Enhancing Customer Experience with Innovative Technologies

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Yum China is utilizing its industry leading digital capabilities to enhance customer experience, drive growth, and optimize operational efficiency.

SHANGHAI, Dec. 17, 2020 /PRNewswire/ -- Yum China Holdings, Inc. (the "Company" or "Yum China", NYSE: YUMC and HKEX: 9987) continues to enhance the customer experience through the use of innovative and digital technologies across its brands. In 2020, the Company was among the first to pilot self-driving cars and smart meal lockers. In addition, interactive technologies have been introduced to enhance the dining experience, including the newly upgraded "KFC Super Dessert Station" and immersive restaurants.

"Against the unprecedented backdrop of COVID-19, the need for rapid innovation in our industry has never been greater. Customer preferences are constantly evolving, and new technologies are transforming the way we interact with our stakeholders," said Joey Wat, CEO of Yum China. "We will continue to explore and roll out new and exciting innovations to better serve our customers and communities and drive sustainable growth."

Pizza Hut and KFC Self-Driving Cars

In November 2020, Pizza Hut and KFC piloted a fleet of self-driving cars on the streets of Shanghai. Consumers were able to view breakfast options via a transparent display window and order through their mobile phones by scanning a QR code. After payment, the door of the car will automatically open and the order can be taken away by the customer. Meanwhile, to maintain meal quality standards, the car is equipped with proper insulation to ensure products are kept at the appropriate temperature. Additionally, the car supports sales by intelligently selecting its location based on data such as crowd density and customer order patterns. For example, during breakfast hours the car may locate itself near a subway station to capture commuter traffic, before moving to an office park during lunch. The mix of products available is also adjusted according to the time of day.

Smart Lockers Bolster Contactless Options

Early in 2020, KFC piloted smart lockers at select restaurants in Shanghai and Hangzhou, allowing customers to quickly collect their takeaway orders using their mobile phones. The smart lockers reduce the need for human contact and waiting lines, strengthening social distancing during the on-going COVID-19 pandemic. Outside its restaurants, KFC has set up smart lockers at busy locations such as office buildings.

Fully Automated "KFC Super Dessert Station"

Desserts remain an important growth area for Yum China. In 2020, KFC's fully automated dessert station was upgraded to offer customers a more enjoyable and unique DIY experience. In the upgraded version of KFC's unmanned dessert station, the "KFC Super Dessert Station", customers need only scan a QR code to order and select preferred toppings, after which a robotic arm will prepare the ice cream and hand it to them. As of November 2020, the newly upgraded "KFC Super Dessert Station" is available at select stores in 7 cities.

Creating an Immersive and Engaging Dining Experience

KFC has introduced motion-sensing technology to bring an immersive and highly entertaining virtual experience to play areas. An ultra-clear and large screen is installed in the play area, together with a fitness game "KFC Happy Farm", capturing children's movement in real time. It offers children an enjoyable and interactive game experience, while providing an opportunity for them to exercise and be active.

Additionally, Pizza Hut has introduced 5D immersive designs in some restaurants. In a recent collaboration to support the promotion of local cultural heritage, Pizza Hut displayed a 5D animation of Qiang embroidery patterns in select restaurants. Using multi-sensory technology, including visual projections and surround sound, Pizza Hut transformed the dining experience of participating restaurants, giving the look and feel of a museum.

In the process of constantly upgrading the overall customer experience, Yum China seamlessly combines aspects of food, technology and culture. The Company's relentless commitment to innovation is a major force behind its growth strategy, and a powerful digital ecosystem integrating online platforms with offline stores, is key to enhancing the customer experience with more fun and convenience.

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 and our Quarterly Reports on Form 10-Q) 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 Little Sheep, Huang Ji Huang, East Dawning and COFFii & JOY concepts outright. Yum China also partners with Lavazza to explore and develop the Lavazza coffee shop concept in China. The Company had 10,150 restaurants in over 1,400 cities at the end of September 2020. Yum China ranked # 361 on the Fortune 500 list for 2020. 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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