



YumChina



# FORTIFYING RESILIENCY, ACCELERATING GROWTH

2021 YUMC INVESTOR DAY

Johnson Huang

KFC General Manager





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# Strong Resilience as the Largest WQSR in China



**7,600+ Stores<sup>1</sup>**



**+6% System Sales Growth vs. 2019<sup>2</sup>**



**+15% Operating Profit Growth vs. 2019<sup>3</sup>**



**85%+ Digital Orders<sup>4</sup>**



**305+ mn Members<sup>1</sup>**



**~30% Delivery Sales<sup>4</sup>**

1. As of June 30, 2021; 2. 2021 1H vs 2019 1H in constant currency; 3. 2021 1H vs 2019 1H in reported currency; 4. % in 2021 1H



# Quick Responses to COVID Challenges



## ***Dine-in***

*Innovative products  
and in-store  
promotions to drive  
incremental sales*



## ***Take-away***

*Convenient pick-up experience enabled by better  
store accessibility and automated facilities*



## ***Delivery***

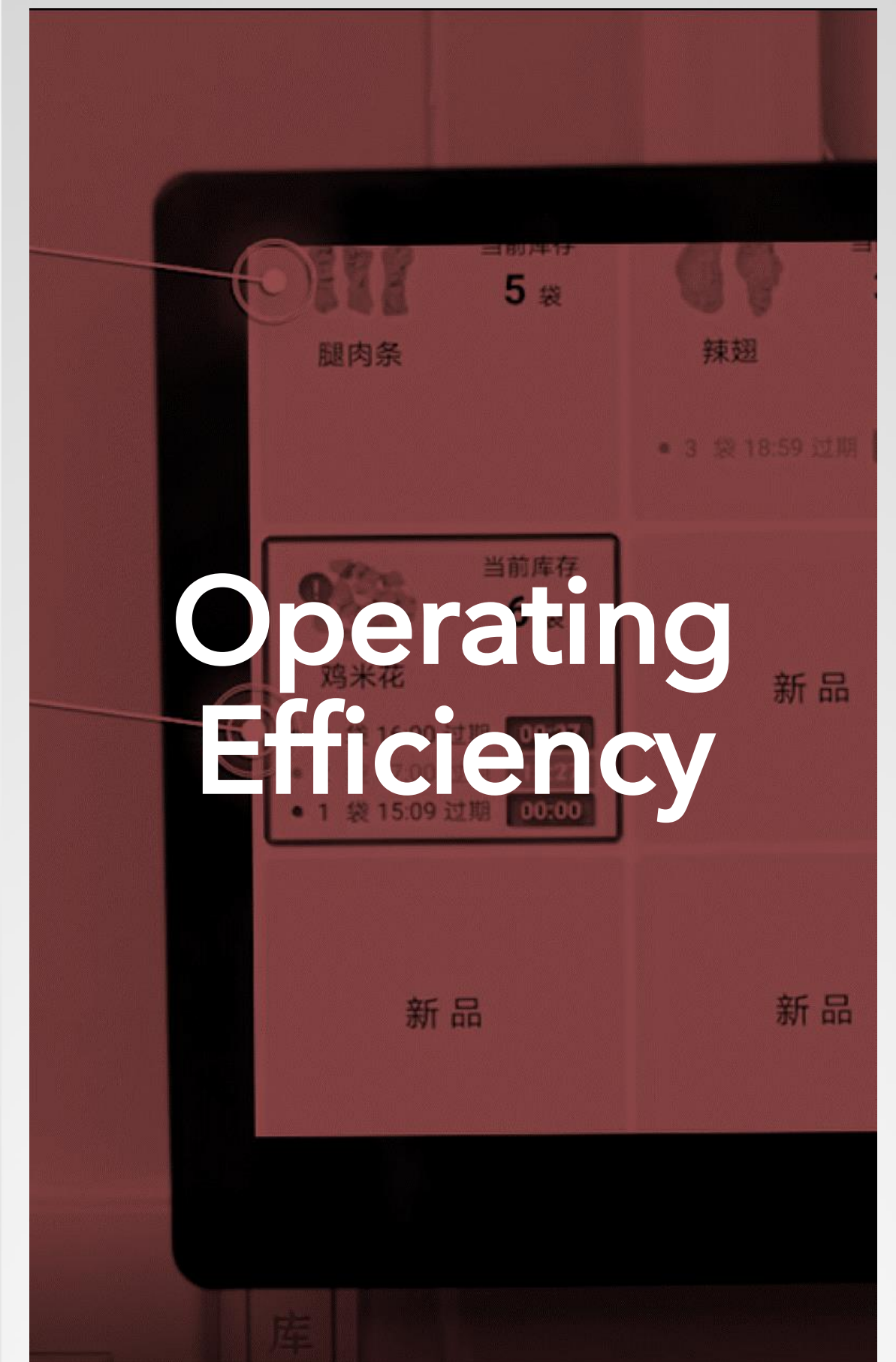
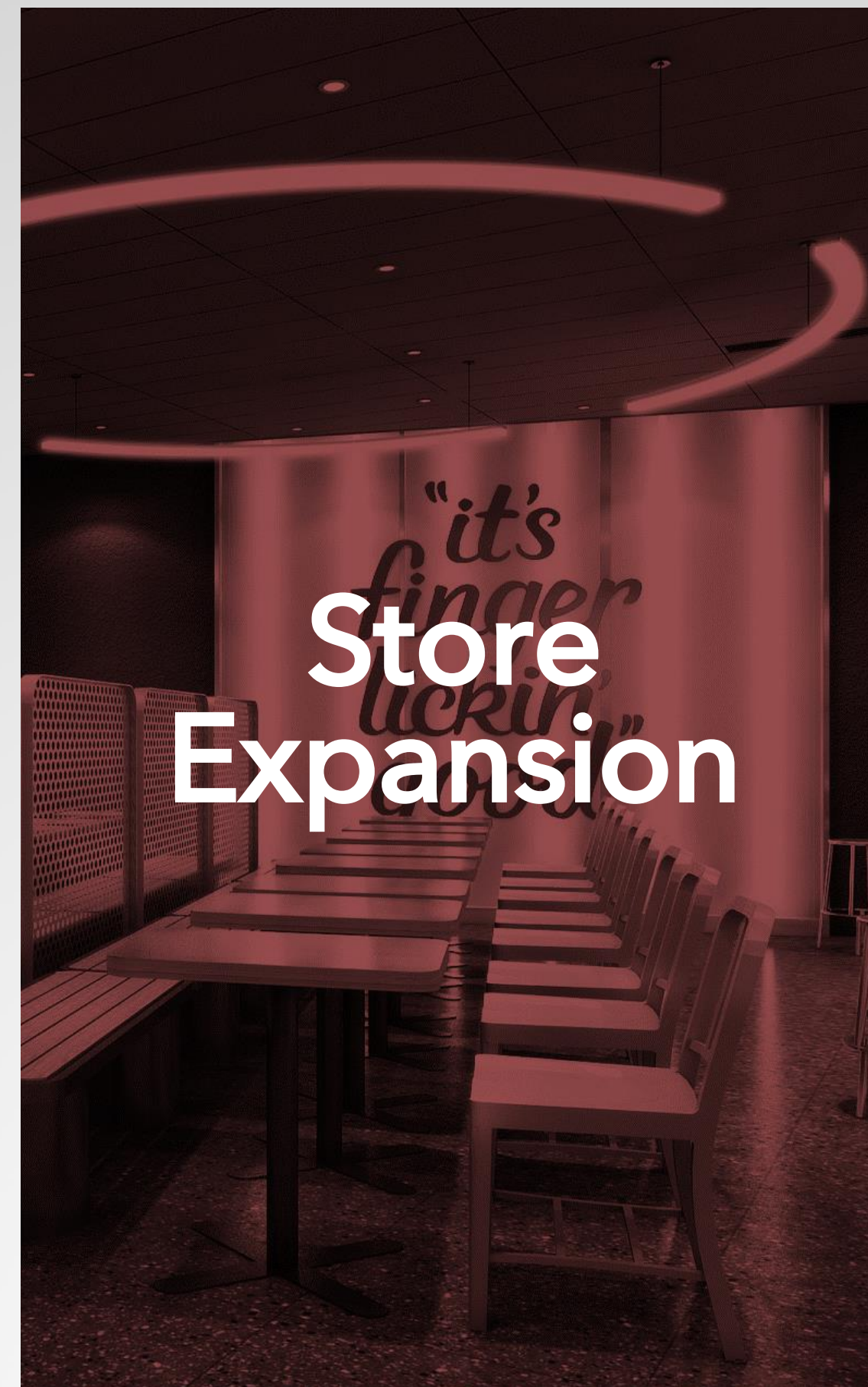
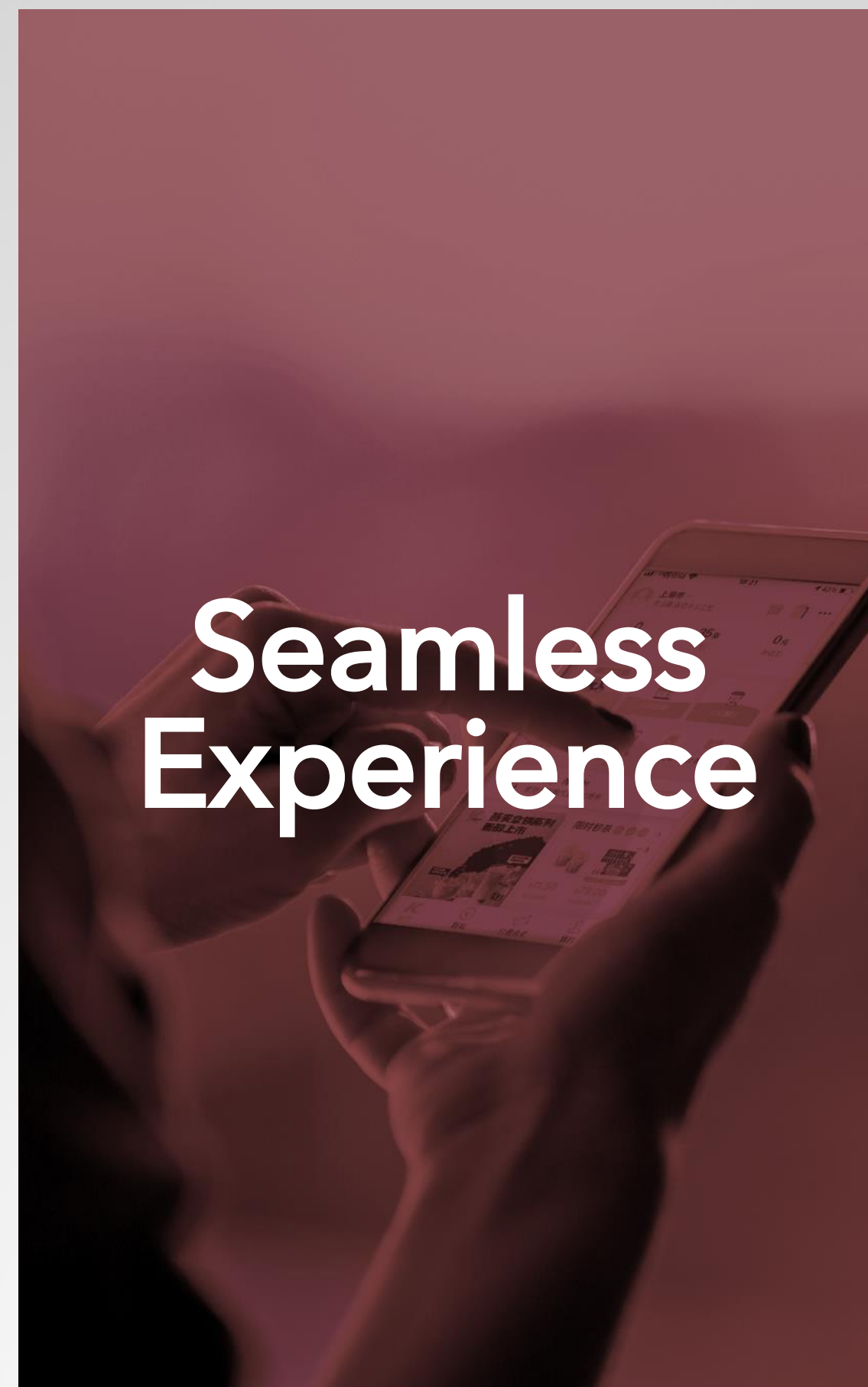
*Compelling offers to recruit more members and  
drive transaction frequency*



