

MICRONET ENERTEC TECHNOLOGIES, INC.

Form 10-Q

August 14, 2015

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED: June 30, 2015

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER 001-35850

MICRONET ENERTEC TECHNOLOGIES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

27-0016420
(I.R.S. Employer
Identification No.)

28 West Grand Avenue, Suite 3, Montvale, NJ
(Address of principal executive offices)

07645
(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☐ No ☒

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company)

Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of August 14, 2015, there were 5,865,221 issued and outstanding shares of the registrant’s Common Stock, \$0.001 par value per share.

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PART I - FINANCIAL INFORMATION

Item Financial Statements.

1.

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

	June 30, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,078	\$ 8,592
Marketable securities	6,533	6,406
Trade account receivables, net	12,979	14,152
Inventories	6,455	6,658
Other accounts receivable	1,439	1,249
Total current assets	33,484	37,057
Property and equipment, net	1,955	1,948
Intangible assets and others, net	3,925	4,416
Long term deposit	50	46
Goodwill	1,466	1,466
Total long term assets	7,396	7,876
Total assets	\$ 40,880	\$ 44,933

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

	June 30, 2015	December 31, 2014
LIABILITIES AND EQUITY		
Short term bank credit and current portion of long term bank loans	\$ 10,390	\$ 9,416
Current portion of long term notes	-	1,000
Trade accounts payable	5,466	7,588
Other accounts payable	2,338	2,619
Total current liabilities	18,194	20,623
Long term loans from banks	3,629	3,919
Finance lease	37	56
Accrued severance pay, net	26	29
Deferred tax liabilities, net	29	57
Total long term liabilities	3,721	4,061
Stockholders' Equity:		
Preferred stock; \$.001 par value, 5,000,000 shares authorized, none issued and outstanding		
Common stock; \$.001 par value, 25,000,000 shares authorized, 5,865,221 and 5,856,246 shares issued and outstanding as of June 30, 2015 and December 31, 2014, respectively	6	6
Additional paid in capital	7,677	7,505
Accumulated other comprehensive income (loss)	(120)	325
Retained earnings	4,991	6,284
Micronet Enertec stockholders' equity	12,554	14,120
Non-controlling interests	6,411	6,129
Total equity	18,965	20,249
Total liabilities and equity	\$ 40,880	\$ 44,933

MICRONET ENERTEC TECHNOLOGIES, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (USD In Thousands, Except Share and Earnings Per Share Data)
 (Unaudited)

	Six months ended June 30,		Three months ended June 30,	
	2015	2014	2015	2014
R Revenues	\$ 11,426	\$ 12,153	\$ 5,747	\$ 6,586
Cost of revenues	7,841	8,244	3,913	4,729
Gross profit	3,585	3,909		