



Ready to pay? Just smile. Yum China launches new KPRO store in Hangzhou

1 September, 2017

- A fresh and digitally connected experience for urban professionals

- Brings facial recognition payment solution to consumers for the first time globally

SHANGHAI, Sept. 1, 2017 /PRNewswire/ -- Yum China Holdings, Inc. ("Yum China") (NYSE: YUMC), today announced that it has launched a new restaurant concept, KPRO by KFC in Hangzhou, China. Designed to offer a fresh, seasonal menu to a new generation of sophisticated diners, the concept harnesses digital technology to provide a modern and fully immersive dining experience.



"We are excited to launch KPRO – an exciting and fresh new concept for young, tech savvy consumers who are keen to embrace new tastes and innovations," said Joey Wat, President and Chief Operating Officer of Yum China. "Developed to cater to China's burgeoning population of urban professionals, KPRO offers a creative, modern and seasonal menu with a wide range of dishes that are freshly made-to-order. The restaurant is also made for the digitally connected customers and integrates some of the latest technologies from mobile ordering to facial recognition payment."

The KPRO menu features seasonal produce and an assortment of made-to-order salads, panini and roasted chicken, complemented by freshly squeezed fruit juice, gourmet coffee, craft beer and premium Cremia ice cream. The store is designed with a welcoming "greenhouse" layout and an open kitchen where meals are freshly prepared, creating a friendly and vibrant food market atmosphere.

A key feature of the new restaurant, is the integration of Alipay's new "Smile to Pay" facial recognition payment solution, which enables customers to pay without the need to reach for their wallets. Alipay's unique payment technology utilizes a multi-step authentication process, including a facial scan and mobile phone number, to verify the identity of customers and facilitate payment.



The integration of 'Smile to Pay' in the new KPRO restaurant in Hangzhou is the first commercial application of the facial recognition payment technology globally.

"Yum China has a history of adopting innovative technologies to enhance in-store dining experience and we could think of no better place to pilot this advanced technology. Smile to Pay will bring another level of convenience for customers," said Jidong Chen, Ant Financial's director of biometric identification technology. "We are excited to introduce Smile to Pay to KPRO customers."

"Elevating the customer experience through new design, flavors and technologies has always been central to our approach at KFC in China," said Johnson Huang, General Manager, KFC. "We are excited to partner with Alipay to bring the world's first commercial application of the facial recognition payment solution to our customers. With the adoption of the facial recognition payment solution, KPRO customers can experience this groundbreaking technology while enjoying fresh and tasty meals prepared in our open kitchen."

In addition to facial recognition payment, KPRO incorporates other cutting-edge technology throughout the restaurant to provide customers with a convenient and connected in-restaurant experience. With no traditional ordering counter, customers are able to 'skip the queue' by ordering at digital kiosks or using their mobile phones to scan QR codes and order at their tables. KPRO staff then serve the freshly prepared food directly to the tables – enabling customers to enjoy their experience, without distraction.

For more images and b-roll please click on the following links:

KPRO pictures: <http://www.yumchina.com/uploadfile/kpropicture.rar>

KPRO b-roll: www.yumchina.com/uploadfile/kprovideo.rar

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. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. 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" 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. Numerous factors could cause our actual results to differ materially from those expressed or implied by forward-looking statements, including, without limitation: whether we are able to achieve development goals at the times and in the amounts currently anticipated, if at all, the success of our marketing campaigns and product innovation, our ability to maintain food safety and quality control systems, our ability to control costs and expenses, including tax costs as well as changes in political, economic and regulatory conditions in China. In addition, other risks and uncertainties not presently known to us or that we currently believe to be immaterial could affect the accuracy of any such forward-looking statements. 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 "Forward-Looking Statements" 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, which opened its first restaurant in China at the end of 2016. Yum China also owns the Little Sheep and East Dawning concepts outright. Yum China is well positioned for growth thanks to its strong competitive position, integration of its brands into Chinese popular culture and consumers' daily lives, expanding geographic footprint in China and existing operational expertise. It has a strong capital position, no external debt and expects to continue growing its system sales and profit by adding new restaurants and through growing same-store sales. Yum China had more than 7,600 restaurants and more than 420,000 employees in over 1,100 cities at the end of May 2017. A new generation of younger consumers who are digitally sophisticated and brand driven are fueling growth in consumption in China. The ongoing growth of the middle class and urban population in China is expected to create the world's largest market for restaurant brands, with Yum China poised to be the market leader.

Yum China Media Contacts:

Forest Liu, Director, Finance Media, at +86 21 2407 7505
Ben Fry, Brunswick Group, at +86 21 6039 6388

View original content with multimedia: <http://www.prnewswire.com/news-releases/ready-to-pay-just-smile-yum-china-launches-new-kpro-store-in-hangzhou-300512828.html>

SOURCE Yum China Holdings, Inc