



YumChina

2025

YUM CHINA
INVESTOR DAY

RESILIENCE GROWTH MOAT ^{3.0}

Innovation & Operational Efficiency

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Market and Industry Data. Unless we indicate otherwise, we base the information concerning our industry contained on this presentation on our general knowledge of, and expectations concerning, the restaurant industry in China. Our market position and market share is based on our estimates using data from various industry sources and assumptions that we believe to be reasonable based on our knowledge of the industry. We have not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness. Trademarks, logos, service marks, materials, designs and other intellectual property used in this presentation are owned by Yum China Holdings, Inc. and its affiliates, or their use has been officially authorized by their respective owners. This presentation also may refer to brand names, trademarks, service marks and trade names of other companies and organizations, and these brand names, trademarks, service marks and trade names are the property of their respective owners.

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For the purpose of this presentation, "China" refers to the People's Republic of China, excluding Hong Kong SAR, Macau SAR, and Taiwan.

Accelerated Expansion of Our Store Footprint Over 38 Years in China



1. Data from National Bureau of Statistics

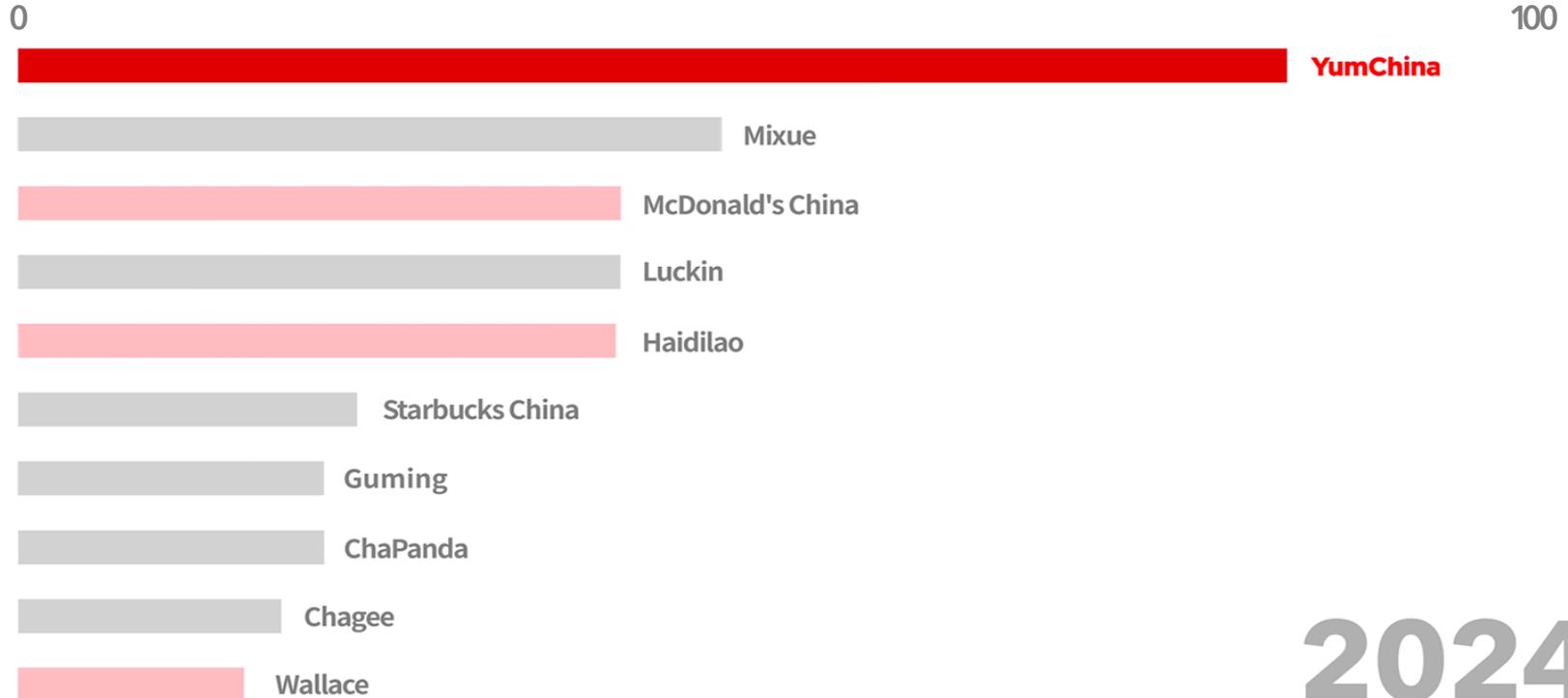
Largest Restaurant Company in the World's Largest Market

