YumChina

Second Quarter 2026 Results

July 30, 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, as well as changes in political, economic, trade relations, regulatory conditions in China and the U.S., 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.

Strong Q2 Results: Ninth Consecutive Quarter of System Sales Growth, OP Growth and OP Margin Expansion

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Strong Sales

System Sales Growth[1]
+6%

Revenue Growth
+13%

Same-Store Sales Growth[1]
+1%

Q2 YoY

14th consecutive quarter of Same-store transaction growth

Resilient Margins

OP Margin
11.1%
+20 bps

Restaurant Margin
16.1%
Flat

Q2 YoY

YoY OP margin expansion despite significant cost pressure from a higher delivery mix

Strong Profit Growth

Record Q2 OP $348mn

Operating Profit
+14%

Core Operating Profit[2]
+7%

Q2 YoY

Diluted EPS Grew to $0.70

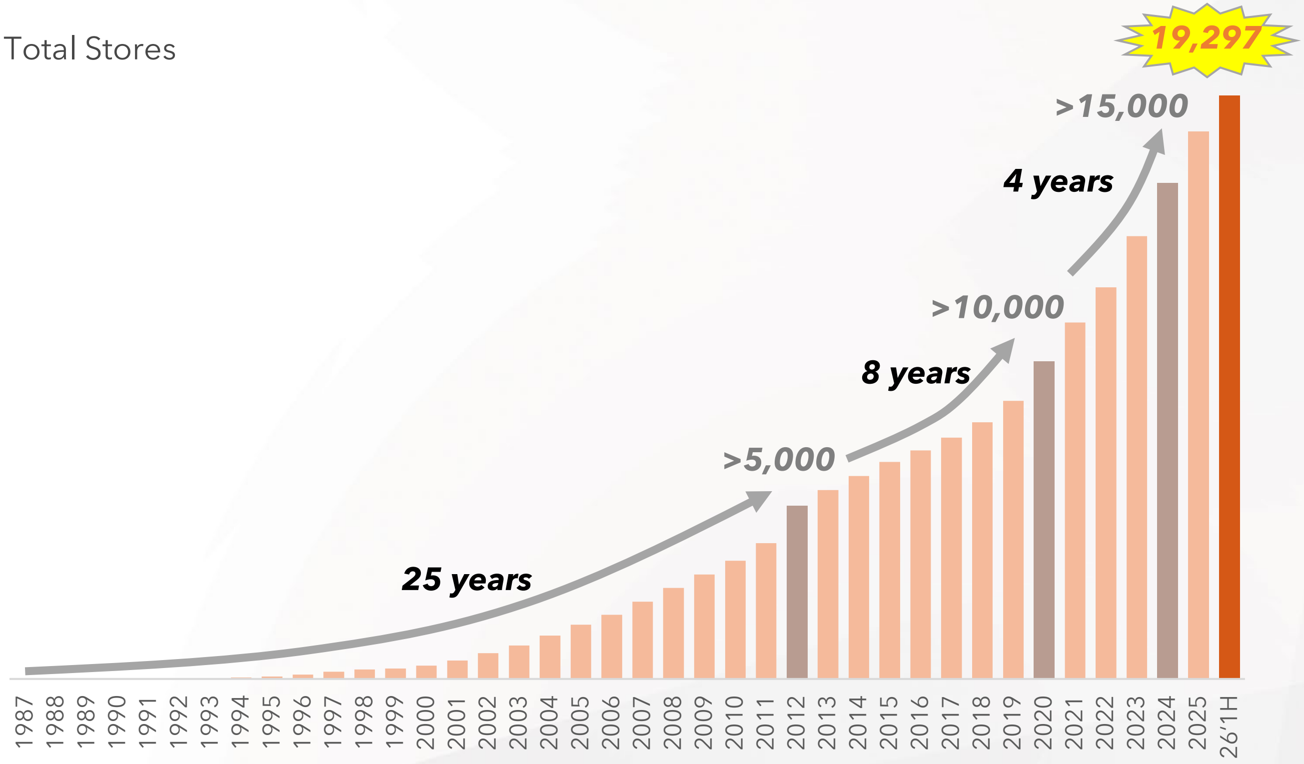
+21%

+10%
Excl. F/X & mark-to-market impact

Q2 YoY

[1] Excludes the impact of foreign exchange ("F/X").
[2] 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.

