

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 17, 2017

Yum China Holdings, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-37762
(Commission
File Number)

81-2421743
(I.R.S. Employer
Identification No.)

7100 Corporate Drive
Plano, Texas 75024
United States of America

(Address, including zip code, of principal executive offices)

(469) 980-2898

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

16/F Two Grand Gateway
3 Hongqiao Road
Shanghai 200030
People's Republic of China

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01.**Regulation FD Disclosure.**

As previously announced, Yum China Holdings, Inc. will commence its Investor Day on Wednesday, October 18, 2017 (local time) in Shanghai, China. A copy of the presentations that will be used at the Investor Day is being furnished as Exhibit 99.1, 99.2, 99.3, 99.4, 99.5 and 99.6 to this Current Report on Form 8-K.

Item 9.01.**Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibit is attached to this report:

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Yum China Holdings, Inc. Investor Day Presentation – Overview
99.2	Yum China Holdings, Inc. Investor Day Presentation – Business Update (Part I)
99.3	Yum China Holdings, Inc. Investor Day Presentation – Business Update (Part II)
99.4	Yum China Holdings, Inc. Investor Day Presentation – Digital and Delivery Update (Part I)
99.5	Yum China Holdings, Inc. Investor Day Presentation – Digital and Delivery Update (Part II)
99.6	Yum China Holdings, Inc. Investor Day Presentation – Financial Update

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

YUM CHINA HOLDINGS, INC.

By: /s/ Shella Ng
Name: Shella Ng
Chief Legal Officer and Corporate
Title: Secretary

Date: October 17, 2017



2017 Yum China Investor Day

STAY TRUE AIM HIGH

—— 不忘初心 进无止境 ——

Micky Pant | CEO, Yum China

OCT. 18 Shanghai

Cautionary Language Regarding Forward-Looking Statements

Forward-Looking Statements. Our presentation may contain "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 include, without limitation, statements regarding the future business plans, earnings and performance of Yum China including all targets, statements regarding future dividends, anticipated effects of population and macroeconomic trends and the capital structure of Yum China, statement regarding the anticipated effects of our digital and delivery capabilities on growth, and beliefs regarding the long-term drivers of Yum China's business. 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 on our presentation are only made as of the date indicated on the relevant materials, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances. 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.

Market and Industry Data. Unless we indicate otherwise, we base the information concerning our industry contained on this presentation on our general knowledge of and expectations concerning the industry. Our market position and market share is based on our estimates using data from various industry sources and assumptions that we believe to be reasonable based on our knowledge of the industry. We have not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness.

Trademarks, logos, service marks, materials, designs and other intellectual property used in this presentation are owned by Yum China Holdings, Inc. and its affiliates, or their use has been officially authorized by their respective owners. This presentation also may refer to brand names, trademarks, service marks and trade names of other companies and organizations, and these brand names, trademarks, service marks and trade names are the property of their respective owners.

Non-GAAP Measures. Our presentation includes certain non-GAAP financial measures. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures are included on our presentation where indicated. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.

Yum China by the numbers – a powerful business



#1 Western QSR & CDR brands in China

\$16.5Bn market cap*
#399 Fortune 500 2017**

7,747 stores in
1,100+ cities

~120mn members
between KFC and Pizza Hut

#1 restaurant operator
In digital & delivery

420,000+ employees
Strong management



* As of the close of October 12, 2017
** In terms of sales

World's top 10 restaurant companies (Ranked by market cap)



Rank	Company	Market Cap (US\$ bn)	Store Count*
1	McDonalds	132.8	37,011
2	Starbucks	80.8	26,736
3	Yum Brands	26.3	43,992
4	Yum China	16.5	7,747*
5	Restaurant Brands	15.6	23,423
6	Darden	9.8	1,701*
7	Chipotle	9.0	2,339
8	Domino's	8.8	14,434*
9	Jollibee	5.2	3,570
10	Dunkin' Brands	5.1	20,242

Source: Bloomberg as of October 12, 2017 and latest company reports.

*All store counts were as of June 2017, except for Yum China (August 31, 2017), Darden (August 27, 2017) and Domino's (September 10, 2017).

One year since listing...



Financial highlights for 2017 first three quarters



System sales¹

\$6.0bn

▲ 7%²

Restaurant margin

19.3%

▲ 2.3ppt

Net income

\$493mn

▲ 19% / +23% ex FX

Adjusted EBITDA

\$1,004mn

▲ 12% / 16% ex FX

Diluted EPS

\$1.24

▲ 9% / 13% ex FX

Net cash

\$1.6bn

▲ \$604mn³

¹ Company sales for 2017 first three quarters were \$4,818mn

² Exclude the impact of foreign currency translation

³ Compared to the end of 2016

National footprint with deep penetration

5,000+ KFC stores

2,000+ Pizza Hut stores

1,100+ Cities with stores

800+ Cities with delivery service

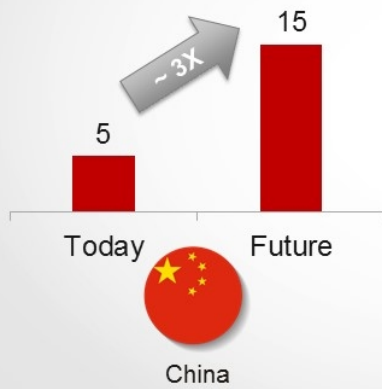
17 Logistic centers



Potential to triple units over long term



Yum China Restaurant Penetration¹
(per million people)



Cross-functional expertise supporting unit growth

#1 Restaurant development capability in China

- Proven record of development

Deep internal know-how

- City database
- Market insights

Disciplined decision making and execution

- One store at a time
- Cross-functional governance
- Quick response & adjustment capability

¹We define restaurant penetration as number of Yum China restaurants per million people. It is calculated as follow: Yum China's total unit count divided by total China population

Potential headwinds to our success



Diversified formats to support expansion - KFC



Diversified formats to support expansion – Pizza Hut



Unparalleled infrastructure

- National supply chain
- Unrivalled development capabilities
- Industry leading marketing scale & coverage
- Best in class operations
- Robust IT infrastructure

YumChina

Yum China is a responsible partner in communities across China



10-year of One Yuan Donation



RMB 170mn donated for children in poverty since 2008

Leverage digital & membership for charity



3.2 tons of potatoes sold through KFC App to help farmers in need

We are a caring company...



THE FIRST LIGHT FOUNDATION
2016 Project Hope Contribution Award
from China Youth Development Foundation
Since 2002



KFC ANGEL RESTAURANT

Best CSR Practice Award 2016
from China Enterprise CSR Annual Conference
Since 2012

2016 CSR Innovation Award
from China International Philanthropic Movie Festival



ONE YUAN DONATION PROGRAM
CSR Excellence Awards 2016
from CSR & Innovation Forum
Since 2008

KFC COMMUNITY CARING PROGRAM

Since 2015



KFC LITTLE MIGRATORY BIRDS

2016 Caring Medal
from China Enterprise CSR Medal Conference
Since 2016



Four key strategic priorities



I. Focus on China
Invest locally for growth



II. Strengthen Core Business

Improve stores, innovate menu, improve quality and value

III. Digital and Delivery
Invest and maintain lead

IV. Innovation

Product categories, formats and day parts



YumChina™

STAY TRUE AIM HIGH



Non-GAAP Definitions

In an effort to provide investors with additional information regarding the Company's financial results and other financial information as determined by generally accepted accounting principles (GAAP), the company also discusses in these materials, the following Non-GAAP information which management believes provides useful information to investors:

Adjusted EBITDA – We define adjusted EBITDA as net income including noncontrolling interests adjusted for income tax, interest income, depreciation, amortization and other items, including store impairment charges.

System-Sales – System sales growth reflects the results of all restaurants regardless of ownership, including Company-owned, franchise and unconsolidated affiliate restaurants that operate our concepts, except for non-Company-owned restaurants for which we do not receive a sales-based royalty. Sales of franchise and unconsolidated affiliate restaurants typically generate ongoing franchise fees for the Company at a rate of approximately 6% of system sales. Franchise and unconsolidated affiliate restaurant sales are not included in Company sales on the Condensed Consolidated and Combined Summary of Results; however, the franchise fees are included in the Company's revenues. We believe system sales growth is useful to investors as a significant indicator of the overall strength of our business as it incorporates all of our revenue drivers, Company and franchise same-store sales as well as net unit growth.

Constant Currency (Ex-FX) — We refer to growth rates at constant currency or adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. These amounts are calculated by translating current-year results at prior-year average exchange rates. We believe elimination of the foreign currency translation impact provides better year-to-year comparability of sales trends.

Reconciliations of Reported Results to Non-GAAP Measures

Reconciliation of Net Income to Adjusted EBITDA

(In US\$ million)

	Quarter ended		Year to date ended	
	8/31/2017	8/31/2016	8/31/2017	8/31/2016
Net income – noncontrolling interests	\$ 10	\$ 10	\$ 21	\$ 10
Net Income – Yum China Holdings, Inc.	211	192	493	414
Income tax provision	102	87	213	165
Interest income, net	(6)	(3)	(13)	(7)
Operating Profit	317	286	714	582
Depreciation and amortization	105	101	265	272
Store impairment charges	6	6	28	43
Special Items Income – Operating Profit	(3)	(3)	(3)	(2)
Adjusted EBITDA	\$ 425	\$ 390	\$ 1,004	\$ 895

Yum China System Sales

(In US\$ million)

	Year to date ended
	8/31/2017
Company sales	4,818
Franchisee sales	1,163
Total system sales	5,981



2017 Yum China Investor Day

Business Update

Joey Wat | President & Chief Operating Officer, Yum China
Johnson Huang | General Manager of KFC, Yum China

