Dragontail Systems Deepening its Relationships with Leading Global Brands

Key highlights:
- Rollout of the Algo platform to Pizza Hut Canada franchisees progressing to plan, with additional geographies under consideration
- First Pizza Hut and KFC stores in Cyprus now installed with the Algo platform
- Only delivery management platform invited to participate at KFC Asia's upcoming regional "store of tomorrow" convention
- Reached advanced integration stage with Cara Operations, the largest QSR/fast casual company in Canada
- Aggressive Australia-wide rollout planned for Domino's Pizza Checker (Dragontail System's QT camera)
- Gold partner integration with Oracle positions Dragontail Systems for a large push into the North American QSR market, and globally

21 December 2017 (Melbourne): **Dragontail Systems Limited** (ASX: DTS) is pleased to update the market on its progress delivering on the global opportunities available to it.

The rollout of the Algo platform to Pizza Hut Canada franchisees is progressing to plan, with additional geographies under consideration

Having successfully completed the rollout of the Algo platform to all Pizza Hut Canada corporate owned stores, Dragontail Systems is now rolling out the Algo to franchisee stores in Canada. This rollout is progressing to plan, with 11 different franchisees now using the Algo.

As with KFC, Dragontail is broadening its relationship with Pizza Hut (another Yum! Global brand), with new additional geographies outside of Canada currently being evaluated given the substantial benefits delivered by the Algo platform to the Pizza Hut Canada stores utilising the platform.

First Pizza Hut and KFC stores in Cyprus now installed with the Algo platform

In addition to integration work for the Algo platform into Burger King Cyprus stores owned by PHC Franchised Restaurants, the Algo platform has now also been installed in the first Pizza Hut and KFC stores in Cyprus.

Building on successful pilots in Singapore, Dragontail Systems was the only delivery management platform invited to participate at KFC Asia's upcoming regional "store of tomorrow" convention

Having successfully rolled out pilot stores in Singapore, Dragontail Systems was recently invited to participate at KFC Asia's "store of tomorrow showcase" regional convention in Bangkok on 16-18 January. This convention will host KFC's strategic partners and focus, amongst other things, on technology strategy.

In relation to delivery management systems, Dragontail Systems will be the only company participating and presenting its system – the Algo end-to-end platform that utilises machine learning artificial intelligence [AI] – to several hundred KFC regional franchisees. This invitation reflects the broadening relationship Dragontail Systems has with KFC regionally as well as globally.

Reached advanced integration stage with Cara Operations (the largest QSR/fast casual company in Canada)

Dragontail Systems recently reached the advanced integration stage with Cara Operations for the implementation of its Algo platform. This is the first time Dragontail Systems has had to integrate its platform with VisionMAX. VisionMAX's Retail in the Cloud platform is the leading cloud based retail software system that runs in a web browser turning virtually any computer or tablet device into a POS terminal.

Aggressive rollout planned for Domino's Pizza Checker in Australia

Domino's Pizza Enterprises is planning an aggressive roll out of the Pizza Checker camera system – Dragontail System's QT machine learning artificial intelligence [AI] quality control camera – covering all its Australian stores in 2018. Domino's Pizza Enterprises is the pioneer QSR chain globally to adopt this breakthrough technology.

Gold partner integration with Oracle positions Dragontail Systems for a large push into the North American QSR market, and globally

Dragontail System's Algo platform will be integrated with the full suite of Oracle Hospitality's (previously known as MICROS Systems Inc) POS systems.

Oracle Hospitality is a leading provider of integrated software and hardware solutions to the hospitality and retail industries. Its solutions support different restaurant sizes and styles, including products for single-entity restaurants, major chain restaurants (with centralised reporting), and multiple-restaurant properties. In 2014 when Oracle closed the acquisition of MICROS, MICROS had more than 6,600 employees with deep domain expertise, and products in use across 330,000 customer sites in 180 countries.

As of today, the integration between the companies' systems is in its final stages and will be completed shortly. This partnership is expected to lead to a significant number of joint customers, both existing and new. North America, and in particular the US, represents a significant market opportunity for Dragontail Systems, with more than 240,000 QSRs and 620,000 restaurants in the food industry.

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About Dragontail Systems
Dragontail is revolutionising the Quick Service Restaurant (QSR) 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.