

Dragontail Systems Limited and its Controlled Entities
ACN 614 800 136

Appendix 4E – Preliminary Final Report for the Year Ended 31 December 2018

Results for announcement to market	Up / Down	% Change	2018 \$	2017 \$
Revenue from ordinary activities	Up	350%	1,074,676	306,620
Loss after tax from ordinary activities attributable to members	Up	51%	(7,041,539)	(4,659,059)
Loss attributable to members	Up	51%	(7,041,539)	(4,659,059)

Dividend Information	Amount per share	Franked Amount per share
Dividend – current reporting period	Nil	Nil
Dividend – previous reporting period	Nil	Nil

Net Tangible Asset Backing per Ordinary Share	cents
Net tangible asset backing per ordinary share – current reporting period	1.61
Net tangible asset backing per ordinary share – previous reporting period	2.85

Commentary on the Results for the Period

Year ended 31 December 2017

Following the public listing of the Group in December 2016, Dragontail Systems has extensively accelerated operations globally and therefore has incurred significant additional expenditure as part of operating activities.

Year ended 31 December 2018

During 2018 Dragontail has expended its Operations and R&D departments globally to support the growing customer base. Among others the company has hired over 15 team members in Australia mostly to further develop the Company's AI Technology. This resulted in higher operating expenses that will lead to a significantly higher install base and revenue in 2019 and beyond.

Audit

This Preliminary Final Report is based on the Annual Financial Report which is in the process of being audited.



Ido Levanon

Managing Director

Dated at Israel this 28th day of February 2019

Principal activities

The Group's principal activities are research and development of software for customers in the field of QSR (quick service restaurants).

Operating results and financial position

Total revenue was up 350% to \$1,074,676 as the Company began to commercialise and scale its unique food preparation and delivery optimisation technologies.

The total loss for the year was \$7,041,539 (2017: loss of \$4,659,059). The loss for the year is attributable to increased global activities and resourcing as Dragontail executed on the growth opportunities available to it with large global QSR / foodservice customers.

Review of operations

During the year ended 31 December 2018, Dragontail continued to establish solid, significant infrastructure with the leading QSR brands around the globe including DOMINO'S, PH, KFC, BURGER KING, CARA and more, while securing more projects which will enhance its position in the industry. Among the Company's outstanding achievements in the past year, here are the most prominent:

- Total cash receipts for 2018 financial year 3 times greater than 2017.
- Due to circumstances beyond the control of Dragontail, some of the installations planned for late 2018 were postponed to early part of 2019. The Company has adjusted its forecasts accordingly and estimates the achievement of its install base original forecast of 1,700 installations by end of Q2 2019.
- Tiger Global Investments (a US based \$20 billion fund) invested \$6m AUD into Dragontail. This provided the Company with the strong backing and stability required to maximize Dragontail's activity in 2019.
- Pizza Hut Canada chose the Full "Algo" and the Algo Light Platforms, as the Brand standard solution of PH stores in Canada (part of YUM!). The unique agreement has designated Dragontail's technology as PH's mandated product for all PH stores in Canada. Installation rate is accelerating to realize projected install base of over 350 stores during 2019.
- Dragontail has received purchase orders for over \$1.2M to initiate the QT Camera rollout plan across Australia and New Zealand markets. As of the end of Q4 2018, the installation of the QT Camera has begun in 2 Australian states as part of the planned deployment of 850 in Australia and New Zealand throughout the beginning of 2019.
- Dragontail has completed its first nationwide roll out of its Algo Dispatching System in all PH locations across Singapore with the highest roll out rate achieved.
- Recipe Unlimited Corporation (formerly Cara Operations Limited), Canada's largest full service restaurant operator, will be the first to implement the Algo light platform independently, with only remote control of Dragontail.
- Dragontail has signed a strategic agreement with Jubilant FoodWorks Limited (Jubilant), the master franchise for Domino's Pizza in India, with 1,134 stores, as well as the master franchise for Domino's Pizza in, Sri Lanka, Nepal and Bangladesh and Dunkin' Donuts in India.
- Pizza Hut Australia (owned by YUM! Brands - the world's largest QSR company), has decided to implement in its 280 stores across Australia, Dragontail's Algo and drivers sharing platform, for streamlining restaurant and delivery operations.
- Dragontail continues to deepen its grip in Asia, with KFC Philippines' decision to go live in its first stores with Dragontail's Algo platform, for streamlining restaurant and delivery operations.
- Dragontail has launched its Total Technology solution in North America, containing the "Algo" platform along with a POS (Point Of Sale) system and an online and mobile ordering sales platform directly inserted into the POS.
- Dragontail has signed a Collaboration agreement with Weezmo Technologies Ltd, a unique company, that holds the exclusive proprietary software for issuance of digital invoices and the provision of remarketing and customer behaviour analyses services to increase its customers' conversion. As a result of the engagement, DTS is expected to significantly reduce the costs of integration with POS companies.
- Expanding relationship with KFC – in addition to the nationwide rollout across PH stores in Singapore, DTS was the only delivery optimisation technology company invited to present at KFC's global franchisee conference to be held in Orlando in May 2018.

