

# Dragontail Commences Commercial Rollout to Pizza Hut Stores in Quebec

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## Dragontail commences commercial rollout to Pizza Hut stores in Quebec

### Highlights

- Dragontail further expands its market reach into Canada with the rollout of its Algo Dispatching System in the province of Quebec
- The Algo Dispatching System will be installed into around two dozen Pizza Hut stores in Quebec starting from the week of 16 January 2017, with five stores already completed
- Dragontail has also released a French version of the Algo for use in French speaking restaurants in Quebec
- Canada represents a significant market opportunity for Dragontail with the fast food industry generating several billion US dollars in annual revenue

**Dragontail Systems Limited** (ASX: DTS, the "Company") is pleased to announce that it has commenced the commercial rollout of its Algo Dispatching System (Algo) to Pizza Hut Canada stores following a successful trial.

The Algo is already installed into more than 10 Pizza Hut stores in Ontario, and was just installed in five Quebec stores with a further rollout of the system to approximately 20 additional stores in Quebec over a five-week period commencing from the week of 16 January 2017.

In addition to the Ontario and Quebec stores, Dragontail plans to expand to Pizza Hut restaurants in other Canadian provinces later this year.

Canada represents a significant market opportunity for Dragontail with close to 400 Pizza Hut restaurants across that country and with a significant number of new restaurants expected to open in the next two years. Canada is also home to over 16,000 Quick Service Restaurants (QSR), which generate several billion US dollars in annual revenue (<http://www.ibisworld.ca/industry/fast-food-restaurants.html>).

Quebec is the predominately French speaking province of Canada, and in order to better serve this market, Dragontail has developed a French language version of the Algo. The ability to produce a multilingual version of the Algo is an important milestone for Dragontail as it will allow the Company to target other lucrative non-English speaking markets.

"We expect the rollout of the Algo Dispatching System to accelerate from here because of the clear and obvious benefits that our system brings to the QSR industry in terms of operational efficiencies, cost savings and customer satisfaction," said Dragontail's Managing Director, Ido Levanon.

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### About Dragontail Systems

Dragontail is revolutionising the Quick Service Restaurant (QSR) industry with its Algo System, which uses a sophisticated patented algorithm to optimise and manage the entire food preparation process from order to delivery. The Algo is the first system in the world to fully automate and streamline the kitchen flow to deliver an immediate and significant returns on investment to fast food and quick service restaurants. The Algo is setting a new standard for the global industry with number of chains, such as Pizza Hut in North America and Israel, and a large Israeli burger chain, already using the system.