YumChina

Fourth Quarter and Fiscal Year 2025 Results

February 4, 2026

NYSE: YUMC and HKEX: 9987

Cautionary Statement

This presentation 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, including statements relating to our projected capital returns. 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,” “commit” 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 include, without limitation, statements regarding the future strategies, growth, business plans, investments, store openings, net new stores, franchise mix of net new stores, capital expenditures, capital returns, dividend and share repurchase plans, CAGR for system sales, operating profit and EPS, earnings, performance and returns, anticipated effects of population and macroeconomic trends, execution of the Company’s RGM 3.0 strategy, the anticipated effects of our innovation, digital and delivery capabilities and investments on growth and beliefs regarding the long-term drivers of Yum China’s business. 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 presentation are only made as of the date of this presentation, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law. Numerous factors could cause our actual results or events to differ materially from those expressed or implied by forward-looking statements, including, without limitation: whether we are able to achieve development goals at the times and in the amounts currently anticipated, if at all, the success of our marketing campaigns and product innovation, our ability to maintain food safety and quality control systems, changes in public health conditions, our ability to control costs and expenses, including tax costs, changes in political, economic and regulatory conditions in China and the U.S., as well as changes in political, business, economic and trade relations between the U.S. and China, and those set forth under the caption “Risk Factors” in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. Our plan of capital returns to shareholders is based on current expectations, which may change based on market conditions, capital needs or otherwise. In addition, other risks and uncertainties not presently known to us or that we currently believe to be immaterial could affect the accuracy of any such forward-looking statements. 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 caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q) for additional detail about factors that could affect our financial and other results. This presentation includes certain non-GAAP financial measures. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures are included in this presentation where indicated. You are urged to consider carefully the comparable GAAP measures and reconciliations.

Q4 Posted Strong Sales and Operating Profit Growth

YumChina

Sales Growth

System Sales Growth[1]	Same-store Sales Growth[1]
+7%	+3%

Q4 YoY

3 consecutive quarters of
Same-store sales growth

12 consecutive quarters of
Same-store transaction growth

Margin Expansion

OP Margin	Restaurant Margin
6.6%	13.0%
+80 bps	+70 bps

Q4 YoY

Mainly driven by improvements in cost of sales & operational efficiency

Profit Growth

Operating Profit	Diluted EPS
$187 mn	$0.40
+25%	+33%

Q4 YoY

+29%	+21%
Ex impact of F/X	Ex impact of F/X and mark-to-market equity investments

[1] Excludes the impact of foreign exchange ("F/X").

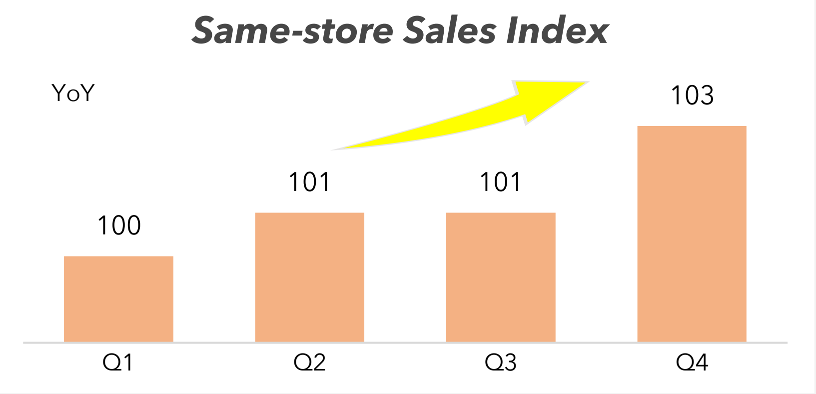
Solid Growth and Capital Returns Delivered in Full Year 2025