OCT. 18 Shanghai


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Agenda

Business Overview by Joey Wat

Pizza Hut Update by Joey Wat

KFC Update by Johnson Huang

Understanding evolving consumer needs is fundamental to YUMC's success



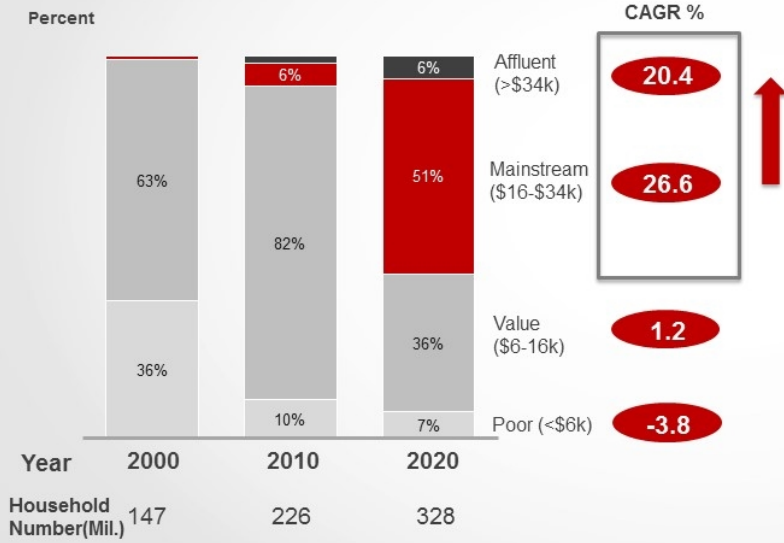
Food

Services

Value For Money

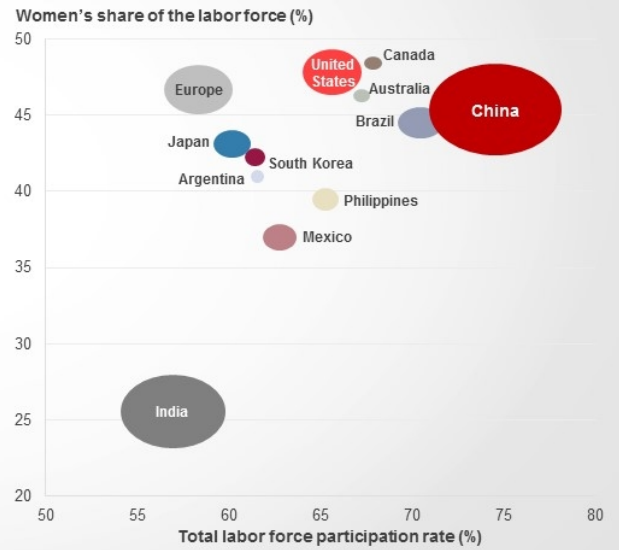
Urban middle class is the fastest growing segment in China. High labor force participation drive consumption growth

Urban households annual income growth trend



Source: Mckinsey & Company (2012)

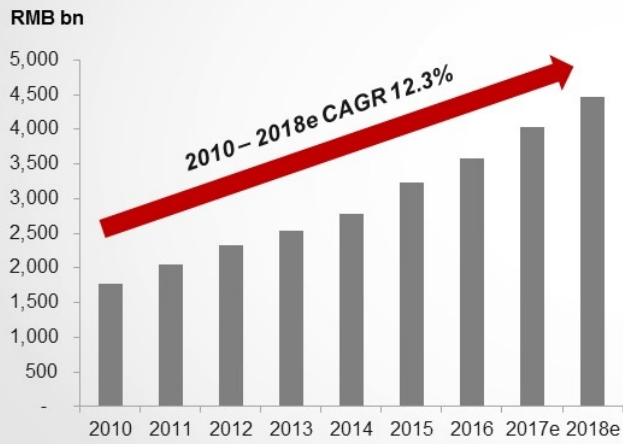
High labor force participation rate and women's share of labor force



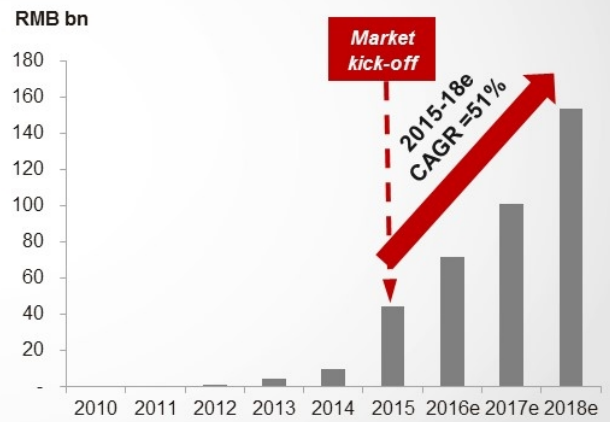
Source: U.S. Bureau of Labor Statistics (2010)

Catering industry is still growing at double digits in China, driven by O2O food delivery (at >50% CAGR) in the past two years

Catering Industry Annual Sales



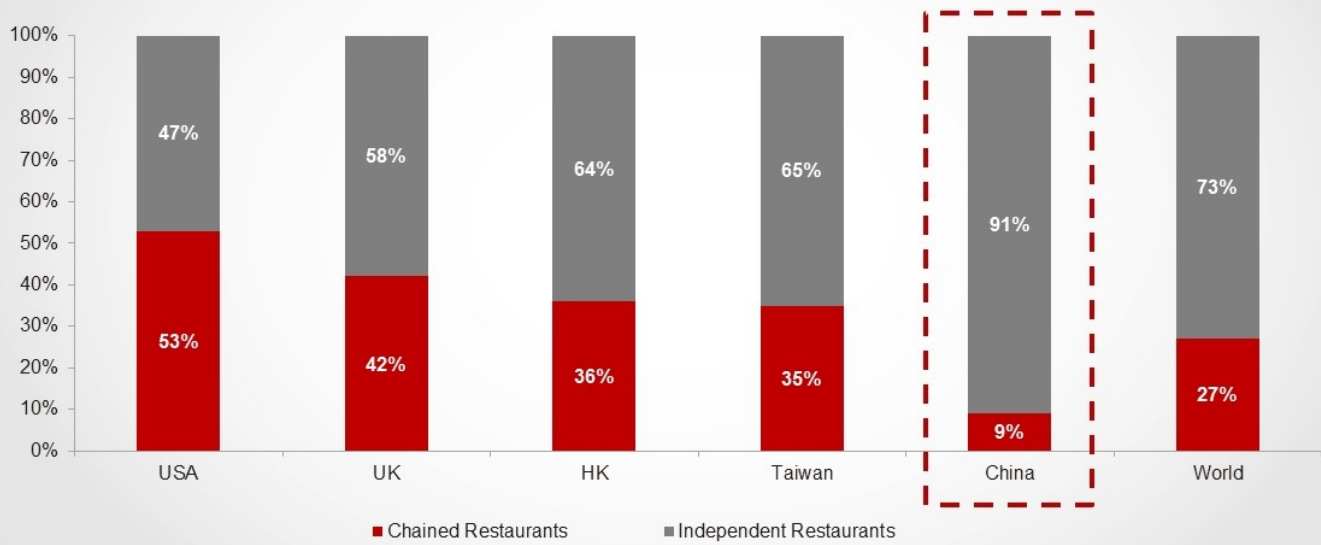
O2O Food Delivery Sales



Source: National Bureau of Statistics, iResearch estimates (2016)

China's restaurant sector is highly fragmented, and prospects for chain restaurants remain promising

Restaurant Market: Chain vs. Independent Restaurants



Source: Euromonitor (2016), Citi Research

Key success factors for YUMC

Food! Food! Food!



Loyalty



Lifestyle



Operation



Replicable
development model



Scale



Culture & talent



Infrastructure



Attractive unit economics

Scalability

World class shared services

Employee engagement and customer satisfaction are keys to building shareholder value in the long term



Employee engagement is centered around three principles
我们遵循三个原则为员工代言



FAIR
公平



CARE
关心



PRIDE
自豪



Pizza Hut Update

by Joey Wat

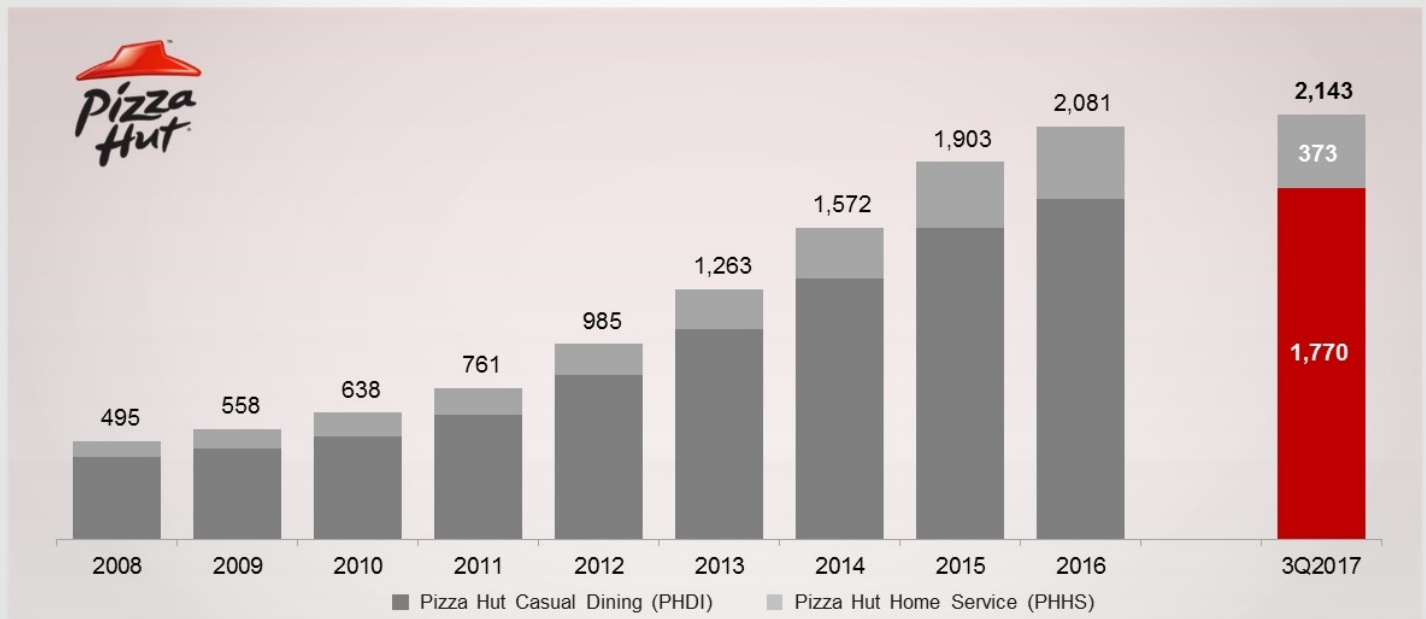
(This section contains the main body of the article, which is currently blank.)

