seek to intensify their investments and expand their businesses in new markets. Current or future competitors may offer lower prices and enhanced features, and Tingo Mobile may be forced to lower its prices and upgrade its phones and network in order to maintain its market share.

The company's legacy MICT operations competes in markets that are evolving and highly competitive with current and potential future competition comes from incumbent discount brokerages, established financial technology companies, venture-backed financial technology firms, banks, cryptocurrency exchanges, asset management firms and technology platforms. The ability to compete successfully in the financial services market depends on its ability to provide easy-to-use, innovative and attractive products and services, effective customer support, attracting and retaining customers, as well as maintaining its reputation and the market perception that its offering provide value.

Public global Fintech companies include Paypal, Square Inc., Lemonade, Inc., Fiserv Inc., and Affirm.

Risks

In our view, these are the principal risks underlying the stock.

International Operations
Entering 2023, a large majority of the company's revenue will come from Africa (Nigeria with expansion into Ghana and Malawi anticipated in 2023) through Tingo, Inc. acquisition. Those operations could be subject to economic, climate, political, and foreign currency risks, as well as management's oversight of the rapidly growing operations. Prior to acquiring Tingo Inc., the company's operations were in Asia (primarily China). Risks include economic, COVID-19 outbreaks/lockdowns, foreign currency, and political (such as the potential for sanctions from Western countries and/or from the Chinese government on foreign owned companies within China) risks.

Increasing Common Share Count
At March 31, 2023, Tingo Group, Inc. had 163.7 million common shares outstanding. The expectation is that prior to the end of 2023, all approval will be received for the conversion into common stock of preferred shares issue to the shareholders of Tingo, Inc. Once completed Tingo, Inc. shareholders will own approximately 75% of the company's common stock and outstanding common shares should approximately 515 million.

Acquisitions and Partnerships
The company has used acquisitions as part of its strategy to grow its customer base, transaction volume, and revenue. Future operation may include additional acquisitions and/or engagement of partnerships to rapidly growth operations primarily in Africa. Acquisitions and partnerships that expand the company's operations are likely to require management's time and effort in terms of building new complimentary operations and monitoring and maintain those operations. The diversion of management's focus disrupt revenue growth and/or diminish operating profits or margins from existing operations.

Write-own Potential
Tingo Group, Inc. may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on its financial condition.

Miscellaneous Risk
The company's financial results and equity values are subject to other risks and uncertainties, including customer acceptance of existing and new technology platform offerings, competition, internal operations, financial markets, domestic and international regulatory risks, cyber security, and/or other events such as auditing and managing operations in Africa and China, as well as unforeseen domestic or international political events. These risks may cause actual results to differ from expected results.

Legal Proceedings
As of December 31, 2022, there were no open legal proceedings. However, if operations in Africa were to be involved legal proceedings, those proceedings may be complicated, costly, and disruptive to its operations. Any potential negative outcomes, could have a material adverse effect on the overall company's financial condition, operating results, or ability to conduct operations.

Internal Controls
At December 31, 2022, Tingo Group, Inc. identifies that its disclosure controls and procedures over financial reporting is not effective at the reasonable assurance level due to the material weaknesses. Action taken to alleviate the material weaknesses, the company in 3Q22, hired an additional controller, as well as a new financial manager. Additionally, management began conducting a mapping processes and controls that support financial reporting and also performed tests to examine the effectiveness of the controls. As part of the effectiveness test, gaps in the information technology general controls process were identified for the companies that were acquired and did not manage to produce a control environment without gaps. TIO's information technology team is beginning to implement a remediation plan and are in the process of fixing the gaps.

Foreign Exchange
Financial results may be negatively affected by foreign exchange rate fluctuations. Tingo attempts to match sales and purchases in other currencies to achieve a natural hedge. If it is unable to fully match sales and purchases in different currencies, its business will be exposed to fluctuations in foreign exchange rates.

Shareholder Control
Officers, directors, 5%+ shareholders collectively own approximately 25.2% of the company's outstanding voting stock as of March 31, 2023 (based on company's 2022 SEC 10-K filing in March 2023). At some point in 2023, the shareholders of Tingo Inc., should own approximately 75% of the common shares of Tingo Group, Inc. (formerly known as MICT Inc.), once all preferred stock is converted by Tingo shareholders. Collectively this ownership could potentially greatly influence the outcome of matters requiring stockholder approval. These decisions may or may not be in the best interests of the other shareholders.

COVID-19 Global Pandemic
A disruption of economic conditions in Africa and China could lie in the spread of COVID-19. Any global disruptions of economic activity could adversely impact corporate operating results.