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Appendix 4E – Preliminary Final Report for the Year Ended 31 December 2018

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	<u>Note</u>	Year ended 31 December	
		2018	2017
		USD	
Revenues		1,074,676	306,620
Expenses			
Research and development expenses	9	(3,030,579)	(1,258,515)
Selling and marketing expenses	10	(348,924)	(589,771)
Operating expenses	11	(1,902,627)	(1,588,685)
General and administrative expenses	12	(1,899,681)	(1,375,262)
Share based payment	7	(728,524)	(173,910)
Total operating expenses		(7,910,335)	(4,986,143)
<u>Operating loss</u>		(6,835,659)	(4,679,523)
Net finance expenses		(205,880)	20,464
<u>Loss before taxes on income</u>		(7,041,539)	(4,659,059)
Taxes on income		-	-
<u>Loss for the year</u>		(7,041,539)	(4,659,059)
Other comprehensive income (loss):			
<i>Amount that will not be reclassified subsequently to profit or loss:</i>			
Adjustments arising from translating financial statements from functional currency to presentation		(74,832)	157,117
Total comprehensive loss for the period		(7,116,371)	(4,501,942)
Loss per share (diluted and undiluted)	8	(3.17) cents	(2.58) cents

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

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Appendix 4E – Preliminary Final Report for the Year Ended 31 December 2018

Consolidated Statement of Financial Position

	Note	As at 31 December	
		2018	2017
		USD	
<u>Current Assets</u>			
Cash and cash equivalents	2	3,784,678	6,404,417
Trade receivables		376,854	44,725
Inventory		307,379	1,197
Other receivables		193,304	130,646
Total Current Assets		4,662,214	6,580,985
<u>Non-Current Assets</u>			
Other receivables		7,211	12,193
Property, Plant and Equipment	3	105,323	74,761
Total Non-Current Assets		112,534	86,954
Total Assets		4,774,748	6,667,939
<u>Current Liabilities</u>			
Trade payables		(279,974)	(294,222)
Other payables	4	(489,795)	(282,772)
Total Current Liabilities		(769,769)	(576,994)
Net Assets/(Liabilities)		4,004,979	6,090,945
<u>Equity</u>			
Issued capital	5	18,348,386	13,758,407
Reserves	6	1,504,880	1,139,286
Retained earnings		(15,848,287)	(8,806,748)
Total Equity		4,004,979	6,090,945

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

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Consolidated Statement of Changes in Equity

