

Yum China Factsheet As of Q4'2019

Company Overview

We are the largest restaurant company in China, with 9,200 restaurants as of year-end 2019 and \$8.8 billion of revenues. Our growing restaurant base consists of our flagship KFC and Pizza Hut brands, as well as emerging brands such as Little Sheep, COFFii & JOY, East Dawning and Taco Bell. We have the exclusive right to operate and sublicense the KFC, Pizza Hut and Taco Bell brands in China (excluding Hong Kong, Taiwan and Macau), and own the intellectual property of the Little Sheep, COFFii & JOY and East Dawning concepts outright.

2019 Highlight

| | |
|-----------------------------|----------|
| Number of stores | 9,200 |
| Total revenue (\$mn) | 8,776 |
| Operating profit (\$mn) | 901 |
| Net income (\$mn) | 713 |
| Adjusted EBITDA (\$mn) | 1,378 |
| Number of members (mn) | |
| KFC | >215 |
| Pizza Hut | >70 |
| Number of employees | ~450,000 |
| Number of logistics centers | 24 |

FY2020 Outlook

Gross opening between 800 and 850 stores
 Capital expenditure in the range of US\$500-550 million
 (Subject to revision based on the impact from the coronavirus)

Company Strategies

We were the first major global restaurant brand to enter China in 1987 and with over 30 years of operations, we have developed deep operating experience in the China market. Opening restaurants at an average of more than two new locations per day over the past five years, we have since grown to become one of China's largest restaurant developers with locations in over 1,300 cities as of December 31, 2019. We believe that there is significant opportunity to expand within China, and we intend to focus our efforts on increasing our geographic footprint in both existing and new markets.

Our Brands



KFC - China's leading quick-service restaurant brand



Pizza Hut - China's leading casual dining restaurant brand



Taco Bell - a California-based restaurant chain serving innovative Mexican-inspired food



Little Sheep - a casual dining brand with its roots in Inner Mongolia, specializes in "Hot Pot"



East Dawning - a Chinese food QSR brand located predominantly in bustling transportation hubs



COFFii & JOY - a coffee concept featuring specialty coffee

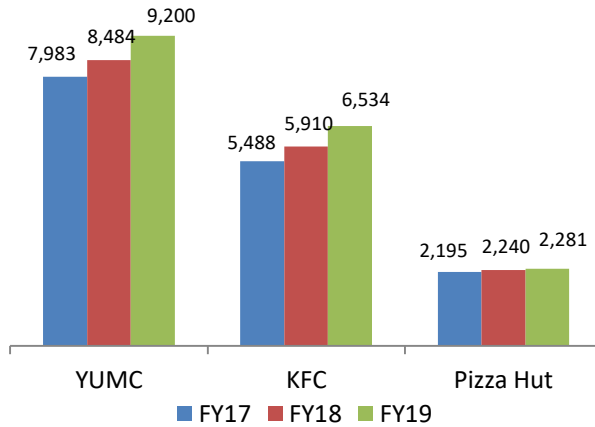




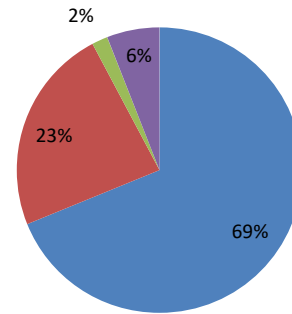
YumChina

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Unit Counts by Brand



Total Revenues by Brand

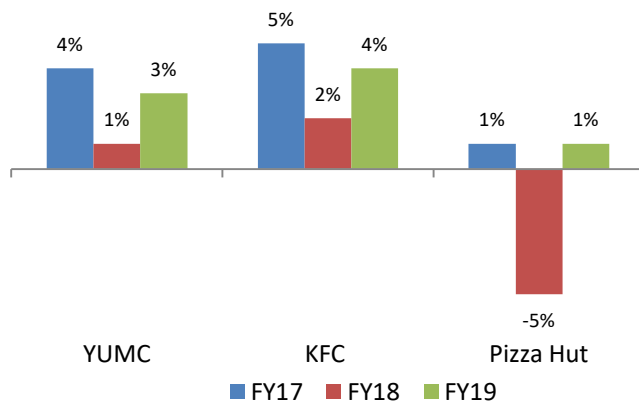


■ KFC ■ Pizza Hut ■ Other brands ■ Others

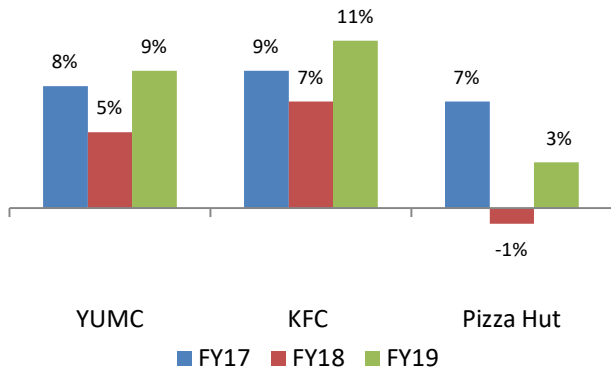
*Other brands include Little Sheep, East Dawning, Taco Bell and COFFii & JOY