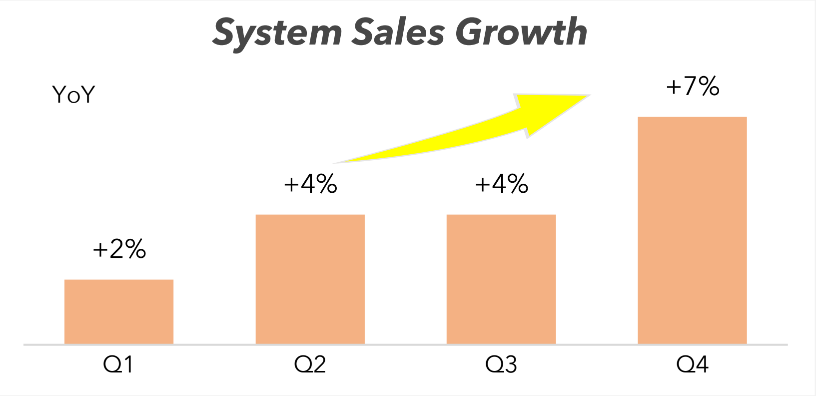
YumChina

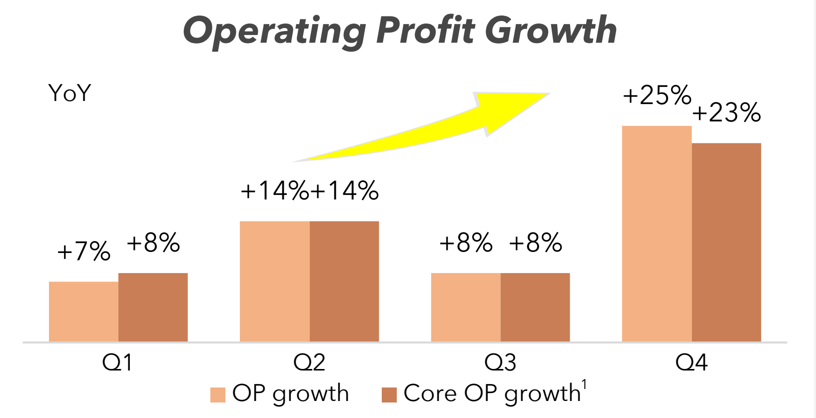
$11.8 bn Revenue +4% YoY	$1.3 bn Operating Profit +11% YoY	$1.5 bn Capital Returns
System Sales Growth[1]: +4% / Same-store Sales Growth[1]: +1% (YoY)	OP Margin: 10.9% (+60 bps YoY) / Restaurant Margin: 16.3% (+60 bps YoY)	~8% of Market Capitalization[2]
Net new stores: 1,706	Mainly driven by improvements in cost of sales & operational efficiency	Diluted EPS: +8% YoY; +14% YoY, ex impact of F/X and mark-to-market equity investments

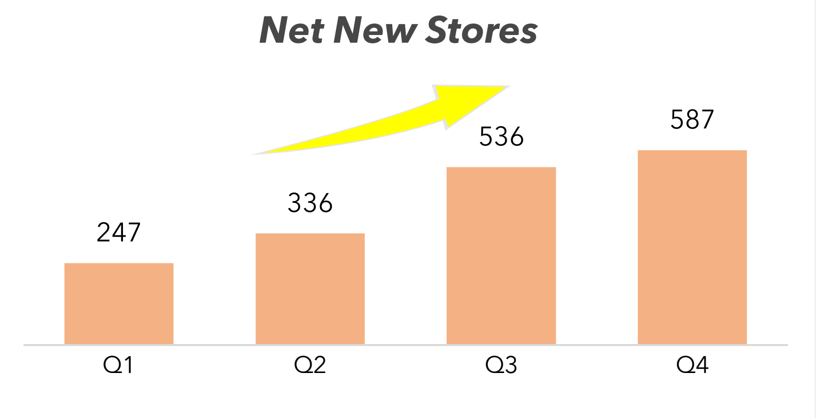
[1] Excludes the impact of foreign exchange ("F/X").
[2] $1.5 billion is equivalent to 8% of market capitalization as of February 3, 2026

