



Yum China Leverages In-Store Tech to Enhance Customer Experience

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SHANGHAI, Nov. 14, 2018 /PRNewswire/ -- Yum China Holdings, Inc. (the "Company" or "Yum China") (NYSE: YUMC) continues to introduce digitally enabled initiatives at KFC stores in China to enhance the customer experience, drive growth and optimize operational efficiency. Recent initiatives include the introduction of AI-powered self-ordering digital kiosks, a fully automated dessert station and the launch of a future store that integrates the Company's digital technologies to offer customers a more convenient and immersive digital experience. Yum China also announced that it has extended the use of "Smile-to-Pay" facial recognition payment technology to more than 300 KFC stores across the country.

Joey Wat, CEO of Yum China, said, "Digital is transforming the restaurant industry and we are excited to test cutting-edge technologies at scale and bring new experiences to our customers. We are using technology to redefine every touch point of the customer journey. With our in-store technology applications, KFC and Pizza Hut Super Apps and partnerships with leading technology partners, we have created a powerful digital ecosystem that offers a seamless experience for our customers whether they are on mobile, online or dining in restaurants. We will continue to explore the latest technologies to create unique dining experiences and offer our customers more convenient and personalized services."

AI-powered self-ordering kiosks

At Alibaba Cloud's 2018 Computing Conference in Hangzhou in September, KFC and Alibaba jointly announced the launch of an AI-powered self-ordering kiosk offering customers a unique and efficient way of navigating and ordering food from KFC's menu. The self-ordering kiosks also reduce waiting times and improve operational efficiency.



"Smile to Pay" facial recognition payment rolled out to over 300 KFC restaurants

Yum China introduced Alipay's "Smile to Pay" facial recognition payment technology at its KPRO by KFC restaurant in Hangzhou in 2017. "Smile to Pay" enables customers to pay for their orders at digital kiosks without having to reach for their wallets, offering a more convenient ordering experience. Following positive customer feedback, the technology has now been rolled out to over 300 KFC restaurants across the country.

KFC unveils fully automated dessert station in Suzhou

KFC recently launched its first fully automated dessert station in Suzhou, China. After customers scan a QR code and select one of three flavors of ice cream, the robotic arm scoops and serves the ice cream into a cone. Yum China intends to test the automated dessert station at other locations. Dessert is a key growth driver for KFC, and as of September 30, 2018, customers were able to order from over 1,000 KFC dessert kiosks across China.



KFC launches a future store in Hangzhou

KFC also unveiled a new concept in Hangzhou - a future store that provides customers with an immersive dining experience, integrating Yum China's digital technologies across every step of the journey, from self-ordering kiosks to digital and mobile payment solutions. Dedicated staff are also available to assist customers as they engage with the technology embedded at the store.

The future store is targeted at young, "New Generation" customers and features an open, transparent store layout. The store also features a dedicated tea and dessert bar, KBAR, which includes an assortment of made-to-order dessert items, as well as fresh juice and specialty tea drinks, catering to increasing appetite for personalized service and menu items.



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. 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," "project," "likely," "will," "continue," "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 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 or events 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 "Forward-Looking Statements" in our Annual Report on Form 10-K) for additional detail about factors that could affect our financial and other results.

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 and East Dawning concepts outright. The Company had more than 8,300 restaurants in over 1,200 cities at the end of September 2018. For more information, please visit <http://www.yumchina.com/en/>

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