



Yum China Establishes Southwest Supply Chain Support Center in Chengdu

3/26/2021

SHANGHAI, March 26, 2021 /PRNewswire/ -- Yum China Holdings, Inc. (the "Company" or "Yum China", NYSE: YUMC and HKEX: 9987) announced the establishment of its Southwest Supply Chain Support Center in Chengdu's Chongzhou district during a groundbreaking ceremony today.



The Southwest Supply Chain Support Center in Chengdu is Yum China's first greenfield project, with a total investment of approximately RMB 183 million. It covers an area of approximately 34,000 square meters and is expected to be ready for service by mid-2022. The center combines integrated supply chain services, Internet of Things (IoT) technology, big data platforms and high-quality cold chain logistics facilities. It will further enhance Yum China's supply chain capabilities and cold chain logistics service in Southwest China and support the Company's rapid development.



"From the opening of the first KFC store in 1987, to over 10,000 stores in more than 1,500 cities today, a world-class smart, efficient and agile supply chain has always been essential to our growth," said Joey Wat, CEO of Yum China. "The pandemic in 2020 reinforced Yum China's determination to further invest in our supply chain infrastructure to better respond to external challenges. Looking forward, Yum China aims to create a stronger and more agile supply chain network to support the Company's long-term growth, allowing us to reach the goal of 20,000 stores even faster."

Since entering China more than 30 years ago, Yum China has invested heavily in the creation of a world-class supply chain management system that covers all stages from farm to fork. As of the end of 2020, Yum China had 25 logistics centers and 7 consolidation centers, covering more than 1,500 cities. Yum China also utilizes extra capacity of logistics facilities to provide one-stop customized solutions to third parties. An advanced and comprehensive cold chain design is employed at logistics facilities to ensure that the temperatures of chillers, freezers, inbound and outbound deliveries always meet Yum China's standards.

Since 2016, Yum China has embarked on an intelligent supply chain initiative that utilizes big data, IoT, artificial intelligence, and other cutting-edge technologies. The Company has established an intelligent supply chain that ensures food safety and quality management throughout the value chain. Yum China's intelligent IoT platform enables real-time monitoring of products and ambient temperature in in-transit vehicles across the country. The warehouse management system (WMS) is also in place to enable product e-tracking from suppliers to logistics centers, and to restaurants.

In the future, Yum China plans to step up investment in digital, logistics and other operational infrastructure, and work with partners to jointly build an innovative and industry leading supply chain.

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. In addition, Yum China has partnered with Lavazza to explore and develop the Lavazza coffee shop concept in China. The Company had 10,506 restaurants in over 1,500 cities at the end of December 2020. Yum China ranked # 361 on the Fortune 500 list for 2020. Yum China has been named the Industry Leader for the Restaurant & Leisure Facilities Industry in the 2020 Dow Jones Sustainability Indices. In 2021, Yum China was named to the Bloomberg Gender-Equality Index and was certified as a Top Employer 2021 in China by the Top Employers Institute, both for the third consecutive year. For more information, please visit <http://ir.yumchina.com>.

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