Our Core Initiatives Drove Positive Momentum in 2025





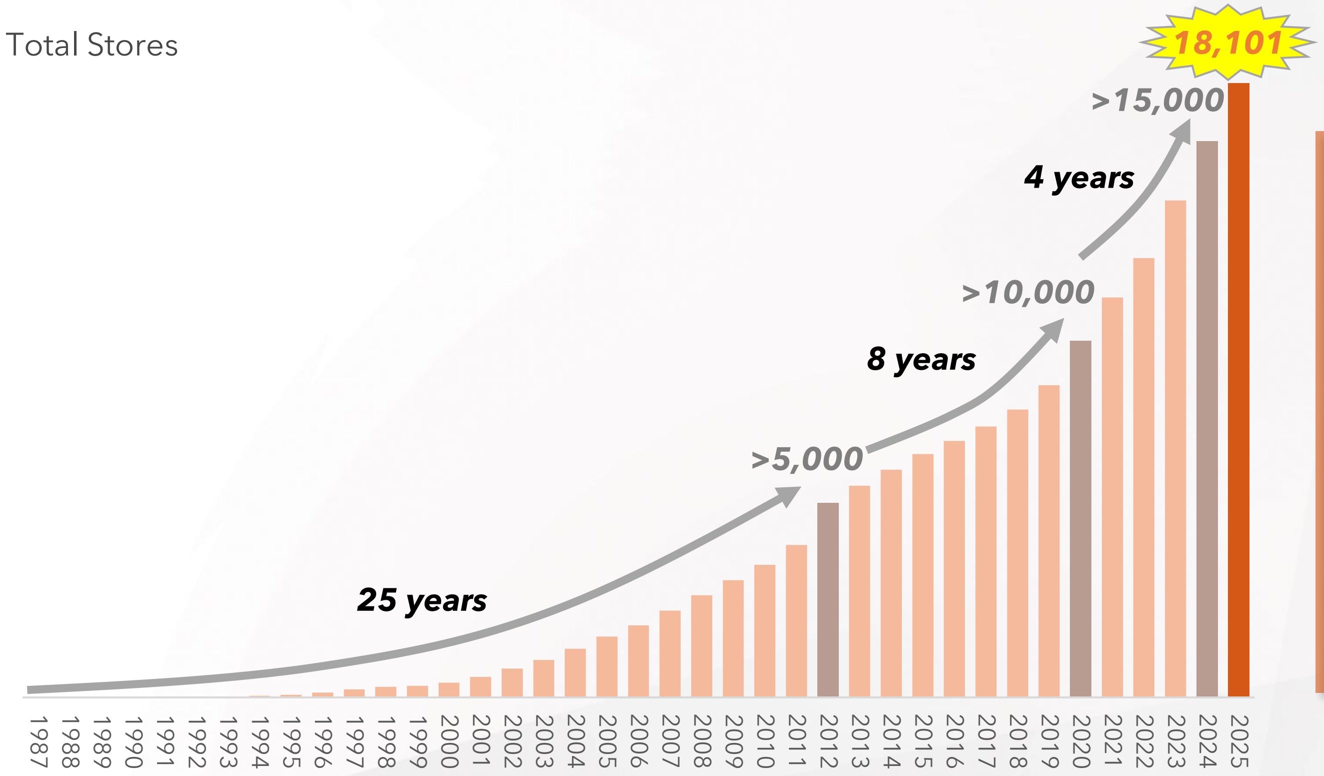




[1] Core OP growth compares current year Core Operating Profit to the prior year Operating Profit, adjusted only for any prior year Special Items and Items Affecting Comparability.

Reached 18,101 Stores in 2025
On Track for 20,000+ Stores in 2026

YumChina



Targeting

20,000+ stores by 2026

30,000+ stores by 2030

2026 - 2028 franchise mix of KFC & Pizza Hut net new stores:

40%-50%

Reaching More Cities with Diverse Store Formats and Both Equity and Franchise Stores

	Total Stores	Net New Stores in 2025	Expanding into More Cities		Reduced Average Capex	Healthy New Store Payback[3]
KFC	**12,997** 15% Franchise	**1,349** 37% Franchise	**2,500+** Cities with KFC	**270+** New cities entered in last 12 months	**~1.3 mn**[1] **RMB / store** *(From ~1.5 mn)*[2]	**~2** years
Pizza Hut	**4,168** 8% Franchise	**444** 31% Franchise	**1,000+** Cities with Pizza Hut	**200+** New cities entered in last 12 months	**~1.0 mn**[1] **RMB / store** *(From ~1.2 mn)*[2]	**~2-3** years

[1] Refers to stores opened in 2025.
[2] Refers to stores opened in 2024.
[3] Refers to Average Pre-tax Cash Payback Period assuming yearly cashflow is same as year 1, after deduction of 3% license fee and before G&A expenses and income tax; based on stores opened between July 2023 to June 2024.

Balanced and Disciplined Delivery Approach: Driving Top-line Growth While Protecting Margins

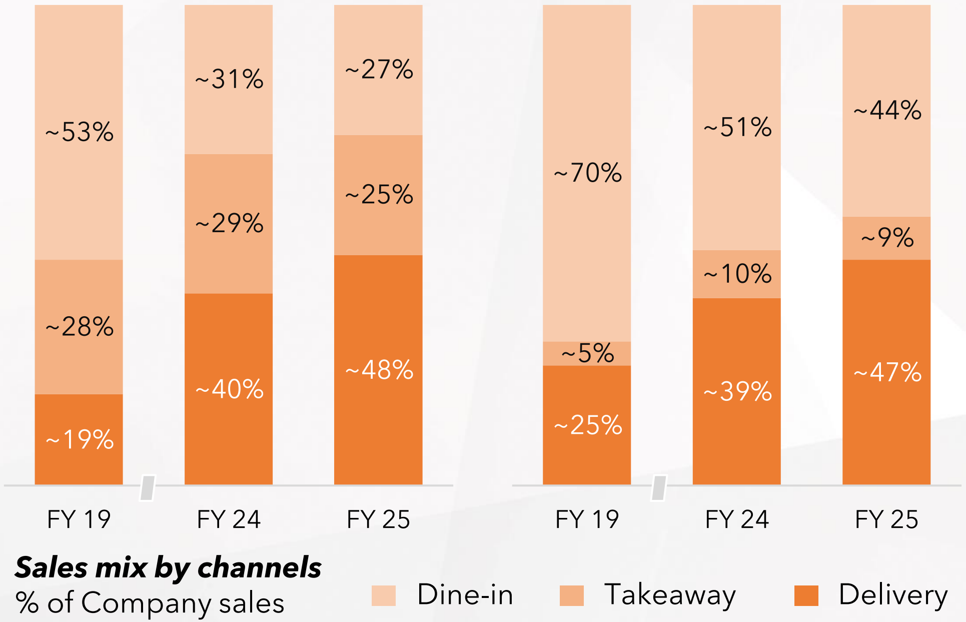
YumChina

Delivery Sales +25%[1] YoY in 2025

- Delivery mix increased from 42% in Q1 to 53% in Q4, yet restaurant margins sustained YoY improvement every quarter in 2025.
- Core brands maintained a balanced approach.
- KCOFFEE Cafe and Lavazza took the opportunity to increase exposure and drive traffic.