Pizza Hut is the largest western CDR in China



- 1st store opened in Beijing in 1990
- Over 80 million pizzas served annually
- “Most Preferred Western Casual Dining Restaurant” – Nielson (2016)

Successfully expanded to over 2,100 stores in 475 cities

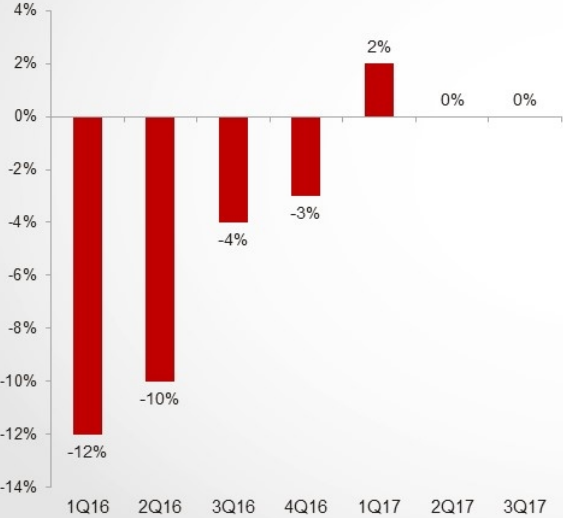


Averaging ~80 stores a year over its 27 year history

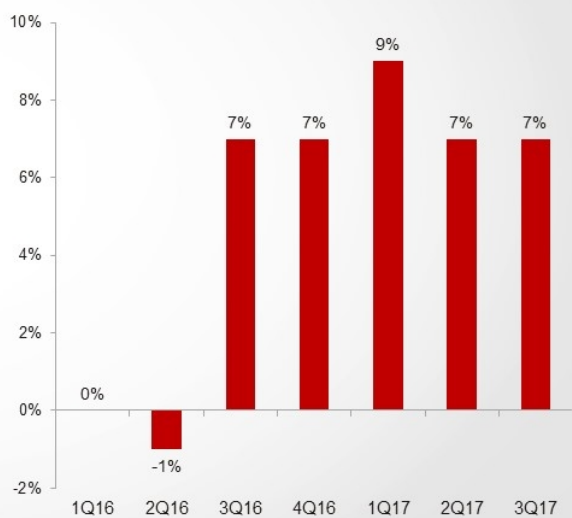
Note, from 2008 ~ 2013 exclude Pizza Home Express

Sales stabilized in the past few quarters, focus now is on revitalization of the Brand

Same-store sales growth (y/y) ¹



System sales growth (y/y) ¹



¹Stated in constant currency basis

Biggest challenge of the brand is being outdated



PIZZA HUT IN 2017

“暖男备胎”

“My Reliable
Backup
Boyfriend”

Four levers to turn strategy into execution

I. Fix Fundamentals

- ✓ Product innovation & update
- ✓ Menu rationalization
- ✓ Service and engagement



II. Enhance Digital Capabilities

- ✓ New super APP launch
- ✓ Member privilege upgrade

IV. Experiment New Models

- ✓ Store image upgrade
- ✓ Bistro model roll-out

III. Optimize Delivery Network

- ✓ Pizza Hut delivery platform integration

Series of new products to bring excitement and value

New Products
Pizza Hut Autumn 2017 当季新品

- 黑松露菌菇比萨 81元
- 松子鸡肉罗勒意面 37元
- 烤土豆 15元
- 烤南瓜 20元
- 榴莲薯薯 26元
- 法式南瓜浓汤 23元
- 烤西兰花 15元
- 意式培根菌菇烩饭 43元
- 黄金夏威夷风光比萨
小 35元 中 64元 大 91元
特大 67元 超大 82元 最大 111元
- 手作意式酸奶奶冻 19元
- 柚遇大吉岭 嗨杯鲜果茶 23元
- 嗨杯鲜果茶 21元
- 柠檬薏仁饮 19元
- 杨梅汁饮料 22元
- 花果蜜甜心派 24元
- 水果蜜甜心派 24元

I New October menu features innovative & healthy products



Italian Thin Pizza

Thin, Chewy, Trendy, and Flavorful

Roasted Vegetables

Flavorful and Healthy



I With a relaxing ordering experience and simplified menus

好好吃午饭 工作日特惠午餐

周一至周五 11:30-14:00

15分钟上餐

PIZZA 比萨

- 美式经典比萨 37元
- 超级至尊比萨 42元

PASTA 意面

- 经典意大利肉酱 37元
- 松子鸡肉肉酱意面 42元

RICE 饭类

- 碧螺春肉片饭 37元
- 茄汁鸡肉饭 37元
- 茄汁牛肉饭 42元

沙拉 SALAD

- 美式经典土豆沙拉 21元
- 缤纷蔬菜沙拉 18元
- 彩虹葱白沙拉 30元

轻食午餐 (两道美食 30元)

- 火腿芝士帕尼尼 30元
- 美式经典肉酱沙拉 30元

饮料/汤 任选一份

- 柠檬红茶 12元
- 柠檬冰沙 12元
- 美式咖啡 12元
- 美式冰沙 12元

+10元 升级套餐

- 迷迭香烤羊排 48元
- 迷迭香烤羊排 48元
- 迷迭香烤羊排 48元

小食 APPETIZER

- 招牌脆皮炸鸡 30/44
- 香草凤尾虾 27
- 酥炸鱿鱼 30
- 美式大薯条 19
- 酥炸鸡柳 30
- 招牌人气小食拼盘 39

比萨 PIZZA

小童铁盘 Small Pan	经典铁盘 Large Pan	超级铁盘 Cheese Pan
39	74	92
36	68	86
44	81	99
33	58	76
36	68	86

饮料 DRINK

- 柠檬红茶 20/19
- 草莓牛奶茶 23/20
- 清甜柠檬茶 21
- 鲜果果汁 19
- 橙汁饮料 23
- 鲜榨橙汁 33
- 咖啡 COFFEE 20
- 冰咖啡 20
- 拿铁咖啡 25
- 卡布基诺咖啡 25
- 啤酒/软饮 BEER & SOFT DRINK 22
- 科罗娜啤酒 30
- 冰云矿泉水 30
- 芬腾气泡水 25
- 饮料自助吧 UNLIMITED DRINK 20

沙拉 SALAD

- 美式经典土豆沙拉 21
- 缤纷蔬菜沙拉 18
- 彩虹葱白沙拉 30
- 沙拉自助吧 30

汤 SOUP +5元可选加酥皮

- 鸡茸蘑菇汤 23
- 西式香浓菜汤 23
- 每日例汤 19

帕尼尼 PANNI

- 火腿芝士帕尼尼 20
- 香香芝士帕尼尼 20

主食 MAIN COURSE

意大利 PASTA	饭类 RICE	甜品 DESSERT
经典意大利肉酱 34	脆皮鸡肉炒饭 24	芝士提拉米苏 22
西班牙风情海鲜 39	西式牙海鲜饭 46	双球冰淇淋 19
新墨西哥肉酱干扁面 49	匈牙利风情牛肉饭 36	抹茶雪域蛋糕 22
意大利辣肉酱 34	美式黑椒牛仔骨 66	草莓芝士蛋糕 23
	澳洲西冷牛排 81	杨枝沙律 25
		牛奶焦糖法式芭菲 21

I Creative and fun content through diverse channels



Durian Player, Play with FUN



① Celebrity endorsements to revamp brand image



I Increasing outreach to other key customer groups

Build kids market



Interact with students

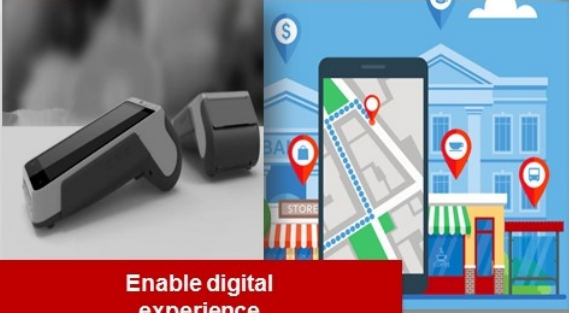


I Operational focus on improving customer service

Simplify service process



Engage with customers

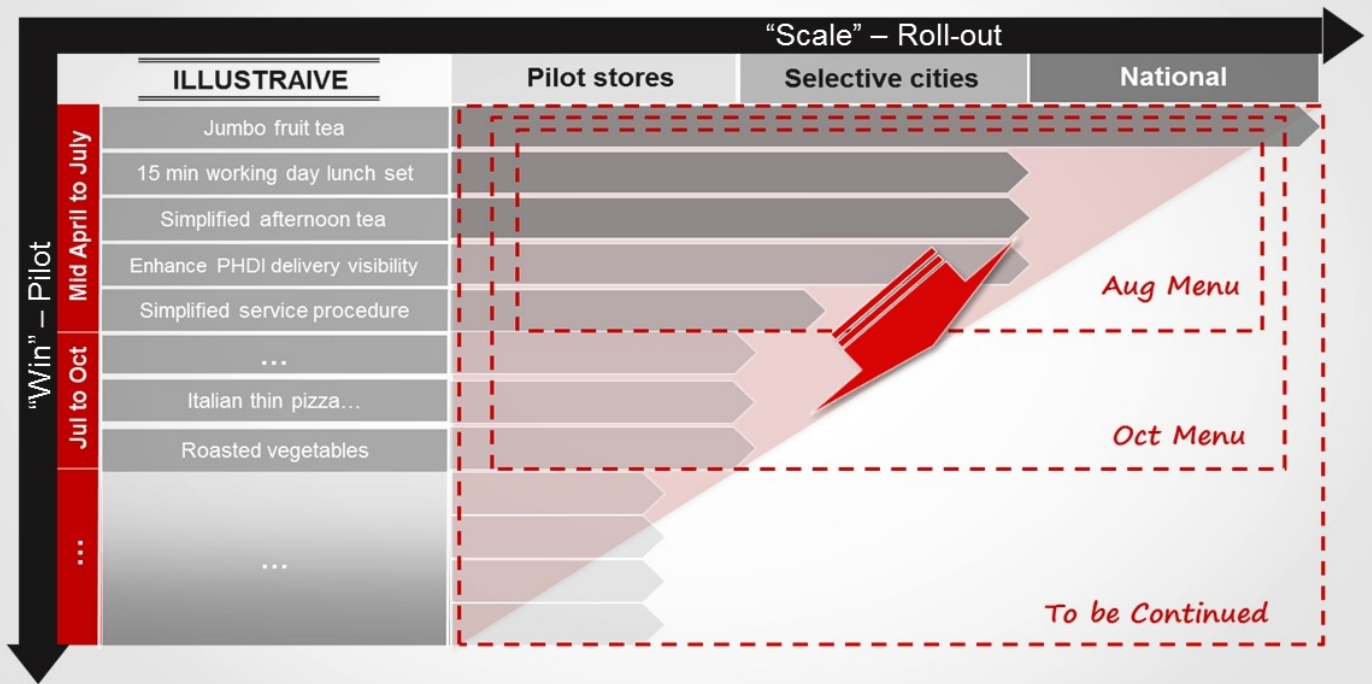


Enable digital experience



Improve management & crew retention

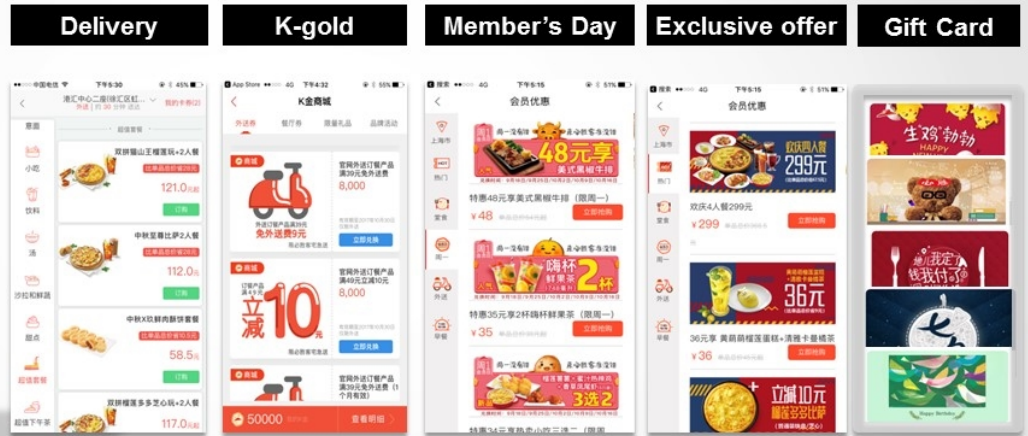
I A win and scale approach to fix fundamentals