## ***New Retail***

*Product upgrade and promotion to build consumer mindset*

# KFC's Key Growth Pillars





GOOD FOOD

Strengthen the Core,  
and Explore the Innovative

100+ New and Upgraded Products in a Year

Innovations



Core



Value





# More Choices to Expand Leadership in Chicken



*Original Recipe  
Chicken-on-the-bone*



*Crispy Air  
Chicken-on-the-bone*



*Juicy Whole  
Chicken*

***Chicken-on-the-bone: ~430 mn pieces sold in 2020***



# Scale Up Beef Burgers



*Wagyu/Angus  
Beef Burger*

*Double  
Wagyu/Angus  
Beef Burger*

*Meat Sauce Wagyu/Angus  
Beef Burger  
(Limited Time Offer)*





# Coffee & Tea: More Reasons to Visit KFC



*Oat Milk Latte*



*Fruity Strawberry Milk Tea*



*Grape Tea*

**KCOFFEE: ~140 mn cups sold in 2020**



# Regional Menus: Nostalgic Local Comfort Foods



*Wuhan  
Hot & Dry Noodles*



*Fujian  
Meat Wonton*



*Tianjin  
Steamed Bun*



*Northwest  
Kebab*



# New Retail: Enjoy at Your Leisure

肯德基自在厨房。





SEAMLESS EXPERIENCE

# Create a Seamless Experience to Serve Customers Better

305+ mn

Members<sup>1</sup>

~62%

Member Sales<sup>2</sup>

~159 mn

APP Downloads<sup>1</sup>

85%+

Digital Orders<sup>2</sup>

Know Your Customer

Serve Them Better

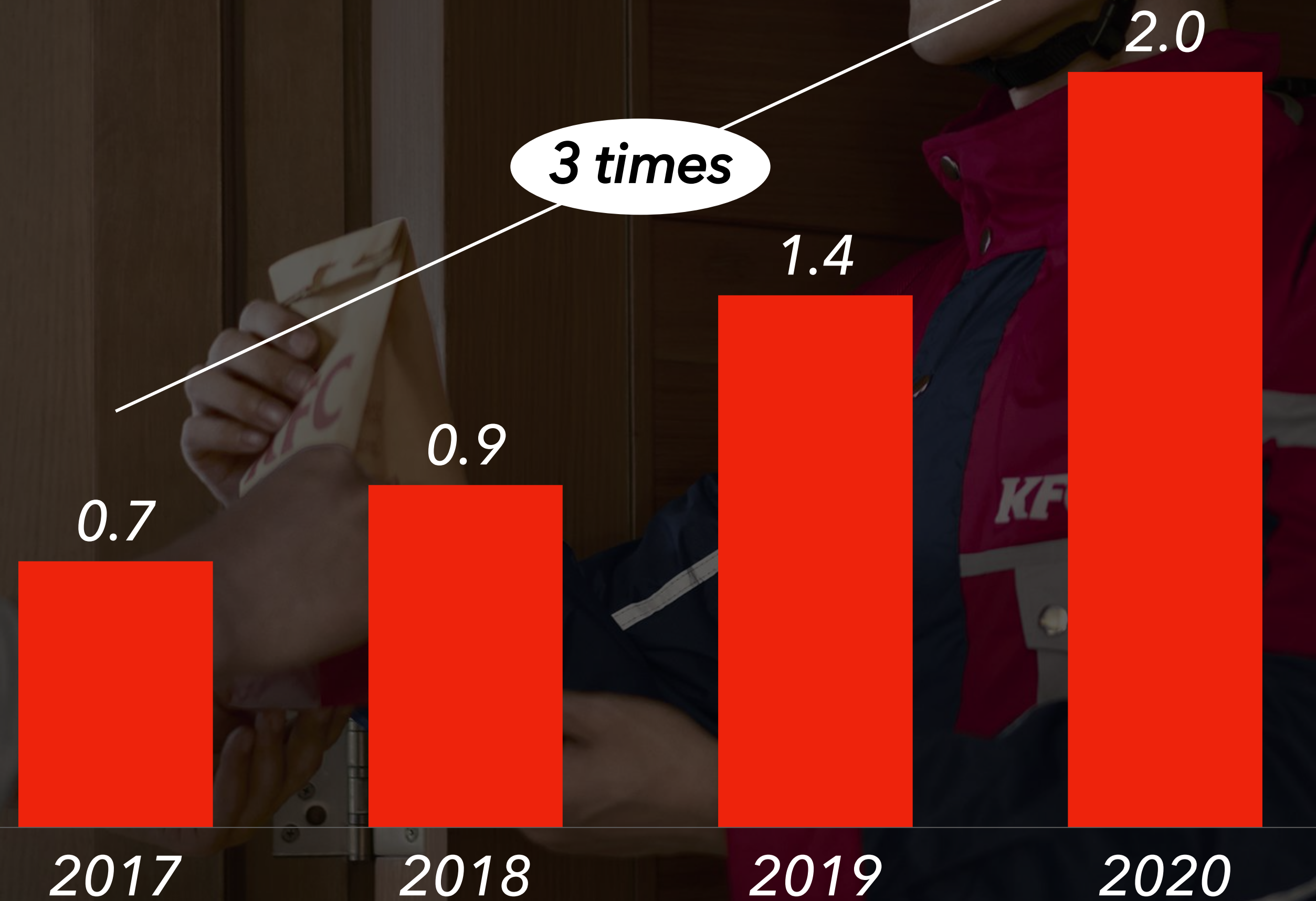


1. As of June 30, 2021; 2. % in 2021 1H



# Further Enhance Delivery Offerings to Drive Business Growth

Delivery Sales and Growth (\$ bn)<sup>1</sup>



1. KFC Self-operated stores and applied constant exchange rate to all periods (1 \$ = 6.5 RMB) for simplicity  
General note - \$ refers to US Dollar in the presentation