KFC **+26% YoY in 2025**

Pizza Hut **+22% YoY in 2025**



[1] Delivery sales at Company-owned stores.

Building Our Virtual Space to Deepen Consumer Connections

YumChina

Expanded Membership and Digitalization

590 mn+
Total Members[1]
+13% YoY

265 mn+
Active Members[2]
+13% YoY

94%
Digital Ordering[3]
+4pt YoY

$10.4 bn
Digital Sales
+8% YoY

Smart K
AI-Enabled Ordering Agent

2 mn+ members[4] have used Smart K

[1] KFC and Pizza Hut loyalty programs combined, as of period-end.
[2] Active Members, defined as those who transacted in the past 12 months, of KFC or Pizza Hut.
[3] Digital ordering of total Company sales
[4] From Smart K's trial launch on July 14, 2025 to January 31, 2026.

KFC Maintained Strong Performance

FULL YEAR 2025

+5%
System Sales Growth YoY

+1%
Same-store Sales Growth YoY

3 consecutive quarters of growth

14.5%
OP Margin
+50 bps YoY

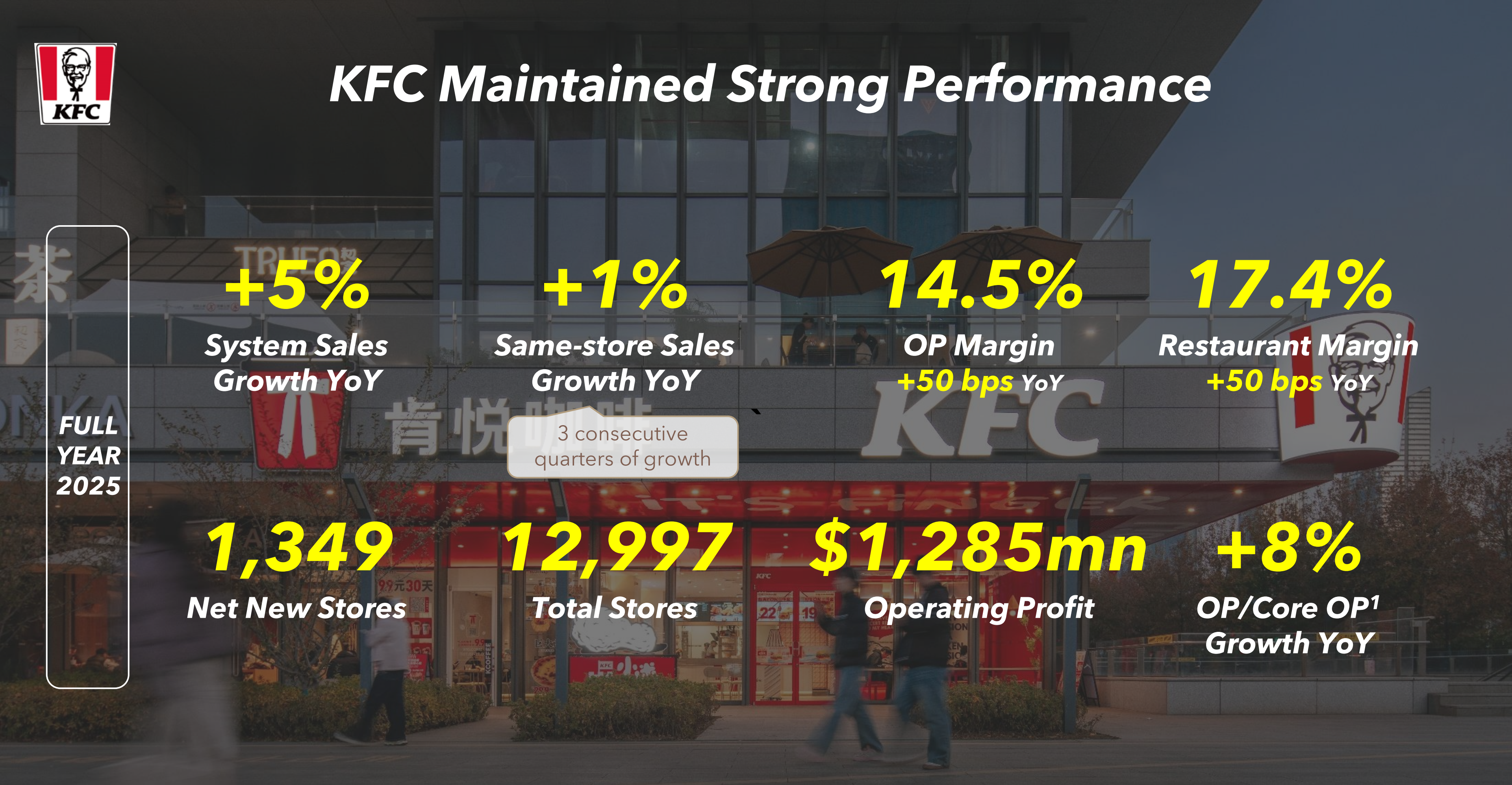
17.4%
Restaurant Margin
+50 bps YoY

1,349
Net New Stores

12,997
Total Stores

$1,285mn
Operating Profit

+8%
OP/Core OP[1] Growth YoY



[1] Core operating profit is defined as operating profit adjusted for special items, further excluding items affecting comparability and the impact of F/X. The Company uses core operating profit for the purposes of evaluating the performance of its core operations.