*Others include Corporate and Other Unallocated Income

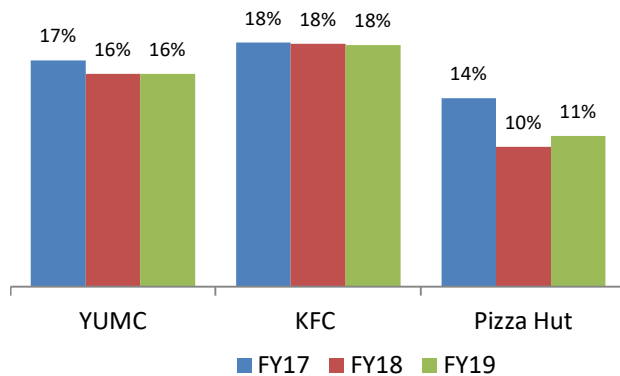
Same-Store Sales Growth



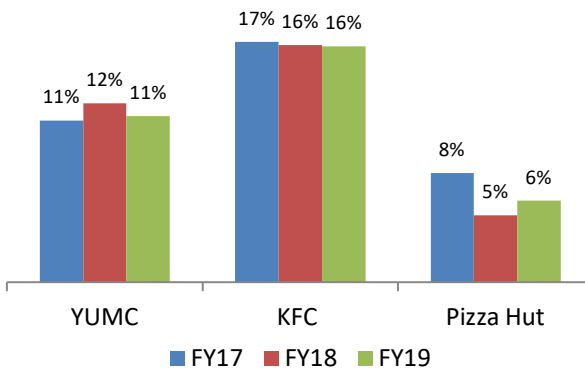
Total System Sales Growth



Restaurant Margin



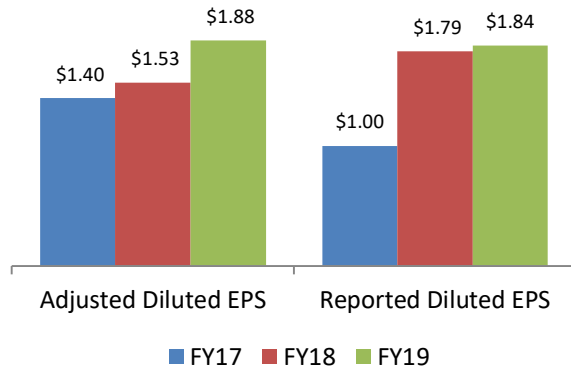
Operating Margin



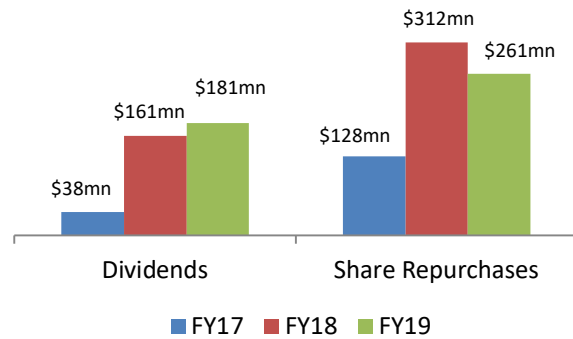
COFFii & JOY

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Diluted EPS



Dividend and Share Repurchase



Delivery and Digital

- Delivery accounted for 21% of company sales in 2019
- Over 215mn KFC members and over 70mn Pizza Hut members as of year-end 2019
- Members accounted for over 50% of system sales and digital payments accounted for 91% of Company sales in 2019
- Digital orders, including delivery, mobile orders and kiosk orders, accounted for 61% of Company sales in the fourth quarter of 2019

Development Milestones

- 1987 KFC opened its first China location in Beijing
- 1990 Pizza Hut opened its first China location in Beijing
- 2004 KFC opened its 1,000th restaurant in China
- 2005 East Downing opened its first location in Shanghai
- 2012 Yum China acquired Little Sheep
- 2013 Pizza Hut opened its 1,000th restaurant in China
- 2015 KFC opened its 5,000th restaurant in China
- 2016 Yum China listed on November 1st
- 2016 Taco Bell opened in Shanghai
- 2018 COFFii & JOY opened its first location in Shanghai
- 2019 Innovation Center opened in Shanghai

Awards and Recognitions in 2019

- Rank #362 of Fortune 500
- Bloomberg Gender Equality Index
- DJSI: Top 5 in Restaurant and Leisure Industry
- Top Employer in China by Top Employers Institute
- Restaurant Chain Innovation Award by China Chain Store and Franchise Association for smart supply chain management
- 3 Gold Cannes Lions Award for KFC's "Pocket Store"
- The Global CSR Awards™ Best Community Program for Pizza Hut Grow Local Initiative

