



Yum China Recommends Stockholders Reject "Mini-Tender" Offer by TRC Capital Corporation

22 December, 2016

Yum China does not endorse TRC Capital's unsolicited mini-tender offer and recommends that stockholders not tender their shares

SHANGHAI, Dec. 22, 2016 /PRNewswire/ -- Yum China Holdings, Inc. ("Yum China") (NYSE: YUMC) today* announced that it received notice of an unsolicited "mini-tender" offer by TRC Capital Corporation ("TRC Capital") to purchase up to 4,000,000 shares of Yum China's common stock at a price of US\$26.75 per share in cash. Stockholders are cautioned that the offering price is 4.46% below the closing price per share of Yum China's common stock on December 9, 2016, the last trading day before the offer was commenced. The offer is for approximately 1.0% of the outstanding shares of Yum China's common stock.

Yum China does not endorse TRC Capital's unsolicited mini-tender offer and recommends that stockholders not tender their shares. Yum China is not associated with TRC Capital, its mini-tender offer or the mini-tender offer documentation.

Mini-tender offers are not subject to many of the investor protections afforded to larger tender offers, including the filing of disclosure and other tender offer documents with the Securities and Exchange Commission (the "SEC") and other procedures mandated by U.S. securities laws.

The SEC has cautioned investors that some bidders making mini-tender offers at below-market prices are "hoping that they will catch investors off guard if the investors do not compare the offer price to the current market price." The SEC's guidance to investors on mini-tender offers is available at <http://www.sec.gov/investor/pubs/minitend.htm>. TRC Capital has made many similar unsolicited mini-tender offers for shares of other public companies.

Stockholders should obtain current market quotations for their shares, consult with their broker or financial advisor, and exercise caution with respect to TRC Capital's mini-tender offer. Yum China recommends that stockholders who have not responded to TRC Capital's offer take no action. Stockholders who have already tendered their shares may withdraw them at any time prior to 12:01 a.m., New York City time, on January 12, 2017, in accordance with TRC Capital's offering documents.

Yum China encourages brokers and dealers, as well as other market participants, to review the SEC's letter regarding broker-dealer mini-tender offer dissemination and disclosure at <http://www.sec.gov/divisions/marketreg/minitenders/sja072401.htm>.

Yum China requests that a copy of this press release be included with all distributions of materials relating to TRC Capital's mini-tender offer related to shares of Yum China's common stock.

*(Dec. 22, 2016 US Eastern time, Dec. 23, 2016 in China)

About Yum China Holdings

Yum China Holdings, Inc., with executive offices in Shanghai, China, is a licensee of Yum! Brands in mainland China. It has exclusive rights in mainland China to KFC, China's leading quick-service restaurant concept, Pizza Hut, the leading casual dining restaurant brand in China, and Taco Bell, which is expanding globally and opening in China in 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 has more than 7,300 restaurants and more than 400,000 employees in over 1,100 cities, and generated over \$8 billion in system sales in 2015. 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.

Media Contact

Forest Liu, +86 21 2407 7505
Director, Financial Media

Investor Relations Contact

Christie Ju, +86 21 2407 8090
Vice President, Investor Relations

Michelle Shen, +86 21 2407 8260
Director, Investor Relations

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/yum-china-recommends-stockholders-reject-mini-tender-offer-by-trc-capital-corporation-300382966.html>

SOURCE Yum China Holdings, Inc