Photo: KFC Hefei Library (合肥图书馆)

Accelerated Sales Growth in Q4

Q4 2025

+8%
System Sales Growth YoY

+3%
Same-store Sales Growth YoY

3% same-store transaction growth YoY

10.5%
OP Margin
+60 bps YoY

14.0%
Restaurant Margin
+70 bps YoY

+16%
OP Growth YoY

+14%
Core OP Growth YoY

Photo: KFC Hefei Library (合肥图书馆)

Hero Products and Their Inspired Innovations Drove Meaningful Sales Uplift and Repeat Purchases

Celebrate CNY with Our Signature Bucket

KCOFFEE Cafe Rolled Out to 2,200 Locations in 2025

Daily Cups per Store +25%[1]

[1] 2025 vs 2024

Photo: KCOFFEE Cafe Wenzhou Wuma Street (温州五马街)

KPRO Expanded Footprint to 200+ Locations in 2025

Focus on Higher-Tier Cities

Pizza Hut: Record Expansion and Margin Breakthrough

FULL YEAR 2025

+4%
System Sales Growth YoY

+1%
Same-store Sales Growth YoY
3 consecutive quarters of growth

7.9%
OP Margin
+110 bps YoY
Highest since 2016

12.8%
Restaurant Margin
+80 bps YoY

444
Net New Stores
Record annual openings

4,168
Total Stores

$183 mn
Operating Profit

+19%
OP Growth YoY

+20%
Core OP Growth YoY

Photo: Pizza Hut Shenzhen Sanya Bay One (深圳三亚湾壹号)

Solid Q4 Performance

Q4 2025

+6%
System Sales Growth YoY

+1%
Same-store Sales Growth YoY

13% same-store transaction growth YoY, the 12th consecutive quarter of growth

3.7%
OP Margin
+110 bps YoY

9.9%
Restaurant Margin
+60 bps YoY

+52%
OP Growth YoY

+51%
Core OP Growth YoY

Photo: Pizza Hut Shenzhen Sanya Bay One (深圳三亚湾壹号)

Enhanced Pizza Expertise and Value-for-money Broadened Addressable Market and Drove Strong Traffic

New Thin-Crust – Now Our Best-selling Pizza Crust[1]

New Menu Features Products at Great Prices

[1] From the crust's official launch on August 4 to December 31, 2025.

Celebrating CNY: Super Supreme Pizza with New Twists

Pizza Hut WOW Expanded into ~100 New Cities in 2025

Improving Restaurant Margins
Estimated New Store Payback Period of 2-3 Years

Photo: Pizza Hut WOW Putian Fengting Fengcheng (莆田市枫亭枫城新都)

Lavazza's Dual Growth Engines Have Made Steady Progress

Coffee Shop: Improved Store Economics

146
Total Stores

+34
Net New Stores

Positive
Same-store Sales Growth YoY

47%
Lower New Store Capex[1]

Retail Business[2]: Profitable Growth

>40%
Retail Sales Growth YoY

>2x
Retail Operating Profit YoY

Full year 2025

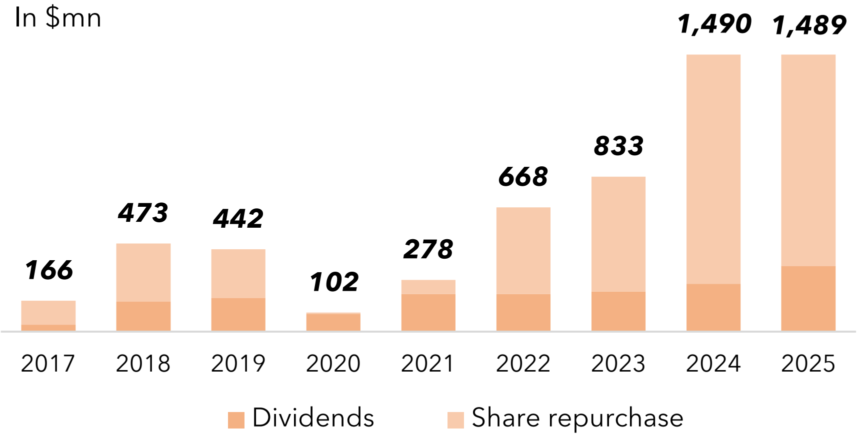
[1] Model 3.0 vs model 2.0
[2] Refer to packaged coffee products
Photo: Lavazza Pinzun Shanghai (上海品尊)

Significant Capital Returns to Shareholders

YumChina

Capital Returns to Shareholders in 2017-2025[1]

~$6 bn since spin-off



Target Capital Returns in 2024-26[2]