Many tests conducted in the pilot stores



II Super App as a platform for a full digital ecosystem.
Over 3 million downloads in 2 months

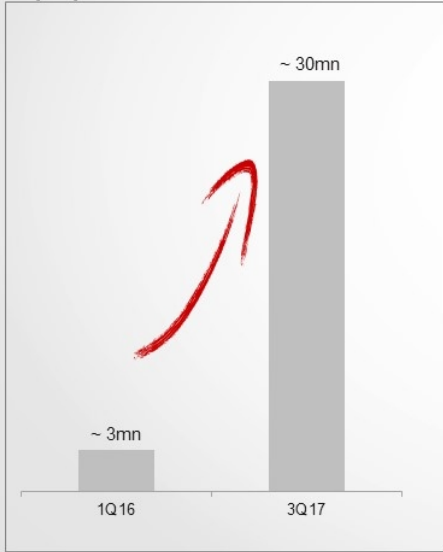


Member count at 30mn by Aug 2017

II Pizza Hut is catching up with rapid growth in membership and digital payments

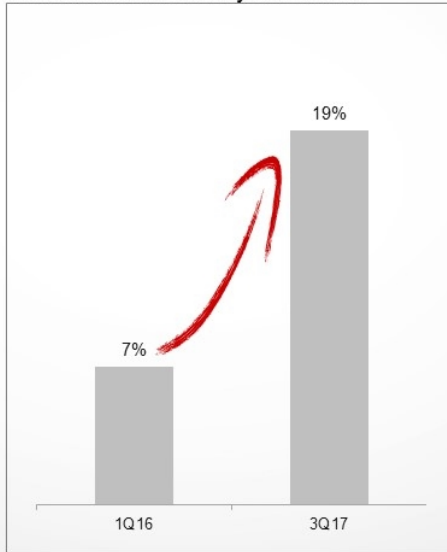
MEMBERS

Loyalty member count



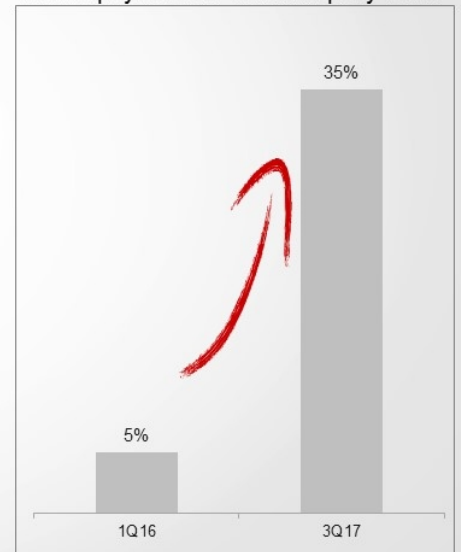
MEMBER SALES

Member sales % of system sales



MOBILE PAYMENT

Mobile payment as % of company sales



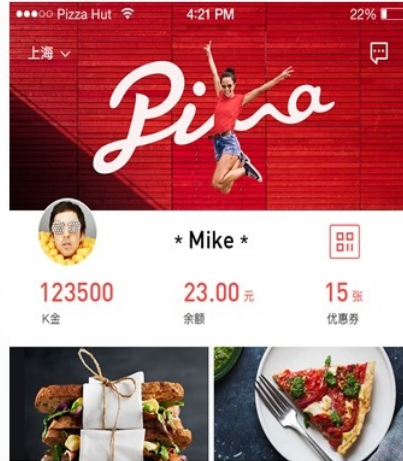
II Membership and digital engagement: Just one more visit

CRM



- Member exclusive promotions and experiences

Digital experience



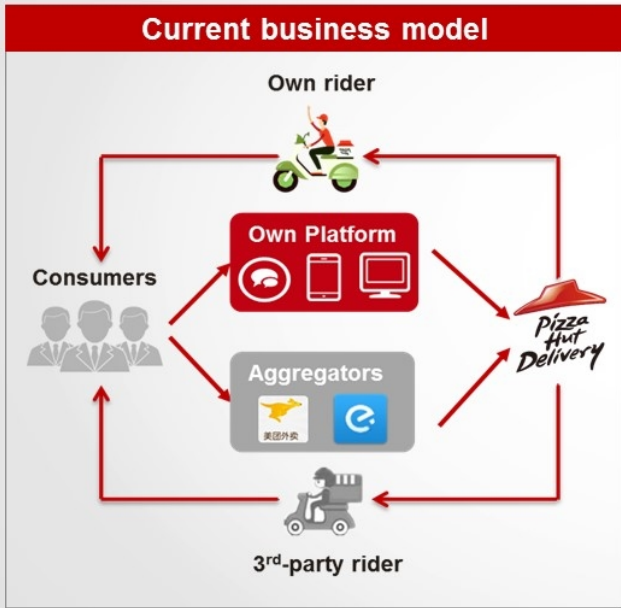
- Launch Super App 2.0 to enhance service experience

Aggregator cooperation



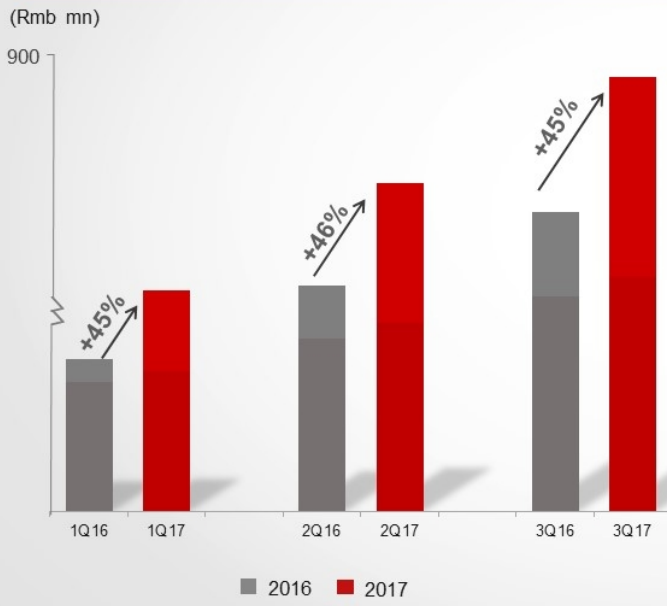
- Joint marketing campaigns on aggregator's platform

III Pizza Hut has expanded delivery stores footprint...

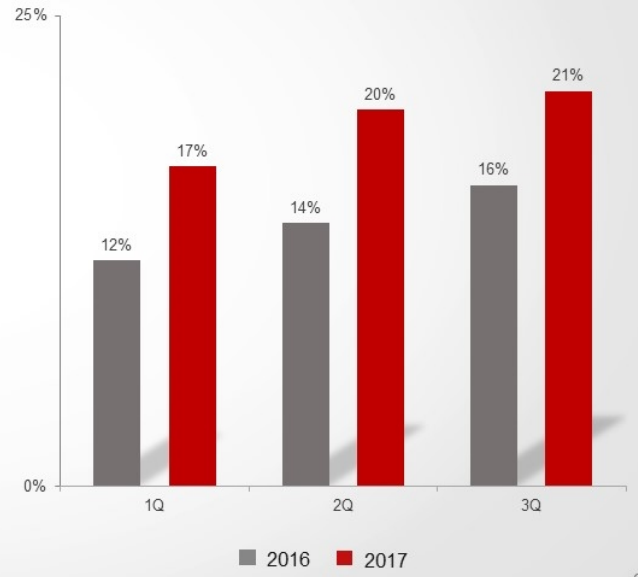


III ... leading to significant sales growth

Delivery sales growth



Delivery sales as % of company sales





Pizza Hut delivery integration to provide a seamless consumer experience across multiple channels



Unify the brand

- Logo / Menu / Packaging / Marketing / Organization

Short term challenge

- Store network optimization

Strategy for long term

- One brand with consistent image and message
- Standardization for high quality execution and efficiency

IV Accelerate remodels to rejuvenate brand image



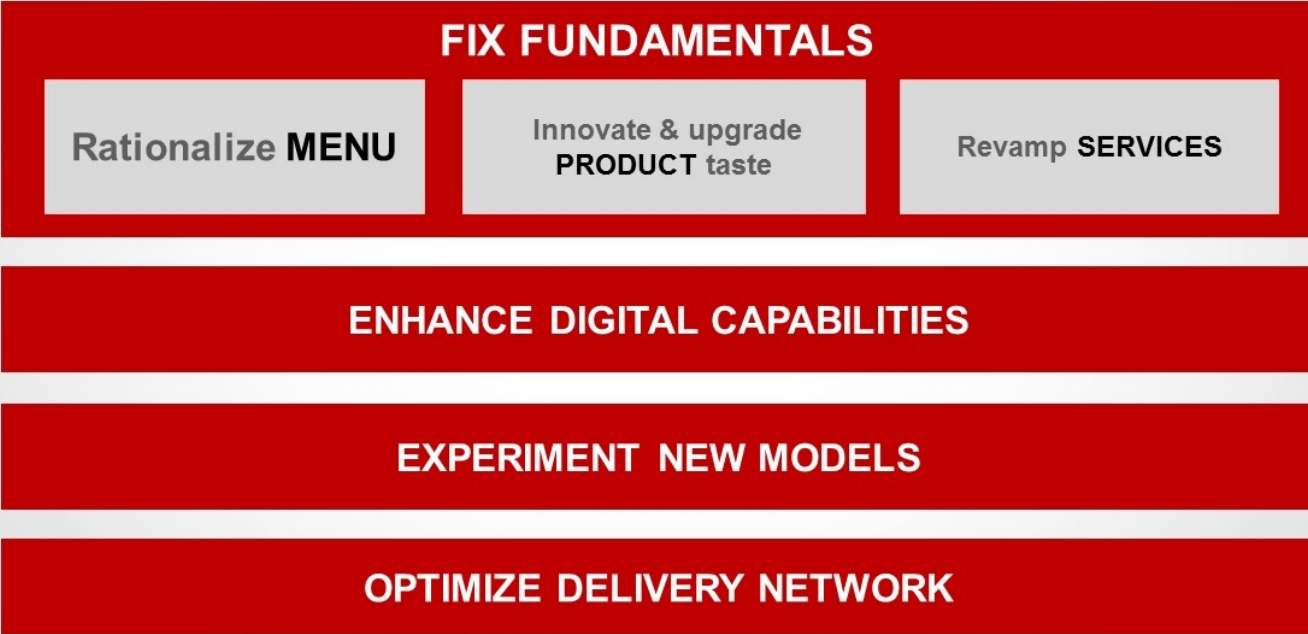
IV Target to have ~30 Bistro stores in ~10 cities by the end of 2017