	<u>Share Capital</u>	<u>Foreign currency translation reserve</u>	<u>Share based payments reserve</u>	<u>Accumulated Losses</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Balance as at 1 January 2018	13,758,407	240,224	899,062	(8,806,748)	6,090,945
Comprehensive income					
Loss for the year	-	-	-	(7,041,539)	(7,041,539)
Total comprehensive loss for the year	-	-	-	(7,041,539)	(7,041,539)
Transactions with owners, in their capacity as owners, and other transfers					
Issue of share capital	4,601,334	-	-	-	4,601,334
Share issue costs	(11,355)	-	-	-	(11,355)
Options issued	-	-	440,426	-	440,426
Foreign exchange movements	-	(74,832)	-	-	(74,832)
Transactions with owners and other transfers	4,589,979	(74,832)	440,426	-	4,955,573
Balance as at 31 December 2018	18,348,386	165,392	1,339,488	(15,848,287)	4,004,979
Balance as at 1 January 2017	7,875,123	83,107	118,240	(4,147,689)	3,928,781
Comprehensive income					
Loss for the year	-	-	-	(4,659,059)	(4,659,059)
Total comprehensive loss for the year	-	-	-	(4,659,059)	(4,659,059)
Transactions with owners, in their capacity as owners, and other transfers					
Issue of share capital	6,850,553	-	-	-	6,850,553
Share issue costs	(967,269)	-	-	-	(967,269)
Options issued	-	-	780,822	-	780,822
Foreign exchange movements	-	157,117	-	-	157,117
Transactions with owners and other transfers	5,883,284	157,117	780,822	-	6,821,223
Balance as at 31 December 2017	13,758,407	240,224	899,062	(8,806,748)	6,090,945

The accompanying notes form an integral part of this consolidated statement of changes in equity.

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Consolidated Statement of Cash Flows

	Year ended	
	31 December	
	2018	2017
	USD	
<u>Cash flows from operating activities</u>		
Receipts from customers	742,548	243,023
Payments to suppliers and employees	(7,397,828)	(4,598,463)
Increase in inventory	(306,182)	1,197
Interest received	-	4,144
Net cash used in operating activities	(6,961,462)	(4,350,099)
<u>Cash flows from investing activities:</u>		
Payments for property, plant and equipment	(64,996)	(63,950)
Net cash used in investing activities	(64,996)	(63,950)
<u>Cash flows from financing activities:</u>		
Proceeds from issue of share capital	4,601,334	6,850,553
Proceeds from convertible loan	-	-
Share issue costs	(11,355)	(315,981)
Receipt (Repayment) of short-term credit from banks	-	(24,739)
Net cash provided by financing activities	4,589,979	6,509,833
Exchange differences on balances of cash and cash equivalents	(183,260)	133,205
Decrease/Increase in cash and cash equivalents	(2,619,739)	2,228,989
Cash and cash equivalents at the beginning of the year	6,404,417	4,175,428
Cash and cash equivalents at the end of the year	3,784,678	6,404,417

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

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors make a number of estimates and assumptions in preparing general purpose financial statements. The resulting accounting estimates, will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods if relevant.

Basis of preparation

The consolidated financial statements and notes of Dragontail Systems Limited (the “Company”), and its legal subsidiaries (the “Group”) as presented in this Appendix 4E are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Australian Accounting Standards are equivalent to International Financial Reporting Standards (“IFRS”). Compliance with Australian Accounting Standards ensures that these financial statements comply with International Financial Reporting Standards.

The following key judgement and estimate was made in preparing these financial statements:

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all the subsidiaries that DTS Australia has the power to control the Group when it is exposed to, or has rights to, variable returns from its involvement with the Group and has the ability to affect those returns through its power to direct the activities of the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Group. For the year ended 31 December 2016, the Group had been restructured as part of an IPO process with DTS Australia being incorporated on 14 September 2016. During the prior year, DTS Australia acquired DTS Israel and its subsidiaries. The transaction represented a common control transaction and had been accounted for as a continuation of DTS Israel.

The consolidated results of the year ended 31 December 2018 reflect a full year of the Group and the comparative year results reflect DTS Israel plus DTS Australia from the date of incorporation.

Share based payment expenses

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instrument at the date at which they are granted when the fair value of goods and/or services cannot be determined. The fair value of options granted is measured using the Black-Scholes option pricing model. The model uses assumptions and estimates as inputs.

The fair value of performance shares is measured valued at the date of issue. The model uses assumption and estimates as input.

Presentation and Functional Currency

The consolidated financial statements are presented in United States Dollars (USD), which is DTS Israel’s functional and presentational currency.

The functional currency of DTS Australia is the Australian Dollar (AUD). The functional currency of DTS USA is the United States Dollar. The functional currency of DTS Canada is the Canadian Dollar (CAD).