Top 10 players in China's foodservice industry by system sales¹

(2016 to 2024, bn RMB)

Restaurant player

Freshly-made
Coffee/Tea player



2024

1. Data from Euromonitor

Proven Track Record of Navigating Through Cycles: Resilient & Profitable Growth

System Sales Index¹



System Sales
~1.6x

Restaurant Margin, %



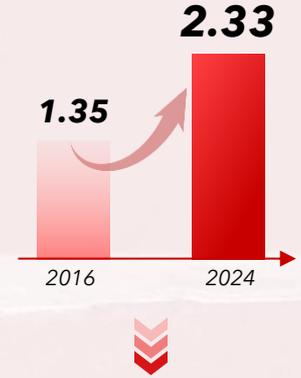
Margin
Expansion

Operating Profit, \$mn



Operating Profit
~1.8x

Diluted EPS, \$



Diluted EPS
~1.7x

1. Take 2016 system sales as 100, excluding F/X impact

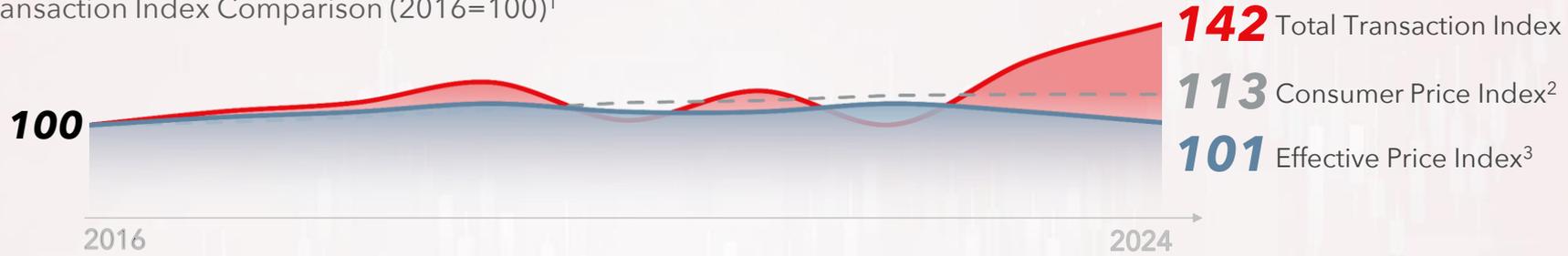
Committed to Delivering Value-for-Money

Pricing Determines Survival - 定价即经营、定价定生死

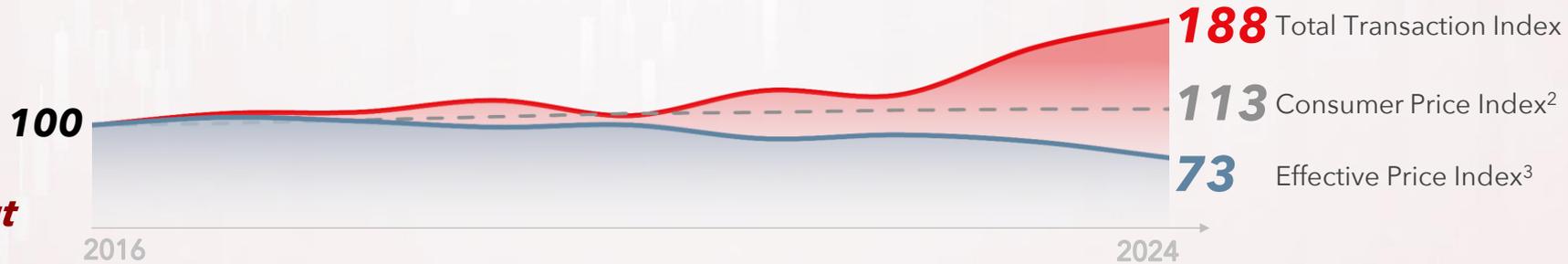
Price & Transaction Index Comparison (2016=100)¹