# Leverage Store-based Private Domain to Actively Engage Customers

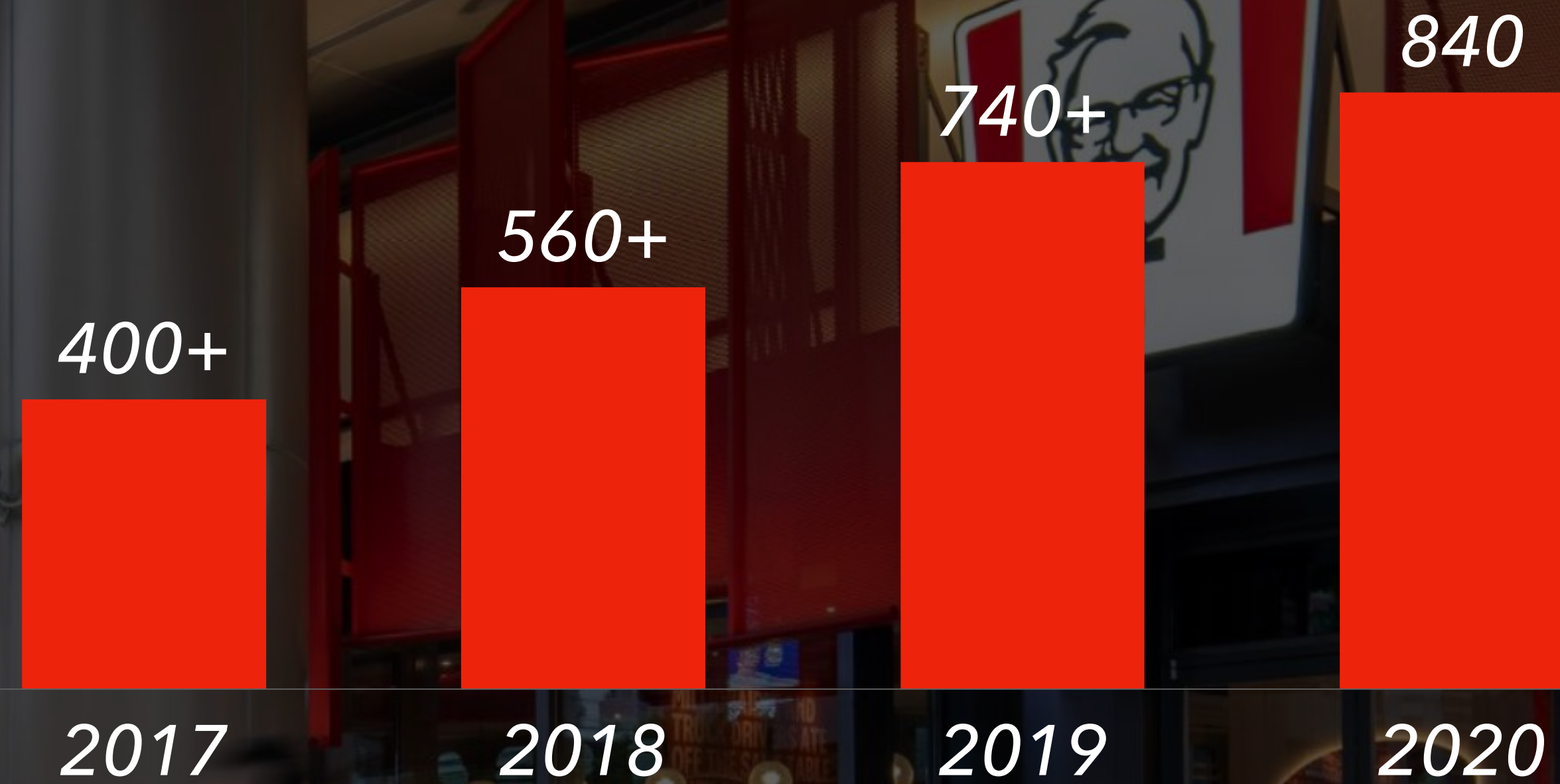




STORE EXPANSION

# Achieving Unprecedented Store Growth

## Gross New Builds



Expect to reach **7,900+** units by the end of 2021



# Footprints Across City Tiers in China



*Small Town*



*Compact*







# Great Potential to Reach More Customers

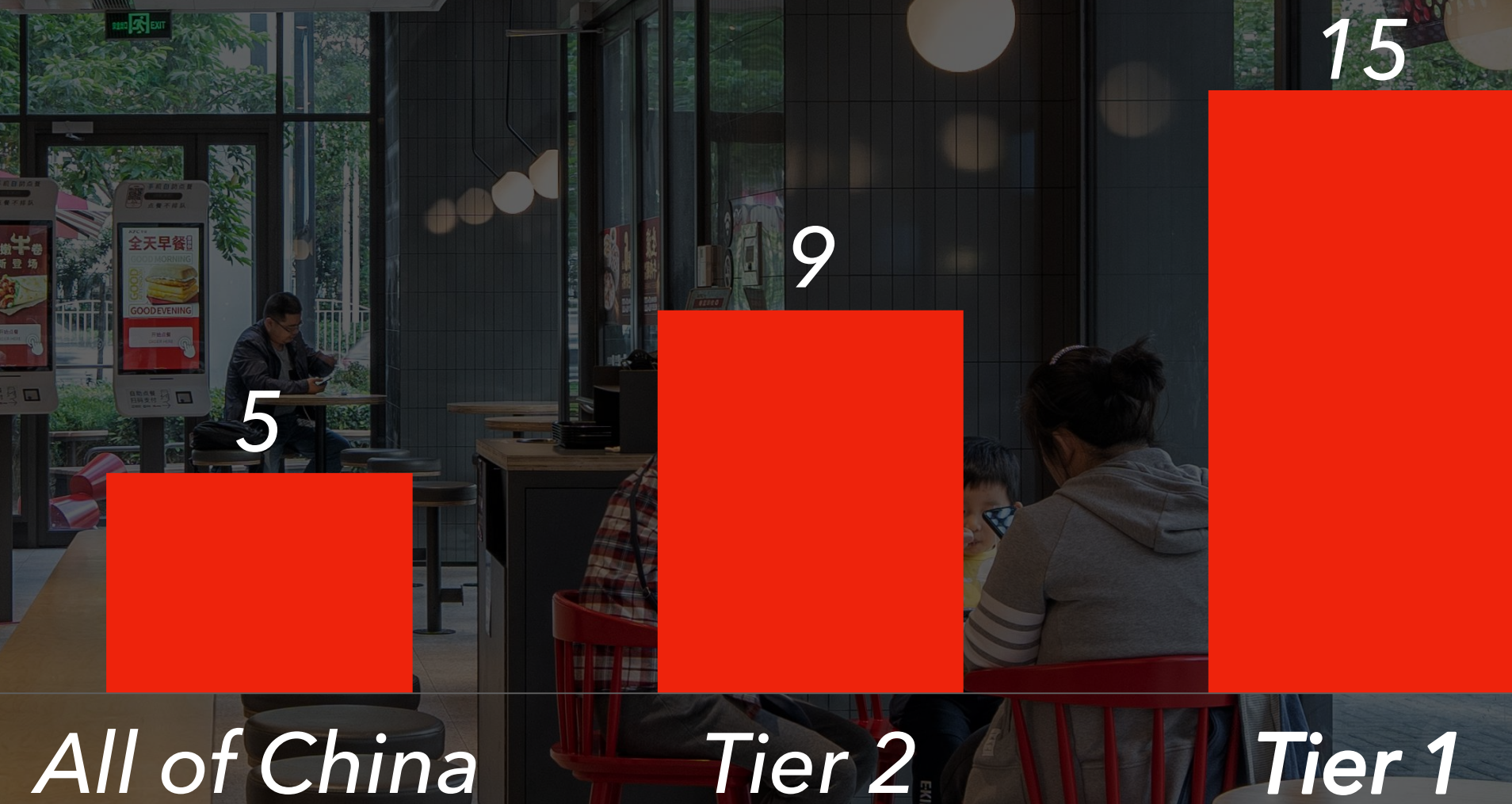
*KFC Coverage*

Potential  
Reached<sup>1</sup>



