

12 September 2018

ASX Announcement

**THE ALGO, SELECTED AS THE MANDATORY SOLUTION FOR PIZZA HUT IN CANADA FOR STREAMLINING RESTAURANT AND DELIVERY OPERATIONS**

**Highlights:**

- **Dragontail's flagship products, The Full "Algo" and the Algo Light Platforms have been selected as the Brand standard solution for PH stores in Canada.**
- **Dragontail has signed a unique agreement with Pizza Hut Canada Company Inc which is part of the world's largest QSR company, YUM!, designating Dragontail's technology as the brand mandated standard product for all PH stores in Canada.**
- **The agreement marks a major milestone since the Company was listed on the ASX, seeing the DTS technology go from winning over corporate and individual franchisees to being universally mandated in Canada by YUM!**
- **PH Canada currently consists of 360 stores, and expected to reach 400 stores by the end of 2019. The expectation is for the roll-out to be completed by the end of Q1 2019.**
- **As part of the Agreement, the new game changing product - "Driver sharing" - is offered to all franchisees as an optional add-on module.**
- **Together with other secured accounts, this engagement puts Dragontail on its planned roll out of 1,000 stores installed by year end.**

12 September 2018 (Melbourne): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) is pleased to announce that it has signed a unique agreement with Pizza Hut Company Canada Inc (“PHCC”) which is part of the world's largest QSR chain, YUM!, designating Dragontail's Algo/Algo Light platform as the brand mandated standard product for the entire PH Canada.

Under the terms of the agreement between Dragontail and PHCC, PHCC has created an organized program in which the Algo Platform, the Algo Light Platform and the Driver Sharing Module will be presented to all PH stores by the end of 2018 and from 1 January 2019, the program will be announced as a mandatory installation program. The expectation is for the roll-out of the program to enable installation in all PH stores to be completed by the end of Q1 2019.

The roll out will include stores that are using PHCC’s third party provider (“Delivery Plus”) POS (point of sale) systems as well as the DTS Integration "Wiz Program". The "Wiz Program" enables every store to integrate with the Dragontail's Algo Platform regardless of the specific POS systems it uses, and is an innovative initiative born from the collaboration between Dragontail and Weezmo Technologies Ltd. The significant added value of the collaboration is the ability to shorten the installation process of the Algo and reduce resources and time needed for the integration process with the stores' infrastructure.

PH Canada currently consists of 360 stores, and is expected to reach 400 stores by the end of 2019. All stores will be presented with the Algo/Algo Light platform as part of the PHCC Program, under which installation of the platform is mandatory and will continue to be in the future.

The signing of the agreement was also due to the important involvement of UPGC Inc. (Unified Purchasing Group of Canada who represents all the PH Canadian Franchisees) who contributed significantly to advancing the initiative in order to improve the efficiency of PHCC.

Ido Levanon, Dragontail Systems' Managing Director said: "Pizza Hut Canada was one of Dragontail's first customers in its early days, and today we have reached a very inspiring and exciting achievement. Choosing our solution as mandatory for the entire PH chain across Canada is an unequivocal expression of confidence in our products and in Dragontail as a company. This is a statement that speaks for itself. We thank Pizza Hut for choosing us, and as we did from the start, we will continue to be committed to PH and to each and every of the franchisees and stores".

- END -

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**About Dragontail Systems**

Dragontail is revolutionising the Quick Service Restaurant (QSR) and foodservice industry with its Algo System and computer-vision QT quality system that uses artificial intelligence (AI) machine learning.

The Algo System uses a sophisticated patented algorithm to optimise and manage the entire food preparation process from order to delivery. It is the first system in the world to fully automate and streamline the kitchen flow to deliver an immediate and significant return on investment to fast food and quick service restaurants.

The QT system's sensor and camera automatically monitor the preparation and cooking process in the kitchen to improve the quality and consistency of meals. Using proprietary advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient.

For more information, visit [www.dragontailsystems.com](http://www.dragontailsystems.com).