

30 March 2020

DRAGONTAIL PARTNERS WITH YUM! FOR LATIN AMERICA

Highlights

- **Dragontail partners with YUM! Restaurants International, Inc for deploying its Algo Platform in Pizza Hut stores operated by Telepizza, a major franchisor, in Latin America and Iberia.**
- **This collaboration marks Dragontail's continued penetration of major global markets.**
- **Telepizza is a significant pizza delivery franchisor with a presence in more than 20 countries and more than 2,500 stores.**

30 March 2020 (Australia): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) is pleased to announce that it has entered into a Statement of Work (“SOW”) with YUM! Restaurants International, Inc (“**YUM! LA**”) for deploying its Algo Platform in Pizza Hut stores for Telepizza Group S.A., a company incorporated in Spain (“**Telepizza**”). Telepizza is the largest Pizza Hut franchisee in the world¹ with over 2,500² stores primarily in Europe and Latin America. Installation in Telepizza's 943² Latin American Pizza Hut stores is to commence once the testing phase in the first 2 stores in Ecuador is successfully completed.

Telepizza is a significant pizza delivery business, listed on the Spanish stock exchanges, with a presence in more than 20² countries through more than 2,500 franchised and owned stores, operating in Spain, Latin America and other countries of the Europe.

The collaboration started with a successful implementation of the Algo Platform in 2 stores in Ecuador following the integration with the POS (Point of Sale), and after a successful completion, will continue to other Telepizza markets in the Pizza industry.

Mr. Gasca, Jose, Sr. Manager IT, at YUM! LA, commented: "We are very pleased with the quick integration and implementation of the Algo system so far and excited about the installation of the Algo platform in our first stores, which will be a showcase for its capabilities in our stores. I am looking forward to the extensive implementation across many of our markets".

Mr. Ido Levanon, Dragontail's Managing Director, commented: "I believe the connection between the companies is synergistic, especially in light of YUM! LA's adherence to the preparation of pizzas with maximum attention to detail and accurate preparation. The Algo, will complement those elements, by maximizing efficiency and accuracy in the food preparation, kitchen function and delivery processes that will be performed in the best possible way."

¹ Telepizza Group S.A. Annual Accounts 31 December 2018

² Telepizza Group S.A. 9 month to 30 September 2019 Results Presentation

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About Dragontail Systems

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

The Algo Platform 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 and is currently installed in approximately 1,250 stores.

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 patented advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient and is currently installed in approximately 850 stores.

For more information, visit www.dragontailsystems.com.

This ASX Announcement was approved and authorised by Dragontail's Board of Directors.

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