Note 1

The consolidated financial statements include financial statements of DTS Israel and the following subsidiary:

<i>Name</i>	<i>Country of Incorporation</i>	<i>% Equity Interest</i>	
		<i>2018</i>	<i>2017</i>
Dragontail Systems Limited (“DTS Israel”)	Israel	100%	100%
DragonTail Systems USA Inc. (“DTS USA”)	USA	100%	100%
DragonTail Systems Canada Inc. (“DTS Canada”)	Canada	100%	100%

Note 2

Cash and cash equivalents

	As of 31 December	
	2018	2017
	USD	
Cash and cash equivalents	3,784,678	6,404,417
	<u>3,784,678</u>	<u>6,404,417</u>

Note 3 – Property, Plant and Equipment

	Office equipment	Furniture	Leasehold improvements	Total
	USD			
Cost				
Balance as at 1 January 2018	73,412	28,294	15,820	117,526
Additions	68,537	1,394	397	70,328
Disposals	-	(4,235)	-	(4,235)
Balance as at 31 December 2018	<u>141,949</u>	<u>25,453</u>	<u>16,217</u>	<u>183,619</u>
Accumulated Depreciation				
Balance as at 1 January 2018	34,712	3,635	4,418	42,765
Depreciation for the year	25,100	4,590	5,841	35,531
Balance as at 31 December 2018	<u>59,812</u>	<u>8,225</u>	<u>10,259</u>	<u>78,296</u>
Property, Plant and Equipment as at 31 December 2018	<u>82,137</u>	<u>17,228</u>	<u>5,958</u>	<u>105,323</u>
Cost				
Balance as at 1 January 2017	38,598	11,835	3,143	53,576
Additions	34,814	16,459	12,677	63,950
Disposals	-	-	-	-
Balance as at 31 December 2017	<u>73,412</u>	<u>28,294</u>	<u>15,820</u>	<u>117,526</u>
Accumulated Depreciation				
Balance as at 1 January 2017	15,944	1,373	524	17,841
Depreciation for the year	18,768	2,263	3,894	24,924
Balance as at 31 December 2017	<u>34,712</u>	<u>3,635</u>	<u>4,418</u>	<u>42,765</u>
Property, Plant and Equipment as at 31 December 2017	<u>38,700</u>	<u>24,658</u>	<u>11,402</u>	<u>74,761</u>

Note 4 - Other payables

	As of December 31	
	2018	2017
	USD	
Payroll liabilities	(389,898)	(178,397)
Provision for annual leave	(99,897)	(104,375)
	<u>(489,795)</u>	<u>(282,772)</u>

Note 5 - Share Capital

Composition:	As at 31 December		As at 31 December	
	2018		2017	
	No	USD	No	USD
Ordinary shares	248,000,000	18,348,386	213,500,000	13,758,407

Appendix 4E – Preliminary Final Report for the Year Ended 31 December 2018

A reconciliation of the movement in capital and reserves for the Company can be found in the Statement of Changes in Equity.

Movement in share capital:

	December 2018	
	No.	USD
Opening balances as at 1 January 2018	213,500,000	13,758,407
Issue of shares – Placement ⁸	32,500,000	4,313,202
Issue of shares – Shares subject to buy-back	2,000,000	288,132
Less: share issued cost	-	(11,355)
	<u>248,000,000</u>	<u>18,348,386</u>

Movement in share capital:

	December 2017	
	No.	USD
Opening balances as at 1 January 2017	173,500,000	7,875,123
Issue of shares – Placement ⁸	40,000,000	6,850,553
Less: share issued cost	-	(967,269)
	<u>213,500,000</u>	<u>13,758,407</u>

- 1 On 11 October 2018, 32,500,000 shares were issued at AUD\$0.187 per share under a placement.
- 2 On 20 June 2018, 2,000,000 shares were issue to Mark Bayliss under his Agreement for Appointment. On 30 November 2018 the Company announced that it had, under that same Agreement, exercised its right to buy back the shares for total consideration of \$1.00. Shareholder approval of the selective buy-back will be sought at the Company's Annual general Meeting.
- 3 On 31 October 2017, 40,000,000 shares were issues at AUD\$0.22 per share, under a placement.