Trading Volume
In 2022, average daily volume was approximately 667,000 shares. Average daily volume decreased over the last three months (ending March 31, 2023) to nearly 316,000. The company had a float of approximately 84 million shares and outstanding shares of approximately 163.7 million. However, after all preferred conversions occur to complete the acquisition of Tingo, Inc., common shares should approximate 515 million.

Tingo Group, Inc.
Consolidated Balance Sheets
FY2022A – FY2024E
(in thousands)

	FY2022A	**FY2023E**	**FY2024E**
ASSETS			
Current assets:			
Cash and cash equivalents	$ 500,316	**$ 962,890**	**$ 1,729,347**
Trade accounts receivable, net	11,541	**381,125**	**731,437**
Related party receivables	13,491	**13,500**	**13,500**
Other current assets	5,828	**10,000**	**20,000**
Total current assets	531,176	**1,367,515**	**2,494,285**
Property and equipment, net	855,125	**855,000**	**855,000**
Intangible assets, net	185,407	**271,661**	**265,000**
Goodwill	101,247	**301,247**	**301,247**
Operating lease right-of-use assets	2,260	**2,260**	**2,260**
Long-term deposit and prepaid expenses	514	**514**	**514**
Deferred tax assets	3,661	**3,661**	**3,661**
Resticted cash escrow	2,233	**2,233**	**2,233**
Investment in equity - Micronet, Ltd	735	**735**	**735**
Total assets	$ 1,682,358	**$ 2,804,826**	**$ 3,924,935**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Short-term loan	460	**102,460**	**102,460**
Trade accounts payable	11,092	**11,000**	**10,000**
Deposit held on behalf of clients	2,528	**2,700**	**3,500**
Related party payables	57,506	**57,506**	**57,506**
Lease liability	1,215	**1,215**	**1,215**
Other current liabilities	192,594	**193,000**	**175,000**
Total current liabilities	265,395	**367,881**	**349,681**
Long-term debt	377	**102,377**	**377**
Long-term operating lease liability	905	**1,000**	**1,000**
Deferred tax liabilities	89,597	**89,597**	**89,597**
Accrued severance pay	50	**-**	**-**
Temporary equity			
Preferred stock Series B subject to redemption: $0.001 par value, 33587.21 shares authorized	553,035	**-**	**-**
Tingo Group, Inc. - Stockholders' equity	770,644	**2,241,616**	**3,481,945**
Non-controlling interest	2,355	**2,355**	**2,335**
Total equity	772,999	**2,243,971**	**3,484,280**
Total liabilities and stockholders' equity	$ 1,682,358	**$ 2,804,826**	**$ 3,924,935**
SHARES OUT	157,600	**525,000**	**527,000**

Source: 10-K filed on 3-31-23 and Taglich Brothers estimates

Tingo Group, Inc.
Annual Income Statement
FY2021A – FY2024E
(in thousands)

	*FY21 A**	*FY22 A***	**FY23 E**	**FY24 E**
Revenues	*$ 921,514*	*$ 1,151,600*	**$ 3,049,000**	**$ 5,851,500**
Cost of revenues	*577,812*	*477,000*	**1,335,810**	**2,355,100**
Gross Profit	*343,702*	*674,600*	**1,713,190**	**3,496,400**
Operating Expenses:				
Research and development	*1,275*		**11,000**	**16,500**
Selling and marketing	*7,458*		**28,000**	**53,000**
Amortization of intangible assets	*75,420*		**91,000**	**114,000**
General and administration expenses, other	*306,597*		**170,000**	**267,500**
Total Operating Expenses	*390,750*	*120,000*	**300,000**	**451,000**
Operating Income (loss)	*(47,048)*	*554,601*	**1,413,190**	**3,045,400**
Finance income (expense), net	*395*	*-*	**(975)**	**(1,600)**
Total Other Expense (income)	*(637)*	*899*	**(975)**	**(1,600)**
Pre-Tax Income (loss)	*(47,685)*	*555,500*	**1,412,215**	**3,043,800**
Income Tax Expense (Benefit)	*81,262*	*218,467*	**494,275**	**1,065,330**
Net income (loss)	*(128,947)*	*337,032*	**917,940**	**1,978,470**
(Loss) attributable to non-controlling interest	*(730)*	*(1,268)*	**(1,200)**	**(1,200)**
Net income (loss) attributable to Tingo Group, Inc.	*(128,217)*	*338,300*	**919,140**	**1,979,670**
Earning (loss) per share attributable to TIO	*$ (0.94)*	*$ 0.65*	**$ 1.76**	**$ 3.77**
Avg Shares Outstanding	*137,057*	*520,000*	**522,500**	**525,000**
Adjusted EBITDA	*$ 408,987*	*$ 954,500*	**$ 1,512,190**	**$ 3,159,400**
Margin Analysis				
Gross margin	*37.3%*	*58.6%*	**56.2%**	**59.8%**
Research and development	*0.1%*	*0.2%*	**0.4%**	**0.3%**
Selling and marketing	*0.8%*	*0.8%*	**0.9%**	**0.9%**
Depreciation and Amortization (intangible assets)	*8.2%*	*6.1%*	**3.0%**	**1.9%**
General and administration expenses, other	*33.3%*	*3.4%*	***5.6%***	***4.6%***
Operating margin	*(5.1%)*	*48.2%*	**46.3%**	**52.0%**
Pre-tax margin	*(5.2%)*	*48.2%*	**46.3%**	**52.0%**
Tax rate	*NMF*	*39.3%*	**35.0%**	**35.0%**
YEAR / YEAR GROWTH				
Total Revenues		*25.0%*	**164.8%**	**91.9%**

