



KFC to Test Plant-Based Chicken at Select Stores in China

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SHANGHAI, April 27, 2020 /PRNewswire/ -- Kentucky Fried Chicken ("KFC") China, operated by Yum China Holdings, Inc. (the "Company" or "Yum China") (NYSE: YUMC) has become one of the first national Western QSR (quick service restaurant) brands to introduce a plant-based meat product to China. For a limited test period between April 28-30, *KFC Plant-Based Chicken Nuggets* will debut at three participating stores in three Tier 1 cities across China.



During the test period, KFC customers in Shanghai, Guangzhou, and Shenzhen will have the opportunity to sample the new *KFC Plant-Based Chicken Nuggets* in-store, at a special price of RMB 1.99 for five pieces. Pre-sale coupons are required for participating in the test and over 7,000 were purchased on the KFC APP when available between April 20-23. The enthusiasm of KFC customers for the upcoming test is clear and in Shanghai, pre-sale coupons for the first day sold out within one hour. To convey the plant-based concept of the product, tuning in to vitality and a more sustainable lifestyle, participating stores will be given a green makeover throughout the test period. KFC is inviting customers to share their feedback on the new product in order to optimize flavors and processes and help assess the potential for a larger scale rollout in the future.



"We are committed to embracing innovation and continue to delight and surprise our customers with tasty products," said Joey Wat, CEO of Yum China. "The test of *KFC's Plant-Based Chicken Nuggets* caters to the growing market in China for delicious alternative meat options on the go. We believe that testing the plant-based chicken concept with one of our most iconic products will take this increasingly popular meatless trend to a new level."

KFC is partnering with Cargill to test *KFC Plant-Based Chicken Nuggets* in China, benefitting from their global supply chain resources and extensive experience in the field of plant-based meat production. *KFC Plant-Based Chicken Nuggets* include high-quality protein such as soy, wheat, and special pea, which help create a taste that is as close as possible to real chicken. After being cooked, KFC's famous crispy golden layer is added, perfected for Chinese palates with a small amount of locally sourced water chestnut to make the *KFC Plant-Based Chicken Nuggets* juicer and more delicious.

Plant-based meat products, using plant protein as the raw material, have become an increasingly popular concept around the world. In August 2019, KFC US attracted wide attention when it became the first national U.S. QSR brand to test plant-based chicken during a limited release at a KFC store in Atlanta. As one of the first Western QSR brands to introduce a plant-based meat product to China, the *KFC Plant-Based Chicken Nuggets test* builds on Yum China's long track record of innovation, which has included new and exciting menu options across various dayparts and categories. With this test, KFC China joins its global counterpart in helping to popularize meat alternatives.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements generally can be identified by the fact that they do not relate strictly to historical or current facts and by the use of forward-looking words such as "expect," "expectation," "believe," "anticipate," "may," "could," "intend," "belief," "plan," "estimate," "target," "predict," "likely," "will," "should," "forecast," "outlook," "look forward to" or similar terminology. These statements are based on current estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable under the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements are not guarantees of performance and are inherently subject to known and unknown risks and uncertainties that are difficult to predict and could cause our actual results to differ materially from those indicated by those statements. We cannot assure you that any of our expectations, estimates or assumptions will be achieved. The forward-looking statements included in this press release are only made as of the date of this press release, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. You should consult our filings with the Securities and Exchange Commission (including the information set forth under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K) for additional detail about factors that could affect our financial and other results.

About Yum China Holdings, Inc.

Yum China Holdings, Inc. is a licensee of Yum! Brands in mainland China. It has exclusive rights in mainland China to KFC, China's leading quick-service restaurant brand, Pizza Hut, the leading casual dining restaurant brand in China, and Taco Bell, a California-based restaurant chain serving innovative Mexican-inspired food. Yum China also owns the East Dawning, Little Sheep, Huang Ji Huang, and COFFii & JOY and concepts outright. The Company had 9,200 restaurants in over 1,300 cities at the end of December 2019. Yum China ranked # 362 on the Fortune 500 list for 2019. In 2020, Yum China was named to the Bloomberg Gender-Equality Index and was certified as a Top Employer 2020 in China by the Top Employers Institute, both for the second consecutive year. For more information, please visit <http://ir.yumchina.com>.

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