KFC



Pizza Hut



1. Index calculated by setting 2016 total transactions, consumer price & effective price to 100; 2. Data from National Bureau of Statistics; 3. Effective price = food product sales / total units sold 6

Build the Foundation, Then Grow



People First - RGM NO.1

Listen to Our People



Adopt Frontline Perspectives

Empower Our People



Empower RGMs through Smart Management

Care for Our People



Comprehensive Employee Care Programs



Recognized for 7 Consecutive Years,
No.2 Overall & Top 1 in the Industry in 2025

8.3% RGM Turnover Rate¹

1. RGM turnover rate from Oct 1, 2024 to Sep 30, 2025, calculated as the number of RGM departures divided by the average number of RGMs during the period

The Best Team in the Restaurant Industry



Resilience

Growth

Moat

R-G-M **3.0**

INNOVATION

**OPERATIONAL
EFFICIENCY**

RGM 3.0 for the Future

R

- *Front-End Segmentation & Back-End Consolidation*

G

- *Go Deep with Core Brands*
- *Equity & Franchise Hybrid Model as an Accelerator*

M

- *Physical Store + Virtual Space*
- *Integrated & Agile Supply Chain*
- *Unleash the Power of Agentic AI*



Front-End Segmentation with Back-End Consolidation

Diversified Needs & Segmented Offerings

Back-End Consolidation



RGMs Focus on Customer Service



Consolidated Back-End Operations



Centralized Recruitment & Training



RGM AI Copilot



Automated Kitchen Equipment

...

Drive Operational Efficiency with Back-End Synergies



Streamlining

- Menu Items & Raw Material SKUs



Centralization

- Centralized Recruitment & Training
- One-Stop RGM Service Center



Synergy

- Mega RGM
- Shared Services Center



Technology

- Human-Machine Collaboration
- RGM AI Copilot

Operational Efficiency Elevated to New Heights

Enhanced Marketing Efficiency

Company Sales per Marketing Dollar Spent

+55%

Store Rent Productivity

Rent Costs as a % of Company Sales

-170 bps

Continuous Capex Optimization

Capex per Store

 **-35%**  **-50%**

2024

VS

2016

China Continues to Boast Unparalleled Opportunities

Unmatched Market Size



Largest Consumer Market

~1.6x of US Market¹

(2024, Purchasing Power Parity-Adjusted)