Source: SEC Filings and Taglich Brothers estimates

* Based on the company's 2/9/23 8-K/A filing that presented it as if Tingo, Inc. and MICT, Inc. were a combined entity on January 1, 2021.
** Based on TIO's 2022 Financial Presentation where certain pro-form information was provided and derived by Taglich Brothers. Note: 2022 EPS is a Taglich Brothers estimate.

Tingo Group, Inc.
Income Statement Model - Quarterly
2023 E – 2024E
(in thousands)

	Q1 23 E	Q2 23 E	Q3 23 E	Q4 23 E	**FY23 E**	Q1 24 E	Q2 24 E	Q3 24 E	Q4 24 E	**FY24 E**
Revenues	$ 385,000	$ 469,000	$ 775,000	$ 1,420,000	**$ 3,049,000**	$ 1,066,500	$ 1,275,000	$ 1,540,000	$ 1,970,000	**$ 5,851,500**
Cost of revenues	104,820	149,990	325,000	756,000	**1,335,810**	406,800	493,875	601,425	853,000	**2,355,100**
Gross Profit	280,180	319,010	450,000	664,000	**1,713,190**	659,700	781,125	938,575	1,117,000	**3,496,400**
Operating Expenses:										
Research and development	2,000	2,500	3,000	3,500	**11,000**	3,750	4,000	4,250	4,500	**16,500**
Selling and marketing	4,000	5,000	7,000	12,000	**28,000**	12,500	13,000	13,500	14,000	**53,000**
Amortization of intangible assets	19,000	20,000	25,000	27,000	**91,000**	30,000	29,000	28,000	27,000	**114,000**
General and administration expenses, other	35,000	40,000	45,000	50,000	**170,000**	52,500	55,000	75,000	85,000	**267,500**
Total Operating Expenses	60,000	67,500	80,000	92,500	**300,000**	98,750	101,000	120,750	130,500	**451,000**
Operating Income (loss)	220,180	251,510	370,000	571,500	**1,413,190**	560,950	680,125	817,825	986,500	**3,045,400**
Finance income (expense), net	(100)	(125)	(350)	(400)	**(975)**	(400)	(400)	(400)	(400)	**(1,600)**
Total Other Expense (income)	(100)	(125)	(350)	(400)	**(975)**	(400)	(400)	(400)	(400)	**(1,600)**
Pre-Tax Income (loss)	220,080	251,385	369,650	571,100	**1,412,215**	560,550	679,725	817,425	986,100	**3,043,800**
Income Tax Expense (Benefit)	77,025	87,985	129,380	199,885	**494,275**	196,195	237,900	286,100	345,135	**1,065,330**
Net income (loss)	143,055	163,400	240,270	371,215	**917,940**	364,355	441,825	531,325	640,965	**1,978,470**
(Loss) attributable to non-controlling interest	(300)	(300)	(300)	(300)	**(1,200)**	(300)	(300)	(300)	(300)	**(1,200)**
Net income (loss) attributable to Tingo Group, Inc.	143,355	163,700	240,570	371,515	**919,140**	364,655	442,125	531,625	641,265	**1,979,670**
Earning (loss) per share attributable to TIO	$ 0.28	$ 0.31	$ 0.46	$ 0.71	**$ 1.76**	$ 0.69	$ 0.84	$ 1.01	$ 1.22	**$ 3.77**
Avg Shares Outstanding	520,000	522,000	523,000	525,000	**522,500**	525,000	525,000	525,000	525,000	**525,000**
Adjusted EBITDA	$ 241,180	$ 273,510	$ 397,000	$ 600,500	**$ 1,512,190**	$ 590,950	$ 709,125	$ 845,825	$ 1,013,500	**$ 3,159,400**
Margin Analysis										
Gross margin	72.8%	68.0%	58.1%	46.8%	**56.2%**	61.9%	61.3%	60.9%	56.7%	**59.8%**
Research and development	0.5%	0.5%	0.4%	0.2%	**0.4%**	0.4%	0.3%	0.3%	0.2%	**0.3%**
Selling and marketing	1.0%	1.1%	0.9%	0.8%	**0.9%**	1.2%	1.0%	0.9%	0.7%	**0.9%**
Depreciation and Amortization (intangible assets)	4.9%	4.3%	3.2%	1.9%	**3.0%**	2.8%	2.3%	1.8%	1.4%	**1.9%**
General and administration expenses, other	9.1%	8.5%	5.8%	3.5%	***5.6%***	4.9%	4.3%	4.9%	4.3%	***4.6%***
Operating margin	57.2%	53.6%	47.7%	40.2%	**46.3%**	52.6%	53.3%	53.1%	50.1%	**52.0%**
Pre-tax margin	57.2%	53.6%	47.7%	40.2%	**46.3%**	52.6%	53.3%	53.1%	50.1%	**52.0%**
Tax rate	35.0%	35.0%	35.0%	35.0%	**35.0%**	35.0%	35.0%	35.0%	35.0%	**35.0%**
YEAR / YEAR GROWTH										
Total Revenues	*NA*	*NA*	*NA*	*NA*	**164.8%**	**177.0%**	**171.9%**	**98.7%**	**38.7%**	**91.9%**