IV Ph+ model stores in high-end commercial complexes



Still in the early stages of laying a solid foundation for future growth





KFC Update

by Johnson Huang

**1st Store in
Beijing, 1987**

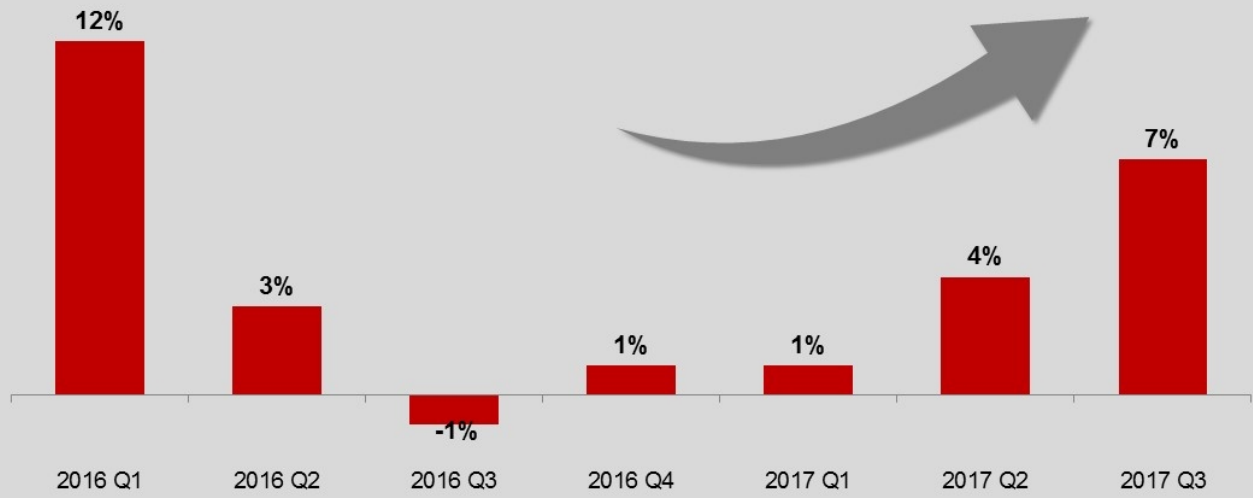


Shanghai Oriental Tower lit up for KFC CHINA



Strong sales momentum in the past 4 quarters

Same-store sales growth of KFC



Introducing several disruptive innovations in 2017

CHICKEN X PIZZA
#为颠覆而来#

¥23 单点价



KFC 芝士鸡腿
至尊无饼底“比萨”

Providing unique and rich products



Upgrading to fresh and premium ingredients

Avocado Burger

牛油果系列

牛油果 单点 ¥18/个
香辣鸡腿堡套餐 ¥32

牛油果 单点 ¥17/个
香辣鸡肉卷套餐 ¥31

牛油果系列
双人套餐 ¥59

牛油果香辣鸡腿堡 + 牛油果香辣鸡肉卷
+ 新奥尔良烤翅 (2块) + 葡式蛋挞 2个
+ 百事可乐 (中) 2杯



Successful launch of Cremia and seasonal flavors of ice-cream with good value



Providing abundant value on top of food innovations



吃过瘾炸鸡桶
¥39/5块炸鸡

新口味
避风塘热辣脆皮鸡

KFC



天生翅粉

十翅一桶
¥39 翅桶
¥79 二十二翅桶 超级翅桶

十翅一桶含6块香酥鸡翅和4块新奥尔良鸡翅。超级翅桶含14块香酥鸡翅和8块新奥尔良鸡翅。二十二翅桶含22块香酥鸡翅。以上鸡翅均含100%天然鸡肉。详情请见店内价目表。

Building a young and unconventional image

鹿晗

肯德基品牌形象代言人

火辣上校

魅力觉醒

内含5块炸鸡 **39元**

吃过瘾炸鸡桶

新 香麻藤椒脆皮鸡

香麻藤椒脆皮鸡自2017年6月22日起上市, 9:30-23:00供应, 全国售卖数量为2697万块, 吃过瘾炸鸡桶活动时间为2017年6月22日至7月30日, 9:30-23:00, 此优惠不能与其他优惠共享, 交通枢纽、旅游景区、精选餐厅等部分餐厅不参加, 具体情况以餐厅公示为准, 产品及包装以实物为准。

Breakfast - one of the key growth drivers in 2017...

KFC 早餐
#开学季#
唤醒早餐价
• WAKING-UP BREAKFAST •



Background features faint mathematical formulas like $E=mc^2$ and $W=UIt$.

新早餐 | 八种好料 · 十二道手工 |

握的大饭团



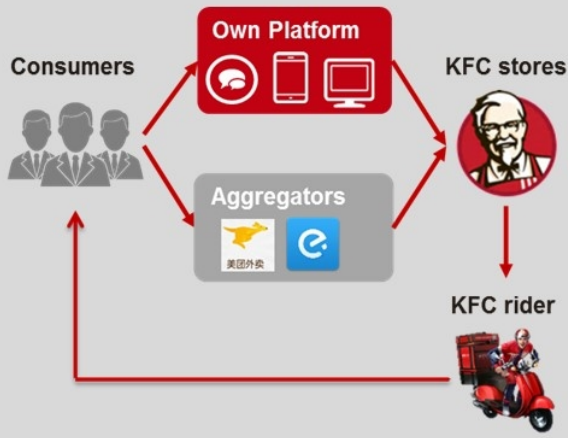
肉酥油条饭团
+ 醇豆浆 (热) **¥11**

培根蛋肉酥饭团
+ 醇豆浆 (热) **¥14**

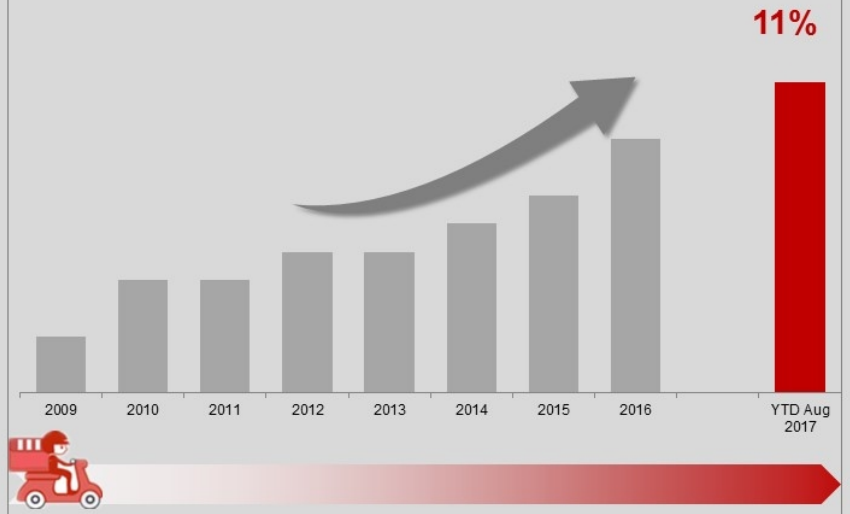
肉酥油条饭团和培根蛋肉酥饭团于2017年3月23日起在全国上市。食品营养成分以KFC中国官网公布为准。食品配料、食品添加剂、营养成分、过敏原等不作为宣传内容。食品价格以餐厅实际公示为准。不适用于肯德基会员价。

KFC delivery maintains strong growth momentum

Current business model



Delivery as % of company sales



Accelerate Penetration in High-speed Train Delivery



In over 20 stations with strong market share



Building a fun and credible coffee image



Building on the latest trends to connect with kids

KFC 变形金刚5
最新战神

6.1

来肯德基 变形出发

买6.1欢乐儿童餐 含变形金刚酷炫水杯一个

套餐一 57

套餐二 69

快乐儿童餐 KID'S MEALS

19元

- 1份鸡肉火腿帕尼尼
- 1份香甜粟米棒
- 1杯萌萌泡牛奶

随餐赠送 迪士尼乐园门票

快乐儿童餐 食物种类搭配 依据中国营养学会

其他 19元 美味套餐

随餐赠送精美儿童图书1册

主食(三选一)

- 5块黄金鸡块
- 2块新奥尔良烤翅
- 1块吮指原味鸡

配餐(二选一)

- 1份鲜香土豆泥
- 1份薯条(小)

饮料(二选一)

- 1杯九球果汁饮料
- 1杯百事可乐(小)

KFC 小小书迷王国 | 节日派对营

老师是太阳 我是太阳花

肯德基姐姐带领小朋友开心玩乐1小时

环节1: 趣味节日猜谜
小朋友们知道哪些节日的由来吗? 猜一猜吧! 猜对了有奖哦!

环节2: DIY心意贺卡
母亲节就要到了! 亲手做一张心意贺卡送给妈妈, 让妈妈开心快乐!

环节3: 小小礼仪家
文明礼仪, 从我做起! 争做文明礼仪之星!

快来报名参加吧! 报名请到店内行销专员



97 million members
33%* of sales contribution

* As percentage of system sales

Offering great promotions to members to increase stickiness

Exclusive value

肯德基 30年 中 多店开业季

1987

2017/3/24 - 3/31

两款经典美味 价格重回1987年

2017/3/21前加入的会员 专享

七周年 0.8元 炸鸡手拍鸡排

五周年 2.5元 炸鸡手拍鸡排

扫一扫 进入我的卡包

Free trial

2017/6/1

会员 限量免费试吃券

500 限时兑

11:00 14:00 17:00

芝士榴莲 至尊榴莲 CHIZZA ¥23

扫码领券，进入KFC商城。

立即兑 免费试吃券

Member Tuesday

WOW 会员

就来 肯德基

新品炸鸡券享8折

会员每消费1元 可累积100积分

点餐时出示会员码即可积分

4月周二会员日礼单

过瘾制造，自在滋味

500 抢兑超值优惠券

Member life cycle

WOW 会员·生日礼

会员打开卡包 专享，生日当月有效

会员专享 生日桶半价券

— 使用有效期：2017/6/1 - 6/30 —

Promoting healthy lifestyle through direct engagement

K-Run club



3 x 3 basketball



Building upon our socially responsible brand

Children

Youths

Communities



KFC Little Migratory Birds Fund



One Yuan Donation Program



KFC First Light Fund



KFC Angel Restaurant



KFC Community Caring Program

Enhancing store image through restaurant remodeling

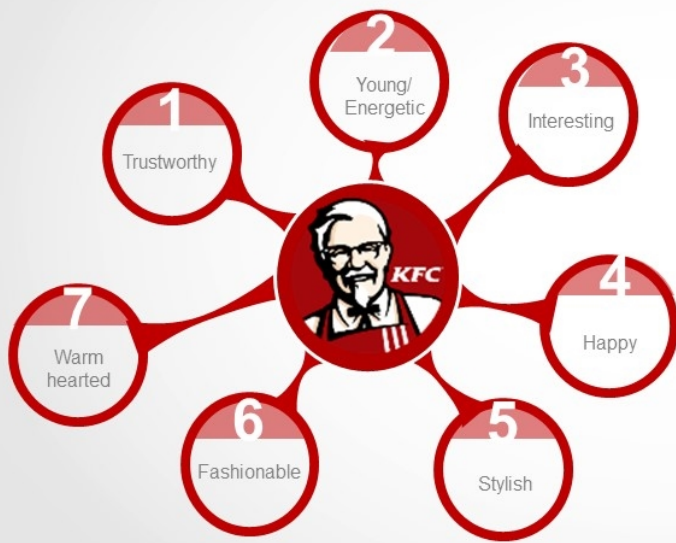


Year to date, 378 stores remodeled

Unique store designs capturing local history and vibe



Revamped brand image to Young, Stylish & Trustworthy...