YUMC Untapped Customer Base

~2/3

of Chinese Population Underserved

1. Data from the Ministry of Commerce; 2. Data from Meituan; 3. Data from Euromonitor

Industry Upside Ahead



Dine-out Frequency on the Rise

~3.5 → ~5.5
times/week

Increase in Weekly Dine-out Frequency of Urban Residents (2023-2030)²

Room for Chain-store Growth

20% vs 59%

China & US Chain Restaurant Revenue Share in Foodservice (2024)³

A Long Runway for Growth Ahead

Significant Room to Deepen Lower-Tier Penetration

City Presence to Almost Double as Store Model Evolves

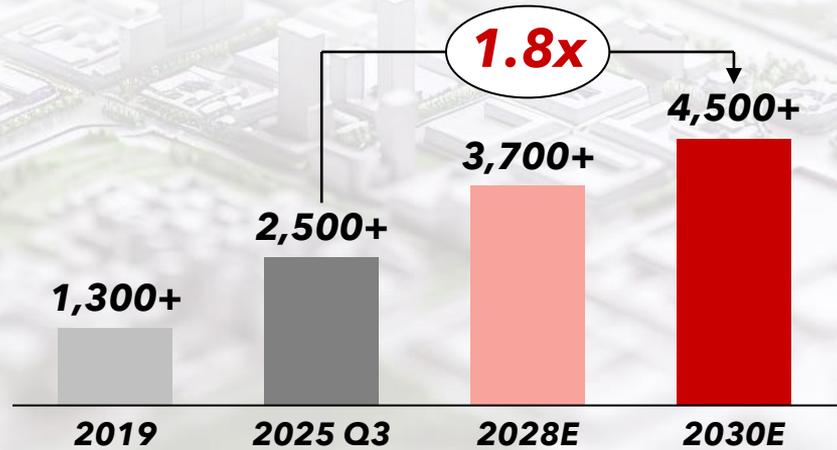
KFC Store Count Share among Top 5 QSR Players¹, %

Cities & Towns² with YUMC Presence in China



Tier 1&2 Cities

Tier 3 & Below Cities



1,300+

2,500+

3,700+

4,500+

2019

2025 Q3

2028E

2030E

1.8x

1. Store count data from Canyan, as of Sep 30, 2025. Calculated as KFC's share of total store count among the top 5 QSR players in China (including KFC). Top 5 QSR players by store count in China: Wallace, KFC, Tastien, Zhengxin Chicken Steak, and McDonald's China; 2. By YUMC city definition, data as of Sep 30, 2025