Source: Taglich Brothers estimates

Tingo Group, Inc.
Cash Flow Statement
FY2022A – FY2024E
(in thousands)

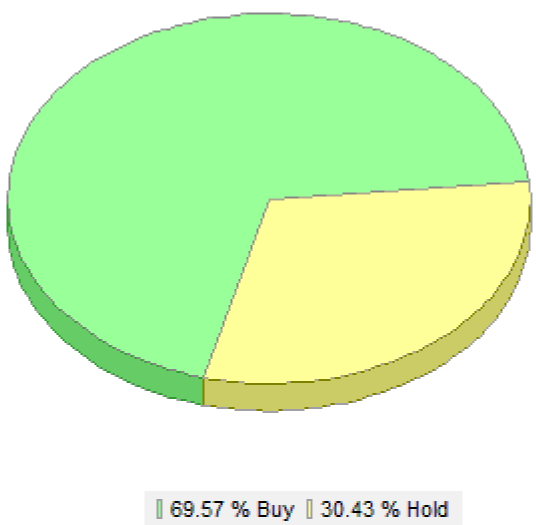
	FY2022A	**FY2023E**	**FY2024E**
Cash Flows from Operating Activities			
Net Income (loss)*	$ (48,611)	**$ 917,940**	**$ 1,978,470**
Equity in net (income) loss from equity method investment	746	-	-
Provision for doubtful accounts	618	**700**	**1,000**
Depreciation and amortization	39,766	**170,000**	**267,500**
Shares issued to service providers and employees	6,417	**2,000**	-
Stock-based compensation for employees and consultants	208	-	-
Loss from disposal of property and equipment	-	-	-
Cash earnings (burn)	(856)	**1,090,640**	**2,246,970**
Changes In:			
Deferred taxes, net	28,759	-	-
Long-term deposit and prepaid expenses	311	-	-
Right-of-use assets	1,311	-	-
Lease liabilities	(1,518)	-	-
Restricted cash escrow	184	-	-
Accrued interest due to related party	(266)	-	-
Trade accounts receivable, net	7,747	**(369,584)**	**(350,313)**
Other current assets	1,685	**(4,172)**	**(10,000)**
Trade accounts payable	(2,234)	**(92)**	**(1,000)**
Deposit held on behalf of clients	(573)	**172**	**800**
Accrued interest and exchange rate differences on loans from others	(59)	-	-
Other current liabilities	11,520	**406**	**(18,000)**
(Increase)/decrease in Working Capital	46,867	**(373,270)**	**(378,513)**
Net cash provided (used in) Operations	46,011	**717,370**	**1,868,457**
Cash Flows from Investing Activities			
Loan to related party	(791)	-	-
Loan to complete Tingo Foods new plant	-	-	**(500,000)**
Purchase of property and equipment	(39,645)	**(250,000)**	**(500,000)**
Acquisition of Tingo Foods	-	**(204,000)**	-
Receipt of loan from related party (Micronet)	534	-	-
Acquisition of Tingo Mobile, Inc.	430,563	-	-
Loan provided to Tingo pursuant to the merger agreement	(23,700)	-	-
Deconsolidation of Micronet	-	-	-
Cash flow provided (used in) Investing Activities	366,961	**(454,000)**	**(1,000,000)**
Cash Flows from Financing Activities			
Receipt of short-term loans from banks and others	144	-	-
Repayment of bank loans and others	(859)	-	-
Repayment of loan to related party	(10,000)	-	-
Issuance of note payable to related party to acquire Tingo Foods	-	**204,000**	**(102,000)**
Payment made to repurchase warrants	-	**(7,029)**	-
Proceeds from exercise of warrants	-	-	-
Proceeds from exercise of options	-	-	-
Net cash provided (used) by Financing	(10,715)	**196,971**	**(102,000)**
Effect of exchange rates	1,256	-	-
Net change in Cash and restricted Cash	403,513	**460,341**	**766,457**
Cash beginning of period	99,036	**502,549**	**962,890**
Cash (and restricted) End of Period	$ 502,549	**$ 962,890**	**$ 1,729,347**