2017 Yum China Investor Day

Digital & Delivery Update

Joey Wat | President & Chief Operating Officer, Yum China

OCT. 18 Shanghai

Cautionary Language Regarding Forward-Looking Statements

Forward-Looking Statements. Our presentation may contain “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 include, without limitation, statements regarding the future business plans, earnings and performance of Yum China including all targets, statements regarding future dividends, anticipated effects of population and macroeconomic trends and the capital structure of Yum China, statement regarding the anticipated effects of our digital and delivery capabilities on growth, and beliefs regarding the long-term drivers of Yum China’s business. 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 on our presentation are only made as of the date indicated on the relevant materials, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances. 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.

Market and Industry Data. Unless we indicate otherwise, we base the information concerning our industry contained on this presentation on our general knowledge of and expectations concerning the industry. Our market position and market share is based on our estimates using data from various industry sources and assumptions that we believe to be reasonable based on our knowledge of the industry. We have not independently verified the data obtained from these sources and cannot assure you of the data’s accuracy or completeness.

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Non-GAAP Measures. Our presentation includes certain non-GAAP financial measures. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures are included on our presentation where indicated. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.



Digital

Building a digital ecosystem across all points of the consumer journey

Before Store

Efficiency and Reach

- *Mobile pre-order*
- *Virtual store geo-targeting*



In Store

Enhanced Experience

- *Diversified ordering options*
- *Digital menu boards*
- *Pick-up*
- *Payment*
- *Entertainment*

After Store

Customized Service and Engagement

- *Customized membership services*
- *Real time customer feedback*

KFC offers a complete digital consumer journey today

Before Store
Virtual stores



5,300+ virtual stores

Pre-Orders
Mobile



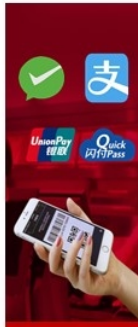
Pre-order From 1Q17

In Store
Digital ordering



Kiosks and Signage

Payment
Mobile Payment



45% of sales

After Store
Membership



97MM+ Members

Gifting
E-gifting Card



4,000+ Stores

Entertain
Wi-Fi / K-music



First month songs 570K+

Key Focus Areas

Pre-orders increase consumer convenience and transaction efficiency

Easy to order

三步点餐 一步取餐

或门店扫描二维码可使用手机自助点餐



- 1 选餐厅/取餐时间
- 2 点餐
- 3 在线支付

4 专用通道 快速取餐

Multiple occasions



先预订好早餐
睡个安稳觉，起床再出门

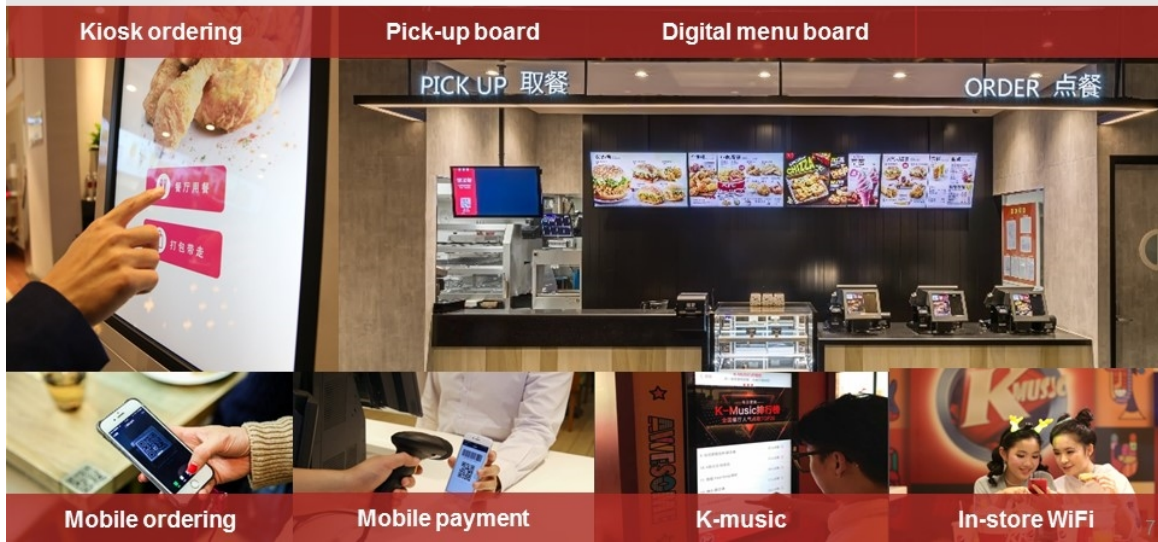


赶飞机 前往下一场会议
远程排队点餐 不匆忙



赶乘早高峰的地铁
点好餐顺路取 不迟到

In-store digitization improves efficiencies and reinforces young and trendy image



Kiosk ordering

Pick-up board

Digital menu board

Mobile ordering

Mobile payment

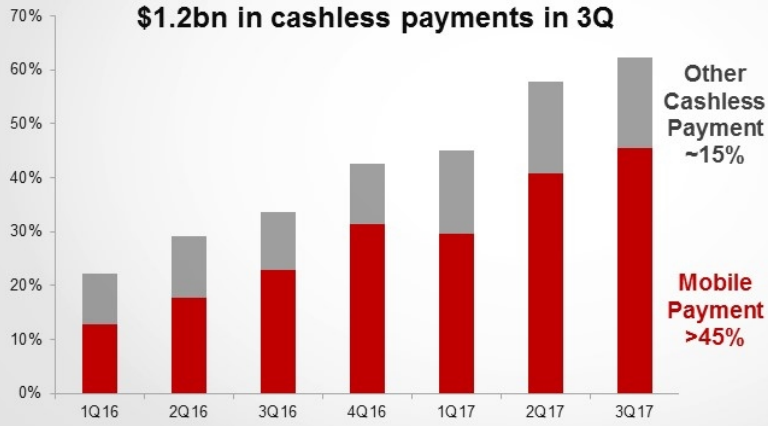
K-music

In-store WiFi

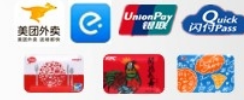
China is the world leader in mobile payment

YUMC is one of the leaders in China

Mobile & other cashless payments as % of company sales



Payment Channels



KPRO – A full digital experience

K^{PRO}
Tasty Fresh Ready

KPRO
Make **100%** digital ordering experience possible

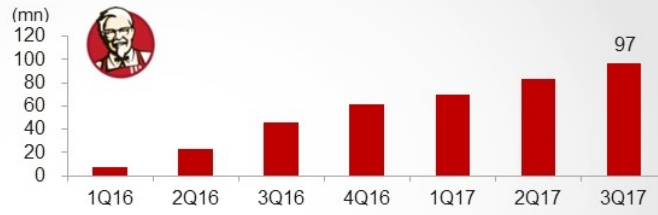
9

Further digital evolution to enable ordering across multiple party sizes and occasions

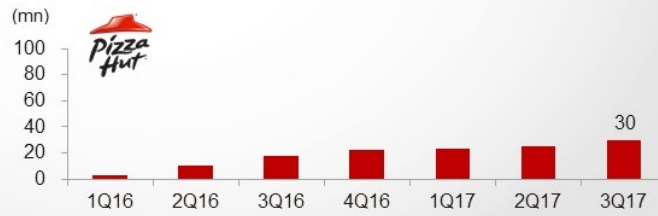


Membership programs are key enabler of the digital experience: 120MN members cultivated in two years

Launched in Oct 2015

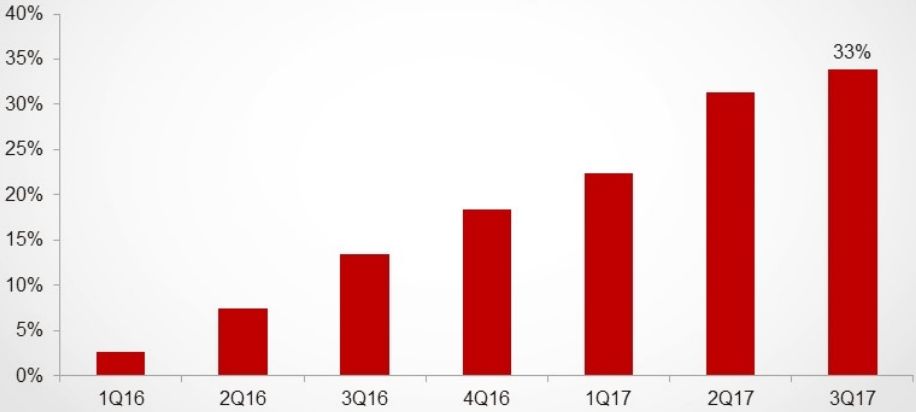


Launched in Nov 2015



Currently a significant contribution to KFC system sales

Member sales as % of system sales



Member exclusive campaigns drive loyalty and frequency

The image displays a horizontal timeline with four promotional posters for KFC member-exclusive campaigns. A red arrow points from left to right across the top of the posters.

- 2016 Nov Member Anniversary:** The poster features the text "11/7-11/13 招牌美味 天天半价" (Signature Delicacies Half Price Every Day) and "立即打开'我的卡包'领券" (Open 'My Card Pack' immediately to get coupons). It lists several menu items with their discounted prices, such as \$11.7, \$11.0, and \$11.9.
- 2017 Feb Spring Rising Day:** The poster is titled "迎春美味 买一送一" (Spring Delicacies Buy One Get One Free). It promotes a "会员打开卡包 领券购买" (Members open card pack to get coupons) offer for the dates 2/26-28, with a "仅3天" (only 3 days) duration. It shows images of fried chicken and a burger.
- 2017 Mar 30th Anniversary:** The poster commemorates the 30th anniversary with the text "肯德基 30年" and "1987". It features a man in a suit and a violin. The offer is "2017/3/24-3/31 两款经典美味 价格重回1987年" (Two classic delicacies, prices return to 1987) for the period 2017/3/24-3/31. Prices are listed as 0.8 and 2.5.
- 2017 Sept 30th Anniversary:** The poster is titled "那些年· 拉琴换· 领肯德基· 如今· 用这一曲· 换· 回忆" (Those years, exchanging playing the violin for KFC, today exchanging this melody for memories). It features a man playing a violin. The offer is "2017/9/10-9/15 两款经典美味 价格重回1987年" (Two classic delicacies, prices return to 1987) for the period 2017/9/10-9/15. Prices are listed as 0.8 and 3.2.

Customized offers increase consumer engagement...