$1.5 bn

Each year

Increase in Quarterly Cash Dividends

+21%

To $0.29 in Q1 2026

2027 & Beyond Outlook

- *Target to Return ~100% of Free Cash Flow to ParentCo[3]*
- *Estimated Average Annual Return of ~$900-1,000 mn+ in 2027-2028*

Free cash flow[4] of $840 mn in 2025

Net cash[5] of $2.0 bn by 2025 year-end

[1] Includes dividends and share repurchases. Share repurchase amount excludes 1% excise tax and commissions.
[2] Based on current expectations, which may change based on market conditions, capital needs or otherwise. Subject to Board approval on dividends and share repurchases, as well as shareholders' approval on share repurchases.
[3] Refers to operating cash flow less capital spending and dividends paid to non-controlling interests, which is associated with our consolidated JVs including KFC JVs .
[4] Refers to cash flow from operating activities minus capital expenditure.
[5] Refers to $506 mn cash and cash equivalents, $878 mn short-term investments and $678 mn long-term bank deposits and notes, net of $30 mn in short-term borrowings.

Appendix

- ***Supplemental Financial Information***
- *2025 Investor Day Highlights*
- *Key Sustainability Updates*
- *Reconciliation of Reported GAAP Results to Non-GAAP Measures*

Fourth Quarter Grew YoY and vs 2019

Fourth Quarter	*2019*	*2024*	*2025*	*2025 vs 2024*	*2025 vs 2019*
No. of Stores	9,200	16,395	18,101	+10%	+97%
Total Revenues ($ mn)	2,029	2,595	2,823	+9%	+39%
Members (mn)	240+	525+	590+	+13%	+146%
Member Sales %	56%	64%	55%	(9) ppt	(1) ppt
Operating Profit ($ mn)	94	151	187	+25%	+98%
OP Margin (% of revenue)	4.7%	5.8%	6.6%	+0.8 ppt	+1.9 ppt

Note: The comparison of revenue and operating profit include the impact of foreign exchange.

Full Year Grew YoY and vs 2019

Full Year	*2019*	*2024*	*2025*	*2025 vs 2024*	*2025 vs 2019*
No. of Stores	9,200	16,395	18,101	+10%	+97%
Total Revenues ($ mn)	8,776	11,303	11,797	+4%	+34%
Members (mn)	240+	525+	590+	+13%	+146%
Member Sales %	52%	65%	61%	(4) ppt	+9ppt
Operating Profit ($ mm)	901	1,162	1,290	+11%	+43%
OP Margin (% of revenue)	10.3%	10.3%	10.9%	+0.6 ppt	+0.6ppt

Note: The comparison of revenue and operating profit include the impact of foreign exchange.

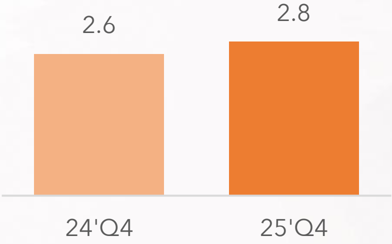
Sales and Profit Grew YoY in Fourth Quarter

YumChina

Revenue/Sales YoY

Revenue growth (reported)	+9%
Revenue growth (ex F/X)	+7%
System sales growth	+7%

Total Revenue ($bn)



Key factors for Revenue year-over-year change

+ Net new unit contribution
+ Same-store sales growth

Operating Profit/Core OP YoY

OP growth (reported)	+25%
OP growth (ex F/X)	+23%
Core OP growth	+23%

$mn	24'Q4	25'Q4
Operating Profit	151	187
Special items	-	-
Items affecting comparability	-	-
Foreign currency translation	-	(2)
Core operating profit	***151***	***185***

Key factors for Core OP year-over-year change

+ Efficiency improvement from streamlined operations
+ Favorable commodity prices
+ Sales leveraging
− Higher delivery cost due to increased delivery mix
− Value-for-money offerings

Fourth Quarter Key Performance Highlights – KFC & Pizza Hut

YumChina

25'Q4	***YoY Sales Growth***				***Channel Mix***		***Members***		***Digital orders***
	System Sales YoY	Same-store sales YoY	Same-store transactions YoY	Average ticket YoY	Delivery	Total off-premise	Million	Member sales %	Sales %
KFC	+8%	+3%	+3%	Flat	53%	75%	550+	56%	95%
Pizza Hut	+6%	+1%	+13%	(11)%	54%	62%	210+	50%	96%

KFC average ticket:

25'Q4	RMB 38
24'Q4	RMB 38

Stable

Pizza Hut average ticket:

25'Q4	RMB 69
24'Q4	RMB 78

In line with strategy to target mass market

Appendix

- *Supplemental Financial Information*
- ***2025 Investor Day Highlights***
- *Key Sustainability Updates*
- *Reconciliation of Reported GAAP Results to Non-GAAP Measures*

RGM 3.0 for the Future

YumChina

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

Franchising as an Incremental Growth Lever to Accelerate Expansion

Franchise Business

	2025	2028E
Unit Mix	13%	Twenties
System Sales Mix	9%	Mid-teens
Revenue[1] Mix	4-5%	High-single
OP[2] Mix	3-4%	High-single
OP Margin[3]	8%	~10%