Note 6 - Reserves

	As at 31 December	
	2018	2017
	USD	
Share based payment reserve ²	1,339,488	899,062
Foreign currency translation reserve ¹	165,392	240,224
Closing balance	<u>1,504,880</u>	<u>1,139,286</u>

¹ This reserve is used to record the value of equity benefits for options and performance shares issued for nil cash consideration.

² The foreign currency exchange reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Note 7 – Options

On 20 June 2018, 1,500,000 options vesting immediately were issued pursuant to a mandate for the provision of corporate advisory services. The issue of options is valued at the fair value on grant date as the fair value of the services received was not able to be reliably valued. These options have a fair value of AUD \$86,784 (approximately USD64,116). The fair value of the options is determined using Black-Scholes option valuation methodology and applying the following inputs.

	<u>Options</u>
Exercise Price (AUD)	\$0.40
Grant Date	20 June 2018
Expiry Date	20 June 2021
Risk Free Rate	1.95%
Volatility	100%
Total Value of Options (AUD)	\$86,784
Total Value of Options (USD)	\$64,116

On 30 June 2018, 866,666 options vesting immediately were issued pursuant to the Employee Incentive Option Plan approved at the Annual General Meeting held on 21 May 2018. The issue of options is valued at the fair value on grant date. These options have a fair value of AUD \$31,176 (approximately USD23,033). The fair value of the options is determined using Black-Scholes option valuation methodology and applying the following inputs:

	<u>Options</u>
Exercise Price (AUD)	\$0.22
Grant Date	30 June 2018
Expiry Date	30 June 2019
Risk Free Rate	1.95%
Volatility	100%
Total Value of Options (AUD)	\$31,176
Total Value of Options (USD)	\$23,033

Note 7 – Options (continued)

During the year ended 31 December 2016, 1,500,000 incentive options were issued by DTS Australia to Paul Steele as part of his remuneration and to incentivise his performance as contemplated by its Prospectus dated 28 September 2016 and Supplementary Prospectus dated 28 October 2016. The issue of options was valued at AUD \$164,512 (approximately USD118,659). On 21 May 2018 shareholders approved the extension of the expiry date from 31 December 2018 to 31 December 2019. The Company has reassessed the value of the options and an additional expense recognised. The fair value of the options is determined using Black-Scholes option valuation methodology and applying the following inputs:

	<u>Options</u>
Exercise Price (AUD)	\$0.25
Expiry Date	31 Dec 19
Risk Free Rate	1.82%
Volatility	110%
Original Total Value of Options (AUD)	\$164,512
Original Total Value of Options (USD)	\$118,240
Revised Total Value of Options (AUD)	\$190,399
Additional Share Based Payment Expense (AUD)	\$25,887
Additional Share Based Payment Expense (USD)	\$19,126

On 29 June 2018, the Company granted 8,725,000 Employee Incentive Options under the Employee Incentive Option Plan approved at the Annual General Meeting held on 21 May 2018. The issue of options is valued at the fair value on grant date. The options have a total fair value of AUD \$995,775 (approximately USD736,276) which will be expensed in accordance with the vesting periods of the options. The Company has recognised an expense of AUD \$451,922 (approximately USD334,151) in the current reporting period. The fair value of the options is determined using Black-Scholes option valuation methodology and applying the following inputs:

	<u>Options</u>
Exercise Price (AUD)	\$0.22
Grant Date	29 June 2018
Expiry Date	29 June 2025
Risk Free Rate	1.95%
Volatility	100%
Total Value of Options (AUD)	\$995,775
Total Value of Options (USD)	\$736,276

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Note 8 - Loss per share

Basic loss per share:

The loss and weighted number of ordinary shares used in the calculation of basic loss per share are as follows:

	As of December 31	
	2018	2017
	USD	
Loss attributable to ordinary equity holders	(7,041,539)	(4,659,059)
Balance as at 1 January/balance before transaction	213,500,000	173,500,000
Effect of shares issued for the acquisition (2,000,000 shares) (i)	-	-
Effect of shares for the IPO (32,500,000*19/365 days)	-	-
Effect of shares issued during the year	8,439,726	6,794,521
	<u>221,939,726</u>	<u>180,294,521</u>
Basic loss per share calculation (cents) (loss/weighted ave shares)	<u>(3.17)</u>	<u>(2.58)</u>

