

26 September 2018

ASX Announcement

**DRAGONTAIL GOING LIVE WITH ITS ALGO PLATFORM
AT KFC'S FIRST STORES IN THE PHILIPPINES**

Highlights:

- **Following a successful pilot of Dragontail's Algo platform in KFC Singapore that was completed earlier this year, KFC Philippines has decided to move forward and install the Algo in its first two stores, with intention for nationwide expansion.**
- **The potential for continued engagement is the roll out of the Algo platform into more than 230 KFC stores across the Philippines.**
- **The progress towards additional market indicates the continued deepening of the company's grip in Asia, as well as evidence of strengthening relations with KFC globally.**

26 September 2018 (Melbourne): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) is pleased to announce that KFC Philippines has decided to move forward and install the Algo platform in two of its stores. This significant decision was made following a successful pilot in Singapore.

KFC Philippines has more than 230 stores and represents a significant opportunity for the Company in Asia. This continued growth after the rapid success of the roll out to all of Pizza Hut Singapore shows DTS is growing its penetration in Asia including developing its relationship with Jubilant foods in India.

Dragontail has an established relationship with KFC globally, in which it has also presented at the KFC global franchisee conference in Orlando last May, as the only delivery optimization technology company invited to do so, in addition to the company's participation at KFC Asia's regional “store of tomorrow” convention in January.

Dragontail holds the "Algo" Dispatch System, which streamlines the kitchen experiences for a quick service restaurants (QSR), as well as the QT camera quality control system. Through those flag ship products and other modules Dragontail has invented, it provides process optimization software and algorithms, also deploying software that utilizes Artificial Intelligence (AI) and advanced machine learning.

Ido Levanon, Dragontail Systems' Managing Director commented: "we are very pleased from the initial progress we have made with KFC globally and we are confident that this is only the beginning for a vast cooperation with KFC global chains".

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About Dragontail Systems

Dragontail is revolutionising the Quick Service Restaurant (QSR) and foodservice 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.