Yum China and Lavazza Group Welcome the Ambassador of Italy to China to Lavazza Flagship Store in Shanghai

3/9/2021

SHANGHAI, March 9, 2021 /PRNewswire/ -- Yum China Holdings, Inc. (the "Company" or "Yum China", NYSE: YUMC and HKEX: 9987) and the Lavazza Group ("Lavazza") welcomed Luca Ferrari, Ambassador of Italy to the People's Republic of China, to the Lavazza Flagship Store in Shanghai on March 8. During the visit, Ambassador Ferrari tasted Lavazza's premium coffee and classic and creative menu options, while taking time to appreciate the store's unique and iconic Italian style setting.

Yum China and the Lavazza Group, the world-renowned family-owned Italian coffee company, formed a joint venture in 2020 to explore and develop the Lavazza coffee shop concept in China. A new Lavazza Flagship Store in Shanghai, the first in Asia, opened its doors to customers in early 2020. Encouraged by overwhelmingly positive consumer feedback, four additional Lavazza stores have since opened in Shanghai.

"We were delighted to welcome Ambassador Ferrari to the Lavazza Flagship Store in Shanghai. Partnering with Lavazza Group, we are excited to have introduced this iconic Italian brand to China. Lavazza offers customers an authentic Italian coffee experience and a taste of Italian culture," said

Joey Wat, CEO of Yum China. "With the right mix of tradition, innovation and localization, we are well positioned to quickly respond to evolving consumer needs and capture the significant coffee opportunity in China."

"Lavazza has been always able to innovate throughout its decades-long activity. Innovation, style and delicate taste are at the very core of Lavazza's mission. With the opening of this new flagship store in Shanghai, the joint venture of Lavazza and Yum China proves again to be a successful story in the commercial relations between Italian and Chinese companies. With its unique mix of innovation, vanguard and style, Shanghai is a key door for Italian high-quality products. Hence, I am happy to see a new place here in this marvelous city to enjoy an authentic taste of Italy," said Luca Ferrari, Ambassador of Italy to the People's Republic of China.

With a history of over 125 years, Lavazza has built on its Italian heritage and commitment to quality and innovation, establishing itself as an industry pioneer that is loved by coffee drinkers around the world. In recent years, the Lavazza Group has stepped up the process of international development aimed at tapping into new markets and meeting rising customer demand for premium coffee.

In 2021, Yum China and the Lavazza Group plan to accelerate additional Lavazza store openings in China and test different store formats, ranging from mini to flagship stores. Yum China's scale and in-depth local market knowledge, combined with Lavazza's coffee credentials and quality-offering, creates a strong platform for the Lavazza coffee shop concept to succeed in China.

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 Lavazza Group

Lavazza, founded in Turin in 1895, has been owned by the Lavazza family for four generations. As one of the world's most important coffee roasters, the Group now operates in more than 140 countries through its subsidiaries and distributors, with 70%of turnover generated on international markets. Lavazza employs a total of over 4,000 people and in 2019 generated sales of € 2.2 billion.

Companies that form part of the Lavazza Group include France's Carte Noire and ESP (acquired in 2016 and 2017 respectively), Denmark's Merrild (2015), North America's Kicking Horse Coffee (2017), Italy's Nims (2017), and the business of Australia's Blue Pod Coffee Co (2018). At the end of 2018, following an acquisition, the Lavazza Professional Business Unit was created, which includes the Office Coffee Service (OCS) and Vending systems Flavia and Klix.

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.

View original content to download multimedia:http://www.prnewswire.com/news-releases/yum-china-and-lavazza-group-welcome-the-ambassador-of-italy-to-china-to-lavazza-flagship-store-in-shanghai-301243162.html

SOURCE Yum China Holdings, Inc.

Investor Relations Contact, +86 21 2407 7556, IR@YumChina.com; Media Contact, +86 21 2407 7510, Media@YumChina.com