(i) Includes the effect of the transaction (under continuation accounting) for the purposes of the comparative earnings per share

Note 9 - Research and development expenses

	Year ended	
	December 31	
	2018	2017
	USD	
Payroll and related expenses	2,000,602	704,036
Subcontractors	171,650	381,669
Camera development	567,936	-
Travel abroad	130,115	1,369
Taxes and fees	30,475	64,984
Training and recruitment	92,547	-
Office expenses	10,075	11,605
Other R&D expenses	106,681	94,852
R&D refund	(79,502)	-
	<u>3,030,579</u>	<u>1,258,515</u>

Note 10 - Selling and marketing expenses

	Year ended	
	December 31	
	2018	2017
	USD	
Payroll and related expenses	168,280	181,716
Subcontractors	2,127	45,230
Travel abroad	178,517	263,870
Other advertising and marketing expenses	-	98,955
	<u>348,924</u>	<u>589,771</u>

Note 11 – Operating expenses

	Year ended	
	December 31	
	2018	2017
	USD	
Payroll and related expenses	1,001,172	729,262
Software and program operating	290,403	225,301
Subcontractors	108,507	108,716
Travel abroad	390,140	459,533
Office expenses	8,021	4,443
Communications	104,384	52,112
Others	-	9,318
	1,902,627	1,588,685

Note 12 - General and administrative expenses

	Year ended	
	December 31	
	2018	2017
	USD	
Payroll and related expenses	627,113	374,727
Subcontractors	56,840	109,389
Professional services	346,061	325,454
Travel abroad	11,573	53,455
Office expenses	209,119	124,764
Rent	165,965	78,728
Director fees	136,929	105,817
Public company expenses	131,160	129,508
Depreciation	35,531	24,924
Others	179,390	48,496
	1,899,681	1,375,262

Note 13 - Segment information

The operating segments are identified on the basis of information that is reviewed by the chief operating decision maker ("CODM") to make decisions about resources to be allocated and assess its performance. Accordingly, for management purposes, the Company is organised into operating segments based on the services of the business units. The company recognises activities of software for customers in the field of QSR (quick service restaurant) as the only reporting segment.

	Segment revenue		Segment Expenses	
	2018	2017	2018	2017
	USD		USD	
Segment Revenue and Results				
Software research and development	1,074,676	306,620	(3,030,579)	(1,258,515)
Total for continuing operations	1,074,676	306,620	(3,030,579)	(1,258,515)
Finance expenses (net of finance income)	-	-	(205,880)	20,464
Selling and marketing expenses	-	-	(348,924)	(589,771)
General and administrative expenses	-	-	(1,899,681)	(1,375,262)
Operation expenses	-	-	(1,902,627)	(1,588,685)
Share based payment	-	-	(728,524)	(173,910)
Loss before tax (continuing operations)	1,074,676	306,620	(8,116,215)	(4,965,679)

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	<u>2018</u>	<u>2017</u>
	<u>USD</u>	
Segment Assets		
Unallocated assets	4,774,748	6,090,945
Total assets	<u>4,774,748</u>	<u>6,090,945</u>
	<u>2018</u>	<u>2017</u>
	<u>USD</u>	
Segment Liabilities		
Unallocated liabilities	(769,759)	(576,994)
Total liabilities	<u>(769,759)</u>	<u>(576,994)</u>

Geographic information

Revenues reported in the financial statements derive from the Company's country of domicile (Israel) and foreign countries based on the location of the customers, are as follows:

	<u>Year ended December 31</u>	
	<u>2018</u>	<u>2017</u>
	<u>USD</u>	
Israel	157,264	50,162
Australia	734,987	57,491
Canada	157,866	194,647
USA	24,560	4,320
Total revenues	<u>1,074,676</u>	<u>306,620</u>

Revenues from major customers which each account for 10% or more of total revenues as reported in the financial statements:

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	
Customer A	714,990	57,491
Customer B	130,032	-
Customer C	95,542	194,647