Cities

*KFC Stores per mn People*



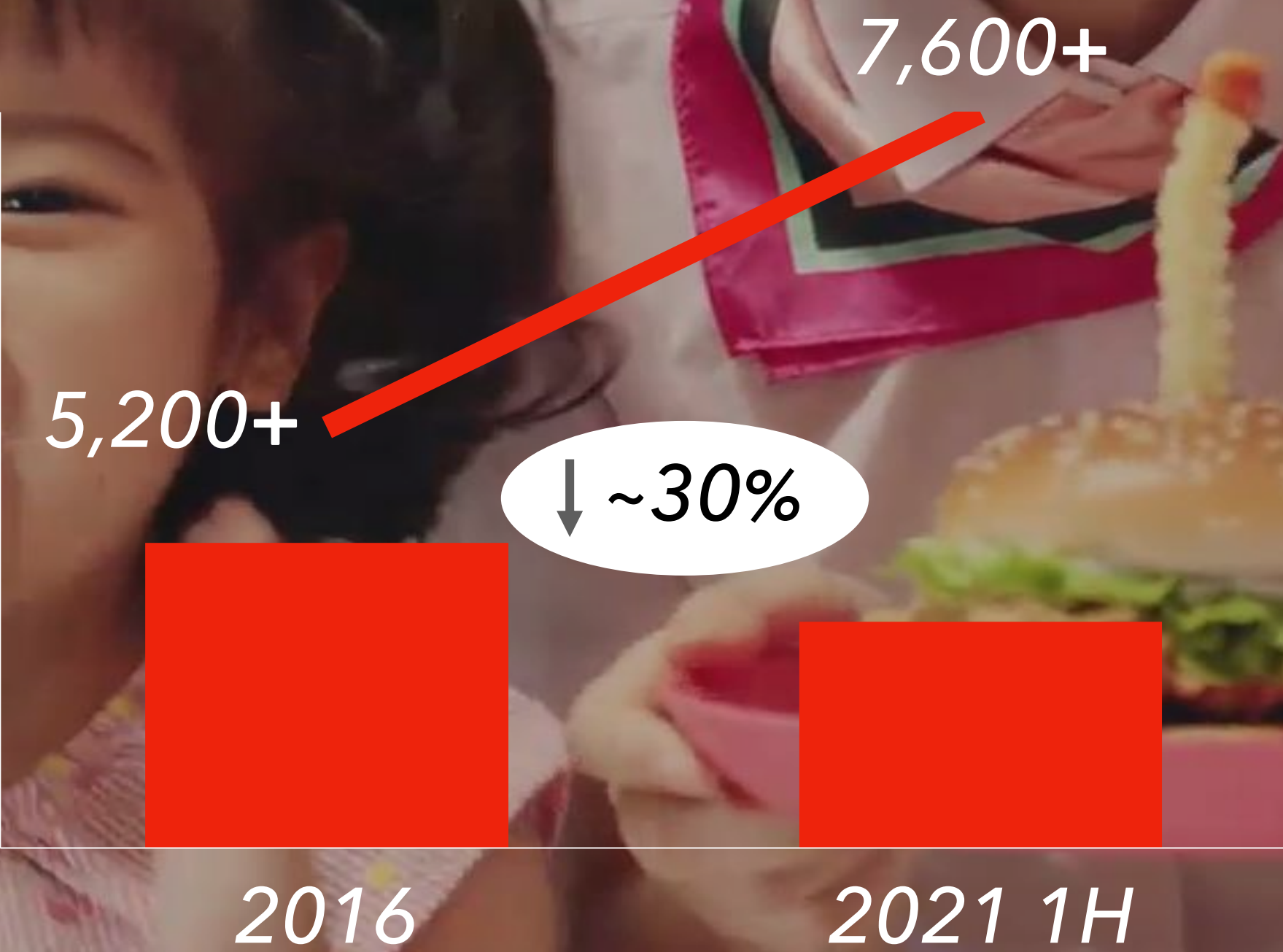
1. As of June 30, 2021



OPERATING EFFICIENCY

Higher Productivity,  
Better Service

■ Employees per KFC Store  
— Total KFC Stores





# Further Unlock Potential Through Digital & Intelligence

**Front & Back of House  
Equipment Management**

**Training  
Efficiency**

**Inventory  
Management**

Place

Product

People

**DIGITAL**

**AI**

**AUTOMATION**

门店编号: SZH234 当前版本号: 1.2.0 T

品项	库存袋数	过期袋数	批次
香辣鸡腿肉	12	6袋	0423 18:49
新奥尔良烤鸡翅	15	5袋	0424 15:38
新奥尔良烤腿肉	8	2袋	0424 16:20
香辣鸡腿肉	10	5袋	0424 16:20
鸡米花	7	7袋	0424 18:36
原味鸡	9	2袋	0424 18:36
腿肉条	9	5袋	0424 18:36
劲脆鸡腿肉	7	7袋	0424 20:41
鸭胸肉条	5	5袋	0424 20:50

10:07 星期四 自检 帮助 菜单



***Resilience  
with Agile  
Execution***

***Focus on  
Core &  
Embrace  
Changes***

***Technology-  
Enabled  
Innovation***





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