Member's day

WOW 会员

周一没有错
来必胜客准没错

周三就来肯德基

上海市

48元享
美式黑椒牛排

活动时间: 9月16日/19月25日/10月2日/10月9日/10月16日

Birthday offering

WOW 会员·生日礼

会员打开卡包 凭券 专享, 生日当月有效

会员专享 生日桶半价券

会员生日礼
生日当月凭券享堂食全单88折起
外送优惠券6寸比萨1份

Free trial

WOW 会员

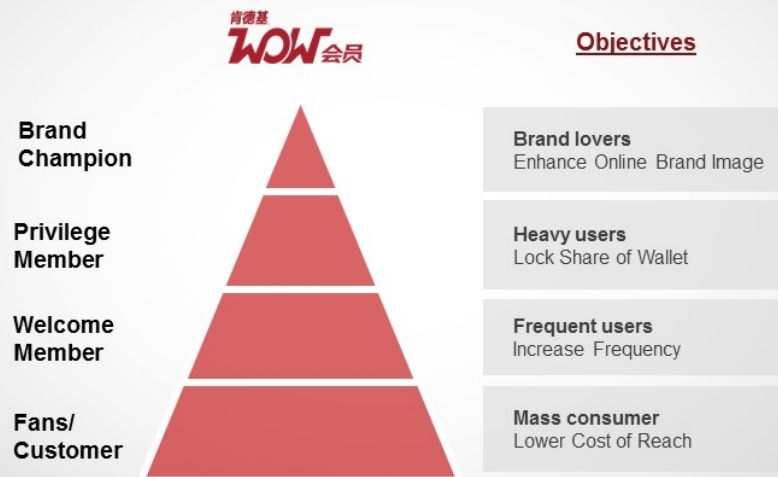
2017/6/1

会员 限量免费试吃券
500 限时兑
11:00 14:00 17:00

5折 限时 仅限必胜客11寸
CHIZZA 23 元

扫描下方二维码, 进入KFC商城。
立即兑
免费试吃券

...while segmentation enables multiple brand objectives



And further segmentation driven by differentiated offers

Welcome Member		Privilege Member		Brand Champion					
1	Pilot Product Launch	2	Data Driven Coupon	3	Interaction via K-gold	4	K-Lifestyle	5	Brand Champion

Pizza Hut Super App launched integrating CRM & delivery

>3mn downloads in two months

Delivery →

Mobile self-ordering ←

Launched on 1st July

Next version: November

First steps in digital vision



Pioneering our digital vision



Leveraging KFC experience



Delivery

KFC and Pizza Hut are the #1 delivery brands in their respective categories with key value differentiators

No.1 single brand
delivery platform

KFC 宅急送
点 餐 送 自 在

Pizza
Hut
Delivery

No.1 pizza
delivery brand

Food

- Curated delivery menu
- Specific packaging for hot and cold products



Service

- Speed, satisfaction, and engagement focus
- Constant customer feedback



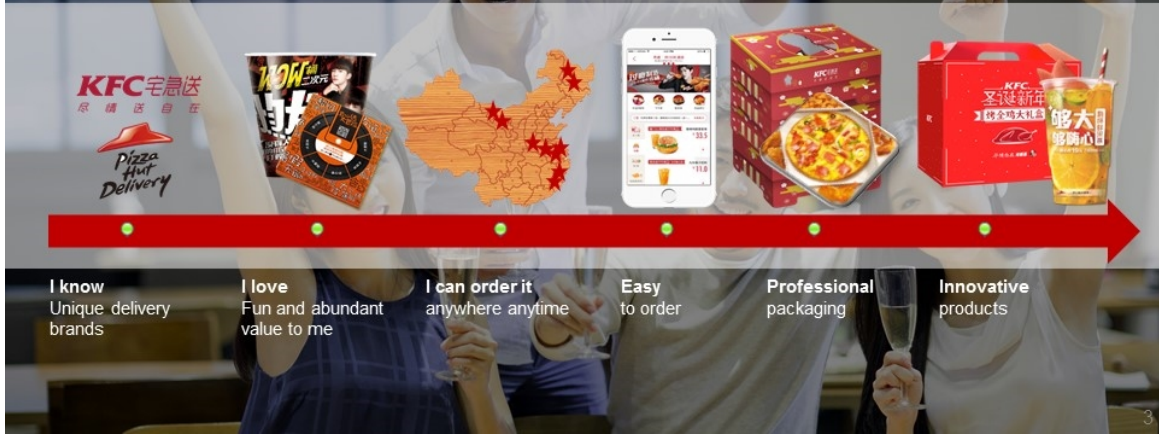
Network

- 5,100+ delivery units*
- Over 800 cities
- Cooperate with all major delivery aggregators
- >90% delivery sales online



*Data as of Q3 2017

Aiming to delight customers throughout the whole delivery experience



The image features a man in a white shirt with his arms raised in a celebratory gesture, holding a smartphone. Overlaid on the image are several elements: the KFC logo with the text 'KFC 宅急送' and '尽情享受自在', the Pizza Hut logo with 'Pizza Hut Delivery', a smartphone displaying a food delivery app interface, a map of China with red stars, a box of KFC pizza, a red KFC delivery bag, and a cup of KFC beverage. A red arrow points from left to right across the bottom of the image, with six green dots marking the positions of the text blocks below.

I know
Unique delivery brands

I love
Fun and abundant value to me

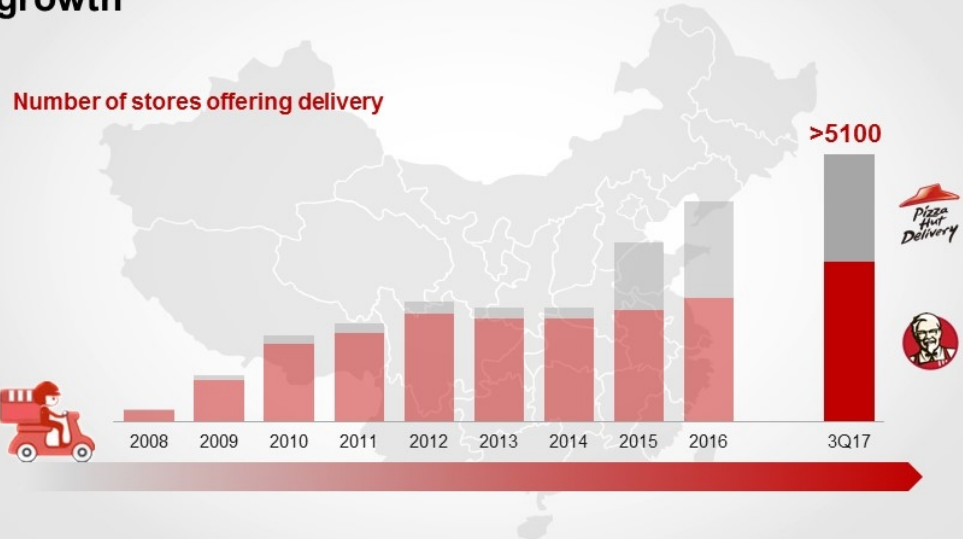
I can order it
anywhere anytime

Easy
to order

Professional
packaging

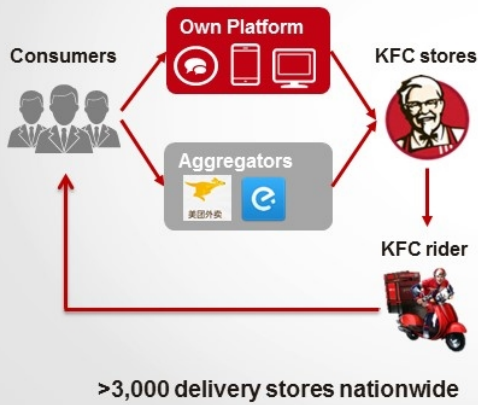
Innovative
products

Delivery network expansion has been the key driver of growth

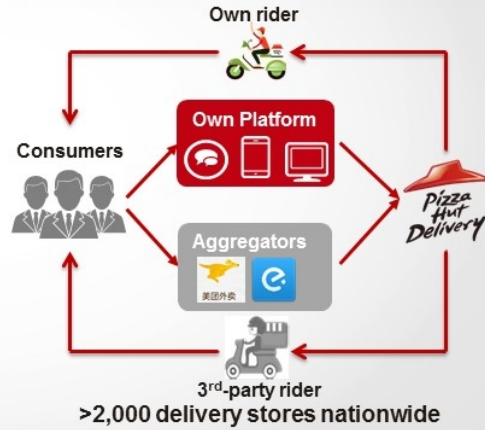


Own riders are key to maintaining quality, service and control while leveraging aggregator traffic

KFC delivery business model

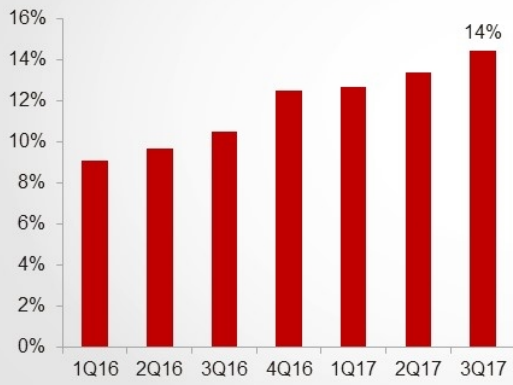


Pizza Hut delivery business model



Quality, service and network sustain sales growth

Delivery as % of company sales



Delivery sales growth



Future delivery growth will be driven through four initiatives

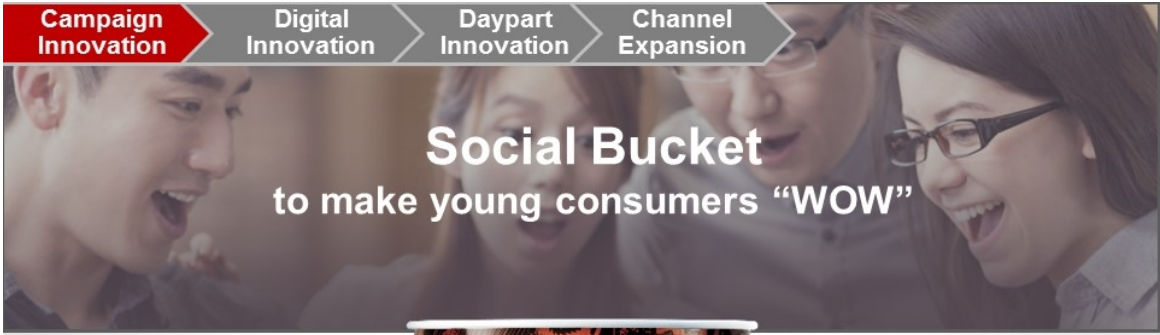
**Campaign
Innovation**

**Digital
Innovation**

**Daypart
Innovation**

**Network
Expansion**





Social Bucket to make young consumers "WOW"



Signature Smart Value

driving sales during off peak periods and dayparts

Everyday One Yuan



Joint promotions



Targeted promotions backed by enhanced IT system

Leverage membership program



Enhance IT system



Targeted daypart promotions to build delivery awareness

Breakfast	Afternoon Tea	Coffee	Special Occasion
 <p>会员外送专享</p> <p>饭团帕尼尼双人餐 46元</p> <p>肉酥油条饭团 1份</p> <p>11元</p> <p>优惠券已发送到“我的卡包”</p>	 <p>下午茶时段</p> <p>1元嗨杯鲜果茶</p> <p>限时限量抢</p> <p>6月8日-6月10日 13:30-16:30</p>	 <p>打败高溢价 人人有份</p> <p>外送</p> <p>KFC COFFEE</p>	 <p>鸡年吉栗</p> <p>恭贺新春 烤全鸡大礼盒</p> <p>188元</p> <p>火热预约中</p>

KFC offering in-train delivery at >20 stations across China



- Station expansion (>20 stations currently)
- Enhance operational efficiency
- New consumer-friendly package
- Optimizing menu according to consumer preferences





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2017 Yum China Investor Day

Financial Update

Jacky Lo | Chief Finance Officer, Yum China

OCT. 18 Shanghai

Cautionary Language Regarding Forward-Looking Statements

Forward-Looking Statements. Our presentation may contain “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 include, without limitation, statements regarding the future business plans, earnings and performance of Yum China including all targets, statements regarding future dividends, anticipated effects of population and macroeconomic trends and the capital structure of Yum China, statement regarding the anticipated effects of our digital and delivery capabilities on growth, and beliefs regarding the long-term drivers of Yum China’s business. 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 on our presentation are only made as of the date indicated on the relevant materials, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances. 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.