KFC - To Be China's 1st RMB 10bn+ Operating Profit Restaurant Chain in 2028



Legendary Classic Food & Non-stop Innovation



Extensive Footprints with Flexible Models



Household Name Trusted & Favored by Customers



Resilience Built on Operational Excellence

Solid Sales Growth

+5%

System Sales Growth 2025 Q3 YTD vs 2024 Q3 YTD

Unmatched Footprint

12,640

Total Store Count as of Sep 30, 2025

Serving Billions

1.8 bn

Total Transactions 2024 Q4- 2025 Q3

Resilient Margin

18.4%

Restaurant Margin 2025 Q3 YTD

Relentless Innovation to Unlock White Space

New Customers + New Occasions



Side-by-Side
KFC, KCOFFEE Café & KPRO



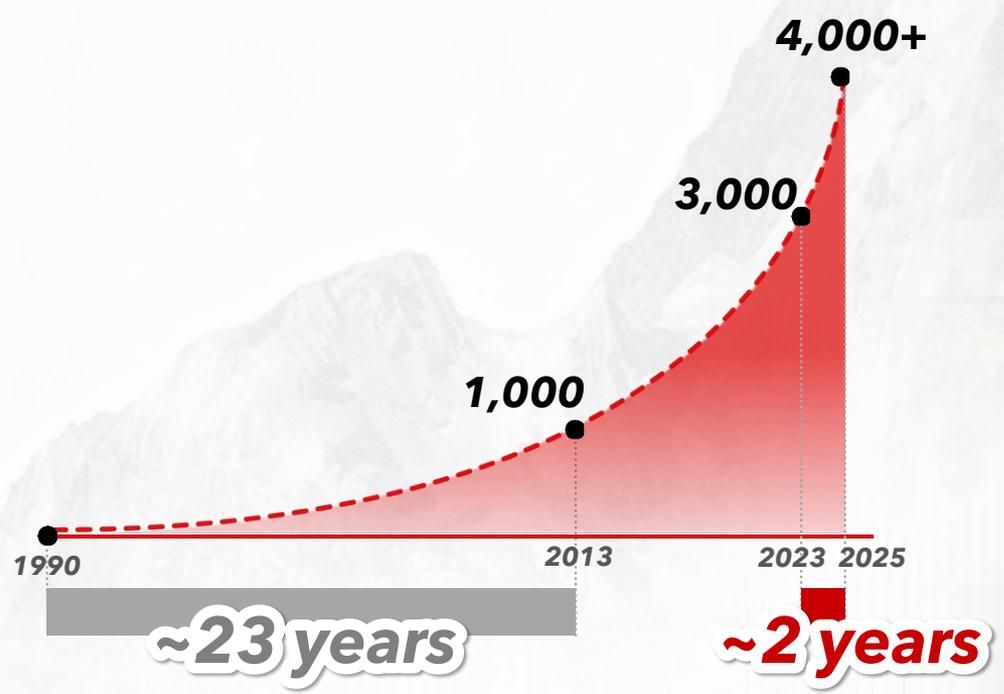
KFC
Small-Town



KFC & Pizza Hut
Gemini Model - 双子星

Pizza Hut - To Double Pizza Hut Operating Profit to over \$310mn in 5 Years (2024-2029)¹

Footprint Milestone of Pizza Hut



Classic Model



Satellite Model

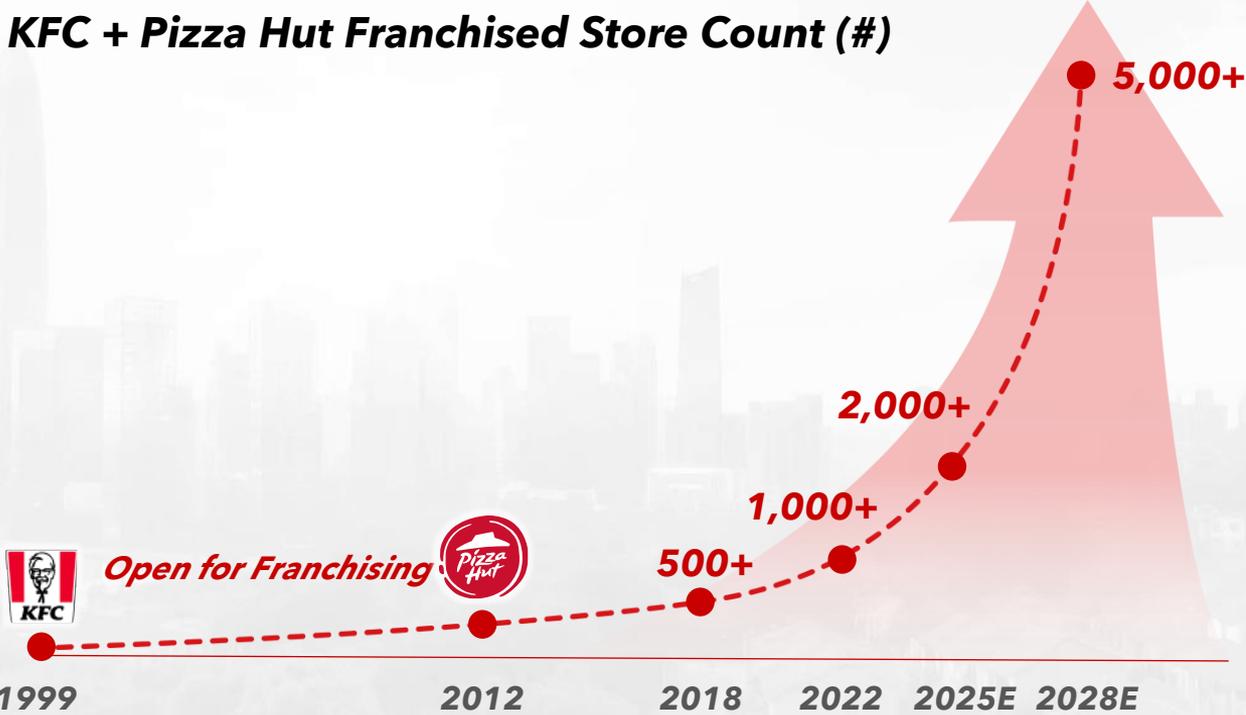


WOW Model

1. 2024 as base year, excluding F/X impact

Equity/Franchise Hybrid Model as a Growth Accelerator

KFC + Pizza Hut Franchised Store Count (#)



