

DRAGONTAIL EXPANDS COLLABORATIONS WITH LEADING AGGREGATORS, AND CONTINUES PENETRATING NEW MARKETS

Highlights

- Leading 'Aggregator' relationships (third party delivery operators) continue to expand and form a key strategic role for Dragontail as it expands its global presence.
- New Aggregator collaborations entered into with Uber Eats, Deliveroo, GRAB (acquired Uber south Asia) and FOOD PANDA.
- Recent new signed contracts with QSR chains globally leads to further and wider expansion – Dragontail has conquered all continents, having its operations also expand to South Africa, Spain, Germany and Sweden.

6 October 2020: Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”), bringing process efficiency and improving customer satisfaction through its Algo SaaS platform and QT AI camera system to the Quick Service Restaurant (QSR) and foodservice industry, is pleased to announce that it has expanded its collaborations with leading 'Aggregators' around the world to include Uber Eats, Deliveroo, GRAB and FOOD PANDA, which are significant platforms for deploying the Algo Platform in thousands of stores globally.

Aggregator strategic rationale

In view of the growing trend of restaurants using Aggregators as a conduit for operating food deliveries, Dragontail has created a network of relationships with leading Aggregators in order to strengthen its position as a leader in the QSR sector. This involves undertaking integrations between the Algo Platform and Aggregators' technology systems. These latest collaborations follow announcements over the past year with Aggregators on multiple continents including with DoorDash (US), ZEEK (formerly "Kin Shun" - Singapore), Stuart Delivery (EU), Postmates (US) and Yello (Australia) who work with a huge number of QSR chains.

Collaborations formed with Aggregators cover a number of aspects including operational data interchange (via APIs) and commerciality (may result in variable transactional revenues). This will also enable an entry point for prospective QSR's who up until now only used Aggregators to fulfill their delivery needs.

Mr. Ido Levanon, Dragontail's Managing Director, commented: *"We have been growing our collaborations with Aggregators around the world, and see it as a significant segment in our plans to expand and increase revenue per location."*

Along with continued expansion and penetration of contracts with QSR restaurants, we are very well placed. This is despite the pace of installations being impacted by Covid that we expect to continue to pick-up even more in the current December quarter. The benefit of our more recent installations started prior to Covid and its positive impact on recurring revenue billing is yet to be reported, which we will release later this month for the September quarter. Now almost every QSR chain understands the essence and need of Dragontail's delivery technology."

Dragontail is starting the integration with Uber Eats in the US with the intention to expand to other countries. This is the last remaining major Aggregator to partner with the Company, following some of the world's leading aggregators that are working with Dragontail – Deliveroo, a leading Aggregator operating in hundreds of locations mainly across Europe and Asia; GRAB, a multinational ride hailing company based in Singapore; FOOD PANDA, a mobile food delivery marketplace that operates in approximately 50 countries, mostly in the Asia Pacific

region; DoorDash in the US and Australia; Postmates, one of America's leading food delivery Aggregators; ZEEK (formerly "Kin Shun") operates mainly in Singapore, Stuart Delivery in the UK and Yello in Australia.

Corporate global activity update

Over the past few months Dragontail has signed new contracts with QSR chains globally, leading to wider and deeper expansion in new and existing channels. Dragontail has conquered all continents, expanding its operations into South Africa, Spain, Germany and Sweden (in addition to the recent announcement of the major contract with Food Delivery Brands Group, 1 October 2020).

African continent: Dragontail signed an agreement with YUM! Brands and is already live with its Algo Delivery Platform in several markets across the growing African continent. The rollout into the first 70 Pizza Hut South Africa ("**PH SA**") stores has started after successfully completing the integration with in-store systems.

This win represents the Company's foothold in the African continent, in addition to other nation-wide markets already installed with the Algo Platform around the world (Asia, North America, Australia, and Europe).

Further presence across the European continent: Apart from the Company's existing operations in the UK, Belgium and Cyprus, the Company has recently started its operations in Germany with the roll out of the Algo Platform underway via AM Group, for 24 KFC and 16 Pizza Hut stores (as announced in July).

Dragontail will also start its operations in Spain and Sweden, having its Algo Platform installed in Pizza Hut stores.

This ASX Announcement was approved and authorised by Dragontail's Managing Director.

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About Dragontail Systems

Dragontail is revolutionising the Quick Service Restaurant (QSR) and foodservice industry with its core technology offering being its patented **Algo Platform** and **QT AI camera system**, sold under a cloud-based monthly subscription-based Software-as-a-Service (SaaS) revenue model which results in time and cost savings, and improved customer satisfaction through:

- Optimising and managing kitchen process task flow and timing from order to delivery
- Checking food quality and consistency
- Providing customers visibility over their food orders
- Acting as a valuable training tool for staff
- Controlling for food hygiene and sanitisation
- Managing driver activities leading to increased efficiency

The **Algo Platform** 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 Algo integrates into a QSR's point of sale (POS) system.

The **QT AI camera** system's sensor and camera automatically monitor the preparation and cooking process in the kitchen. Using proprietary patented advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient. The QT has been upgraded in 2020 for hygiene and sanitisation checking. Dragontail's offering consists of:

1. **Total Technology solution:** Algo Platform + POS + online ordering developed by Dragontail in partnership, resulting in a full and ready integration).
2. **Algo Platform or full Algo:** Ready to integrate into an existing QSR POS system, managing the entire food preparation process from order to delivery.
3. **Algo Lite:** A delivery module – driver tracking and order aggregation. A QSR may begin with this system and migrate across to the full Algo over time.
4. **QT AI camera quality system:** Proprietary developed camera hardware and software used to quality control food preparation.

Dragontail is rolling out its technology globally and has signed contracts with leading QSR franchisors and franchisees including key contracts with Yum! Brands, TelePizza and household names like Dominos, Pizza Hut and KFC, and has formed partnerships with global aggregators (third party delivery operators such as Deliveroo, DoorDash, Grab and FOOD PANDA), across a growing number of countries globally.

For more information, visit www.dragontail.com.