Incremental Franchising Impact (2026-2028)

3,000+ Net New Franchise Stores

Franchise Mix of Net New Stores

- KFC: 40-50%
- Pizza Hut: 40-50% (up from 20-30%)

1/3 - 2/3 of Average Sales of Existing Standard Stores

~50% Franchise Store Sales Recognized as YUMC Revenue

Note: Figures on this page represent KFC and Pizza Hut and their contribution to YUMC total, except for OP margin

[1]Revenue from franchise business includes Franchise fees and income and Revenues from transaction with franchisees included in KFC and Pizza Hut reportable segments, revenue for delivery services provided to franchisees and included in All Other Segments, and revenue from sale of food and paper products to franchisees and included in Corporate and Unallocated

[2]The Operating Profit ("OP") of franchise business is defined as revenue from franchise business, less Franchise expenses and Expenses for transactions with franchisees in respective segments, and G&A attributable to franchisee business

[3]OP Margin of franchise business is defined as OP of franchise business divided by Revenue from franchise business

Our Pathway to Value Creation: 2026-2028 Outlook

2026-2028 Growth Targets on 2025 Base:

Same-Store Sales Index YoY	System Sales[1] CAGR	Operating Profit[2] CAGR	EPS[3] CAGR	Free Cash Flow Per Share CAGR
100-102	Mid- to High-single-digit%	High-single-digit%	Double-digit%	Double-digit%

[1]System sales excluding F/X
[2]Operating profit excluding special items and F/X
[3]Diluted EPS excluding special items and F/X

Appendix

- *Supplemental Financial Information*
- *2025 Investor Day Highlights*
- ***Key Sustainability Updates***
- *Reconciliation of Reported GAAP Results to Non-GAAP Measures*

ESG Ratings and Awards

YumChina

Industry No.1 on DJSI for the 5th Year

- ✓ ***Industry No.1*** in S&P Global 2024 Corporate Sustainability Assessment
- ✓ The only Mainland China consumer services company included in the DJSI World

Dow Jones Sustainability Indexes

"Top Employer" in China for the 8th Year

- ✓ ***8th*** consecutive year of "Top Employer" recognition from the Top Employers Institute
- ✓ ***#1*** in the restaurant industry for the 5th year

top EMPLOYER 杰出雇主 China 2026 FOR A BETTER WORLD OF WORK

Named Again to the "Change the World" List

- ✓ ***The second time*** the Company has been included in Fortune's "Change the World" ranking
- ✓ The KFC Food Bank program was highlighted, following the feature of the One Yuan Donation Program in 2023

Support UN SDG

United Nations Global Compact

Industry Highest Ranking

MSCI ESG RATINGS AA

CCC	B	BB	BBB	A	AA	AAA

Industry Leader

ISS ESG

Key ESG Initiatives

Food

Food Safety as Top Priority

End-to-end food safety and quality management system with tech-enabled controls across the value chain

Healthy & Balanced Meals

Offer healthier, more balanced choices and diverse menu options to support a healthy lifestyle

Environment

Climate Action

China's first restaurant company with approved near-term SBTs and committed to achieving net-zero by 2050

Circular Economy

Strive to create “zero-waste restaurants” by adhering to the 4R principle (Reduce, Reuse, Replace, Recycle)

People

“People First” Philosophy

Provide comprehensive support to ensure the well-being of employees – e.g., medical insurance coverage for RGMs, eligible employees, and their families

Diversity, Equity & Inclusion

Foster a fair and inclusive workplace;
75+ “Angel Restaurants” nationwide*

Community

Rural Revitalization

One Yuan Donation - 18 years of commitment, RMB280mn+ raised benefitted 1mn+ children*

Community Support

Food banks in ~1,300 locations across 190+ cities*
Little Migratory Birds Fund benefitted ~6.5mn children*

* as of Dec 31, 2025

Appendix

- *Supplemental Financial Information*
- *2025 Investor Day Highlights*
- *Key Sustainability Updates*
- ***Reconciliation of Reported GAAP Results to Non-GAAP Measures***

Reconciliation of Operating Profit to Core Operating Profit*

(in $mn)

Yum China

	Quarter Ended		% Change	Year Ended		% Change
	12/31/2025	12/31/2024	B/(W)	12/31/2025	12/31/2024	B/(W)
Operating Profit	$ 187	$ 151	25	$ 1,290	$ 1,162	11
Special Items, Operating Profit	–	–		–	–	
Adjusted Operating Profit	$ 187	$ 151	25	$ 1,290	$ 1,162	11
Items Affecting Comparability	–	–		–	–	
F/X impact	(2)	–		2	–	
Core Operating Profit	$ 185	$ 151	23	$ 1,292	$ 1,162	11
Total revenues	2,823	2,595	9	11,797	11,303	4
F/X impact	(43)	–		(15)	–	
Total revenues, excluding the impact of F/X	$ 2,780	$ 2,595	7	$ 11,782	$ 11,303	4
Core OP margin	6.6%	5.8%	0.8 ppts	11.0%	10.3%	0.7 ppts.