KFC & Pizza Hut Franchise System Sales Mix¹

1. As % of Yum China's total system sales

'Virtual Space' to Boost Customer Loyalty & Traffic Synergy



Physical Stores + Virtual Space

Evolving to an Integrated & Agile Supply Chain

Integrated Procurement System



Agile Logistics Network

5,000+
Cities & Towns Coverage Capacity¹

● Self-Owned
● Leased

Supply Chain Industrial Park

BAKERY SUPPLIER
 YUMCHINA LOGISTICS CENTER
 Supplier's Fresh-Cut Plant
 Supplier's Bakery Plant

**End-to-End Food Safety
Powered by AI**

**Unwavering Commitment
to Protect Our Planet**

United Nations Global Compact
 Member of Dow Jones Sustainability Indices
 MSCI ESG RATINGS AA

1. The map is solely for the purpose of displaying logistics network distribution

AI-Powered End-to-End Digitalization, Featuring Smart Restaurants

SUPPLY CHAIN

RESTAURANT

CONSUMER



Bionic Locomotion



Autonomous Robotic Vehicles

.....



Development Copilot



Q-Smart AI Assistant



Automated Kitchen Equipment



Auto Replenishment

.....



AI-Aided Customer Support



AI Ordering Agent

.....

End-to-End Collaborative Planning

Next-Generation Smart Restaurants with Agentic AI

Tailored & Seamless Experience

1. Some initiatives are in pilot; Certain images are for illustration only

The Path to 30,000+ Stores!

2026E
Store count as committed in 2023 investor day
20,000

The 1st restaurant chain in China to reach operating profit of

¥10bn+



Free cash flow¹ projected to exceed

\$1.1bn+

2029E

Operating profit (vs 2024)

DOUBLE



2030E

Store count new milestone

30,000+

Active members²

400mn+

vs ~265mn in 2025 Q3

1. Free cash flow refers to operating cash flow minus capital spending; 2. Members with transaction in the past 12 months



***To Be The World's Most
Innovative Pioneer In
The Restaurant Industry***

全球最创新的餐饮先锋

Appendix



Reconciliation of Yum China Restaurant Margin

| (\$ mn) | 2016 | 2024 |
|---|--------------|--------------|
| GAAP Operating Profit | 634 | 1,162 |
| Less: | | |
| Franchise fees and income | 129 | 94 |
| Revenues from transactions with franchisees and unconsolidated affiliates | 299 | 420 |
| Other revenues | 25 | 138 |
| Add: | | |
| General and administrative expenses | 429 | 568 |
| Franchise expenses | 72 | 37 |
| Expenses for transactions with franchisees and unconsolidated affiliates | 295 | 404 |
| Other operating costs and expenses | 15 | 122 |
| Closures and impairment expenses, net | 78 | 39 |
| Other income, net | (60) | (1) |
| Restaurant profit | 1,010 | 1,679 |
| Company sales | 6,622 | 10,651 |
| Restaurant margin | 15.2% | 15.7% |

Reconciliation of KFC Restaurant Margin

| (\$ mn) | 2025 Q3 YTD |
|---|--------------------|
| GAAP Operating Profit | 1,062 |
| Less: | |
| Franchise fees and income | 62 |
| Revenues from transactions with franchisees | 51 |
| Other revenues | 3 |
| Add: | |
| General and administrative expenses | 186 |
| Franchise expenses | 28 |
| Expenses for transactions with franchisees | 44 |
| Other operating costs and expenses | 3 |
| Closures and impairment expenses, net | 15 |
| Other income, net | – |
| Restaurant profit | 1,222 |
| Company sales | 6,630 |
| Restaurant margin | 18.4% |