DRAGONTAIL SCHEME IMPLEMENTATION UPDATE

16 July 2021: Dragontail Systems Limited (ASX:DTS, **Dragontail** or **DTS**), 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 provide an update on the Scheme of Arrangement (**Scheme**) to effect the acquisition by Yum Connect Australia Pty Ltd, as follows:

- The Federal Court of Australia (**Court**) has today made orders relating to convening a meeting of DTS ordinary shareholders to consider and vote on the Scheme (**Scheme Meeting**).

- The Scheme Meeting will be held virtually (online) and at Level 9, 40 St Georges Terrace, Perth WA 6000, Australia at 12 noon (Perth time) on 23 August 2021.

- The Court also approved the distribution to DTS ordinary shareholders of an explanatory statement providing information about the Scheme, the Independent Expert's Report and notice of the Scheme Meeting (together, **Scheme Booklet**).

- The Scheme Booklet will be registered with the Australian Securities and Investments Commission, following which a further announcement attaching the Scheme Booklet will be released to the ASX.

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

Ido Levanon, CEO
P: +61-3 9010 5759

Glen Zurcher, Investor Relations
P: +61 420 249 299 / glen@viriair.com

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, KFC, Papa John's and Sweetgreen, and has formed partnerships with global aggregators (third party delivery operators such as Uber Eats, Deliveroo, DoorDash, Grab and FOOD PANDA), across a growing number of countries globally.

For more information, visit www.dragontail.com.