* Current period amounts are derived by translating results at average exchange rates of the prior year period.

Reconciliation of Operating Profit to Core Operating Profit

YumChina

(in $mn)

KFC	Quarter Ended		Year Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
GAAP Operating Profit	$ 223	$ 192	$ 1,285	$ 1,192
Special Items, Operating Profit	–	–	–	–
Adjusted Operating Profit	$ 223	$ 192	$ 1,285	$ 1,192
Items Affecting Comparability	–	–	–	–
F/X impact	(3)	–	–	–
Core Operating Profit	$ 220	$ 192	$ 1,285	$ 1,192

Pizza Hut	Quarter Ended		Year Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
GAAP Operating Profit	$ 20	$ 14	$ 183	$ 153
Special Items, Operating Profit	–	–	–	–
Adjusted Operating Profit	$ 20	$ 14	$ 183	$ 153
Items Affecting Comparability	–	–	–	–
F/X impact	–	–	1	–
Core Operating Profit	$ 20	$ 14	$ 184	$ 153

Reconciliation of Operating Profit to Restaurant Profit

YumChina

(in $mn)

Yum China	Quarter Ended		Year Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
GAAP Operating Profit	$ 187	$ 151	$ 1,290	$ 1,162
Less:				
Franchise fees and income	25	22	104	94
Revenues from transactions with franchisees	126	101	502	420
Other revenues	45	38	152	138
Add:				
General and administrative expenses	169	156	581	568
Franchise expenses	9	8	41	37
Expenses for transactions with franchisees	120	98	481	404
Other operating costs and expenses	38	32	132	122
Closures and impairment expenses, net	15	17	37	39
Other income, net	–	–	(1)	(1)
Restaurant profit	$ 342	$ 301	$ 1,803	$ 1,679
Company sales	2,627	2,434	11,039	10,651
Restaurant margin	13.0%	12.3%	16.3%	15.7%

Reconciliation of Operating Profit to Restaurant Profit

YumChina

(in $mn)

KFC	Quarter Ended		Year Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
GAAP Operating Profit	$ 223	$ 192	$ 1,285	$ 1,192
Less:				
Franchise fees and income	19	16	81	69
Revenues from transactions with franchisees	18	14	69	55
Other revenues	1	1	4	10
Add:				
General and administrative expenses	74	65	260	248
Franchise expenses	8	7	36	32
Expenses for transactions with franchisees	14	13	58	49
Other operating costs and expenses	–	1	3	8
Closures and impairment expenses, net	11	8	26	19
Restaurant profit	$ 292	$ 255	$ 1,514	$ 1,414
Company sales	2,087	1,923	8,717	8,375
Restaurant margin	14.0%	13.3%	17.4%	16.9%

Reconciliation of Operating Profit to Restaurant Profit

YumChina

(in $mn)

Pizza Hut	Quarter Ended		Year Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
GAAP Operating Profit	$ 20	$ 14	$ 183	$ 153
Less:				
Franchise fees and income	3	2	10	8
Revenues from transactions with franchisees	2	1	7	5
Other revenues	6	7	25	24
Add:				
General and administrative expenses	31	30	110	110
Franchise expenses	1	1	4	4
Expenses for transactions with franchisees	1	1	6	4
Other operating costs and expenses	6	6	23	22
Closures and impairment expenses, net	3	6	8	12
Restaurant profit	$ 51	$ 48	$ 292	$ 268
Company sales	529	500	2,282	2,223
Restaurant margin	9.9%	9.3%	12.8%	12.0%

Reconciliation of Return on Invested Capital (ROIC)

YumChina

(in $mn)

Calculation of adjusted net operating profit after taxes	FY 2025	FY2024	FY2023
Operating Profit	1,290	1,162	
Special Items - Operating Profit	–	–	
Adjusted Operating Profit	1,290	1,162	
Adjustments to remove:			
Interest on operating lease liabilities	94	108	
Computed Income tax	(376)	(339)	
Net income - noncontrolling interests	(75)	(69)	
Adjusted net operating profit after taxes	933	862	
Adjusted ETR	27.2%	26.7%	
Calculation of invested capital			
Total Yum China Holdings, Inc. Stockholders' Equity	5,379	5,728	6,405
Short-term borrowings	30	127	168
Operating lease liabilities	2,261	2,233	2,325
Cash & cash equivalents	(506)	(723)	(1,128)
Short-term investments	(878)	(1,121)	(1,472)
Long-term bank deposits and notes	(678)	(1,088)	(1,265)
Invested capital	5,608	5,156	5,033
Average invested capital	5,382	5,095	
Return on Invested Capital (ROIC)	17.3%	16.9%	

About Yum China

YumChina

Largest restaurant company in China[1]

Fortune 500 company

18,000+ restaurants

2,500+ cities in China

6 restaurant brands

Vision: To be the world's most innovative pioneer in the restaurant industry

Company website:	http://ir.yumchina.com	
Investor Relations Contact:	IR@YumChina.com	Tel: +86 21 2407 7556
Media Contact:	Media@YumChina.com	Tel: +86 21 2407 3824

[1] In terms of system sales.