Market and Industry Data. Unless we indicate otherwise, we base the information concerning our industry contained on this presentation on our general knowledge of and expectations concerning the industry. Our market position and market share is based on our estimates using data from various industry sources and assumptions that we believe to be reasonable based on our knowledge of the industry. We have not independently verified the data obtained from these sources and cannot assure you of the data’s accuracy or completeness.

Trademarks, logos, service marks, materials, designs and other intellectual property used in this presentation are owned by Yum China Holdings, Inc. and its affiliates, or their use has been officially authorized by their respective owners. This presentation also may refer to brand names, trademarks, service marks and trade names of other companies and organizations, and these brand names, trademarks, service marks and trade names are the property of their respective owners.

Non-GAAP Measures. Our presentation includes certain non-GAAP financial measures. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures are included on our presentation where indicated. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.



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Unique Strengths of Yum China

No. 1 Top Western

Restaurant company
in China

Brands

Governance

Best-in-class Nationwide

Management

Supply chain



How we create value for shareholders

- 1 NET NEW UNIT DEVELOPMENT
- 2 SAME-STORE SALES GROWTH
- 3 MARGINS & G&A MANAGEMENT
- 4 STRATEGIC CAPITAL ALLOCATION

SHAREHOLDER RETURNS



1

Solid development plan to drive system sales growth

7,747

Restaurants¹

~1.5

Average no. of restaurants
opened daily²

1,220

Remodeled stores
(Jan 2016 – Aug 2017)

>1,100

No. of cities present¹

¹As of the end of August 2017.

²Per our previous guidance, Yum China targets to open 550-600 new units on a gross basis. Average no. of restaurants opened daily = 550 restaurants divided by 365 days

1

Compelling new unit return

Average Pre-tax Cash
Payback Period¹

Average Unit Volume

Cash Investment

Cash Margin



~**2** Years

~**RMB 6.1mn**

~**RMB 2.6mn**

~**22%**



<**4** Years²

~**RMB 5.6mn**

~**RMB 3.3mn**

~**17%**

¹Includes all units opened from June 2015 to May 2016, after deduction of 3% license fee.
²For Pizza Hut Casual Dining units only.

1

Significant lead over competitors



>2x

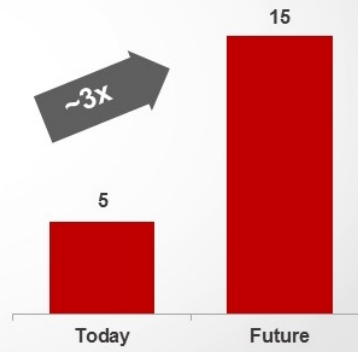
More units than nearest competitor



>5x

More units than nearest competitor¹

Yum China Restaurant Penetration²

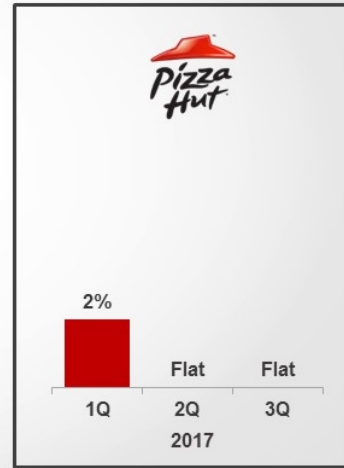
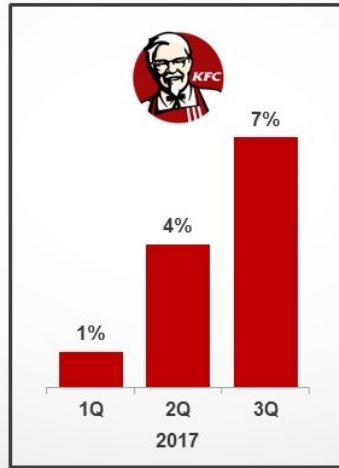
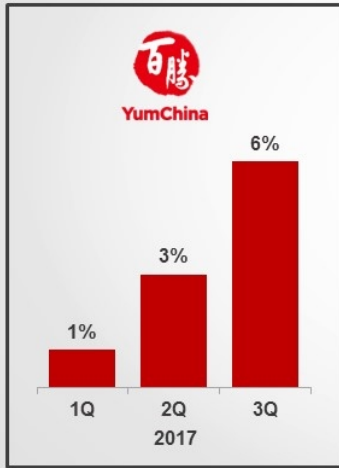


¹Includes both Pizza Hut Casual Dining and Pizza Hut Home Service units.

²We define restaurant penetration as number of Yum China restaurants per million people. It is calculated as follow: Yum China's total unit count divided by total China population.

2

Encouraging trend in same-store sales growth



2

Focusing on SSSG to drive sales leverage

Innovation

Great value

Digital capability

Delivery network

SSS
Growth

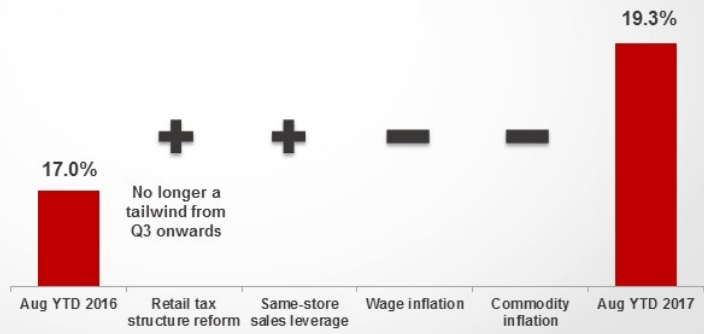
Restaurant Margin

Commodity Inflation

Labor Inflation

Efficiency

Key Factors Affecting Restaurant Margin (Aug YTD 2017)

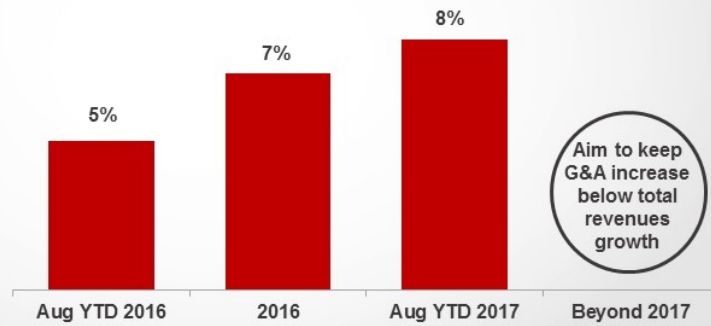


G&A Costs

Low-teens percentage increase in 2017

Cost structure optimization

G&A Change YoY



4

Generating robust free cash flow

26%

Free cash flow CAGR¹ (2014-2016)

\$1.6bn

Cash and short-term investment²

\$987mn

Operating cash flow (Jan-Aug 2017)

Zero

Debt²

¹Free cash flow is net operating cash flow less capital expenditure.
²As of the end of August 2017.

\$550mnTotal share repurchase authorization¹**\$61.7mn**Acquisition³**\$128mn**Share repurchase completed²**~\$39mn**First quarterly dividend
announced¹¹As of October 5, 2017.²As of the end of August 2017.³Yum China agreed to pay a cash consideration of \$36.7mn to the sellers and made a concurrent capital contribution of \$25.0mn to Daojia.

Invest

Into the core business

Repurchase

More shares

Strategic

Growth initiatives

Dividend

Increase on per share basis



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Ongoing financial targets

**High Single
Digit**

System sales growth,
ex FX

~17%

Restaurant margin

**Double
Digit**

Operating profit
growth, ex FX

Factors impacting EPS growth

Effective tax rate

August YTD 2017

29.3%

August YTD 2016

28.0%

Diluted share count

397mn

364mn



YumChina™
Thank You

Non-GAAP Definitions

In an effort to provide investors with additional information regarding the Company's financial results and other financial information as determined by generally accepted accounting principles (GAAP), the company also discusses in these materials, the following Non-GAAP information which management believes provides useful information to investors:

Adjusted EBITDA – We define adjusted EBITDA as net income including noncontrolling interests adjusted for income tax, interest income, depreciation, amortization and other items, including store impairment charges.

System-Sales – System sales growth reflects the results of all restaurants regardless of ownership, including Company-owned, franchise and unconsolidated affiliate restaurants that operate our concepts, except for non-Company-owned restaurants for which we do not receive a sales-based royalty. Sales of franchise and unconsolidated affiliate restaurants typically generate ongoing franchise fees for the Company at a rate of approximately 6% of system sales. Franchise and unconsolidated affiliate restaurant sales are not included in Company sales on the Condensed Consolidated and Combined Summary of Results; however, the franchise fees are included in the Company's revenues. We believe system sales growth is useful to investors as a significant indicator of the overall strength of our business as it incorporates all of our revenue drivers, Company and franchise same-store sales as well as net unit growth.

Constant Currency (Ex-FX) — We refer to growth rates at constant currency or adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. These amounts are calculated by translating current-year results at prior-year average exchange rates. We believe elimination of the foreign currency translation impact provides better year-to-year comparability of sales trends.

Reconciliations of Reported Results to Non-GAAP Measures

Reconciliation of Net Income to Adjusted EBITDA

(In US\$ million)

	Quarter ended		Year to date ended	
	8/31/2017	8/31/2016	8/31/2017	8/31/2016
Net income – noncontrolling interests	\$ 10	\$ 10	\$ 21	\$ 10
Net Income – Yum China Holdings, Inc.	211	192	493	414
Income tax provision	102	87	213	165
Interest income, net	(6)	(3)	(13)	(7)
Operating Profit	317	286	714	582
Depreciation and amortization	105	101	265	272
Store impairment charges	6	6	28	43
Special Items Income – Operating Profit	(3)	(3)	(3)	(2)
Adjusted EBITDA	\$ 425	\$ 390	\$ 1,004	\$ 895

Yum China System Sales

(In US\$ million)

	Year to date ended
	8/31/2017
Company sales	4,818
Franchisee sales	1,163
Total system sales	5,981