Source: SEC Filings and Taglich Brothers estimates

2022 include only one month of Tingo, Inc.

Price Chart

Taglich Brothers Current Ratings Distribution



Investment Banking Services for Companies Covered in the Past 12 Months

Rating	#	%
Buy	5	26
Hold		
Sell		
Not Rated		

Important Disclosures

As of the date of this report, we, our affiliates, any officer, director or stockholder, or any member of their families do not have a position in the stock of the company mentioned in this report. While Taglich Brothers, Inc. does not currently have an Investment Banking relationship with the company mentioned in this report and was not a manager or co-manager of any offering for the company with in the last three years, it does have a Capital Markets agreement with the company.

On February 13, 2023, Taglich Brothers, Inc. and its Capital Market division signed a consulting agreement with MICT, Inc. (now doing business as Tingo Group, Inc.), whereby they agreed to pay Taglich Brothers, Inc., $10,000 per month for Capital Market services.

All research issued by Taglich Brothers, Inc. is based on public information. Tingo, Group, Inc. does not pay Taglich Brothers, Inc. for the creation and dissemination of research reports.

General Disclosures

The information and statistical data contained herein have been obtained from sources, which we believe to be reliable but in no way are warranted by us as to accuracy or completeness. We do not undertake to advise you as to changes in figures or our views. This is not a solicitation of any order to buy or sell. Taglich Brothers, Inc. is fully disclosed with its clearing firm, Pershing, LLC, is not a market maker and does not sell to or buy from customers on a principal basis. The above statement is the opinion of Taglich Brothers, Inc. and is not a guarantee that the target price for the stock will be met or that predicted business results for the company will occur. There may be instances when fundamental, technical and quantitative opinions contained in this report are not in concert. We, our affiliates, any officer, director or stockholder or any member of their families may from time to time purchase or sell any of the above-mentioned or related securities. Analysts and members of the Research Department are prohibited from buying or selling securities issued by the companies that Taglich Brothers, Inc. has a research relationship with, except if ownership of such securities was prior to the start of such relationship, then an Analyst or member of the Research Department may sell such securities after obtaining expressed written permission from Compliance.

Analyst Certification

I, Howard Halpern, the research analyst of this report, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report. I pledge that my current ownership in GBOX will always align with my rating.

Public Companies mentioned in this report:

Affirm	(Nasdaq: AFRM)	Fiserv, Inc.	(NASDAQ: FISV)
Lemonade, Inc.	(Nasdaq: LMND)	PayPal Holdings, Inc.	(Nasdaq: PYPL)
Square, Inc.	(NYSE: SQ)		

Meaning of Ratings

Buy – The growth prospects, degree of investment risk, and valuation make the stock attractive relative to the general market or comparable stocks.

Speculative Buy – Long-term prospects of the company are promising but investment risk is significantly higher than it is in our BUY-rated stocks. Risk-reward considerations justify purchase mainly by high risk-tolerant accounts. In the short run, the stock may be subject to high volatility and could continue to trade at a discount to its market.

Neutral – Based on our outlook the stock is adequately valued. If investment risks are within acceptable parameters, this equity could remain a holding if already owned.

Sell – Based on our outlook the stock is significantly overvalued. A weak company or sector outlook and a high degree of investment risk make it likely that the stock will underperform relative to the general market.

Discontinued – Research coverage discontinued due to the acquisition of the company, termination of research services (includes non-payment for such services), diminished investor interest, or departure of the analyst.

Some notable Risks within the Microcap Market

Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company-specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.