Strong Momentum in Footprint Growth; Record Net New Openings in 1H 2026



Net new stores

560 in Q2

1,196 in 1H

(***~63%*** of full year target)

Targets

- To reach ***20,000+*** stores by 2026
- To reach ***30,000+*** stores by 2030

Accelerated Expansion Across Equity and Franchise Stores Through Diverse Store Formats

YumChina

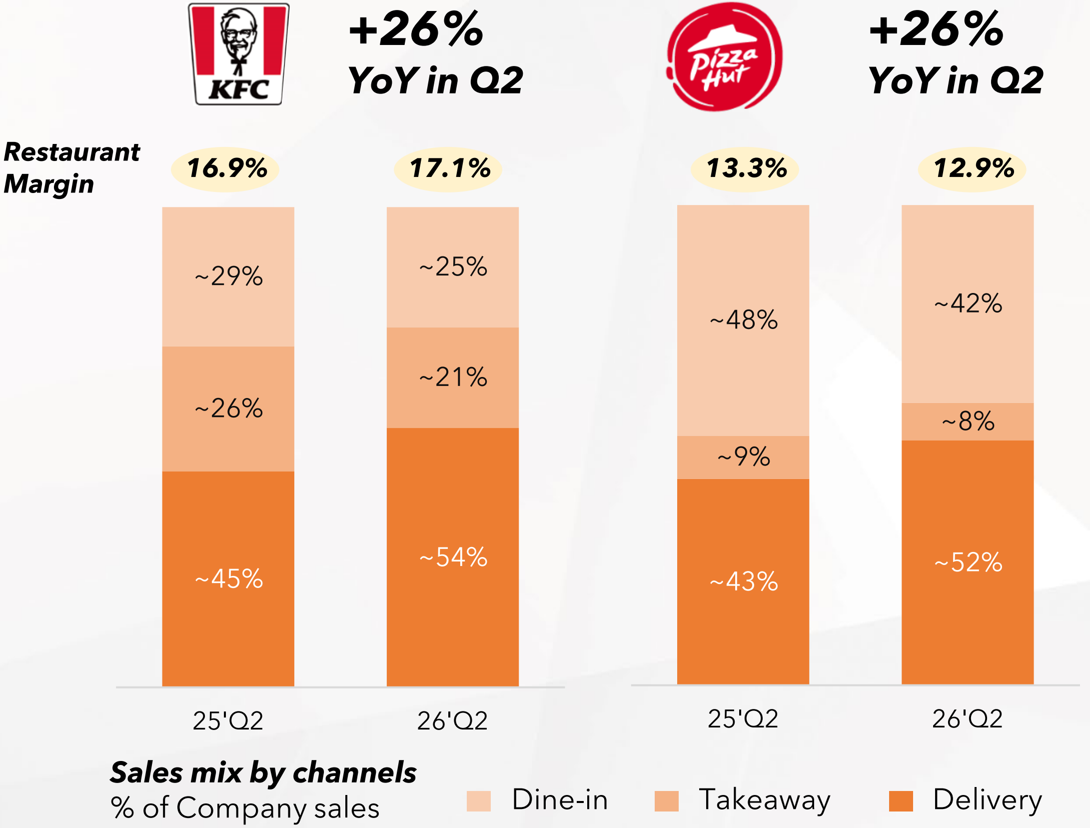
	Total Stores	Net New Stores in 1H	Penetrating More Cities		Reduced Average Capex	Healthy New Store Payback[3]
KFC	13,789 17% Franchise	792 41% Franchise	2,700+ Cities with KFC	330+ New cities entered in last 12 months	~1.2 mn[1] RMB / store (From ~1.4 mn)[2]	~2-3 years
Pizza Hut	4,549 11% Franchise	381 46% Franchise	1,200+ Cities with Pizza Hut	330+ New cities entered in last 12 months	~0.9 mn[1] RMB / store (From ~1.1-1.2 mn)[2]	~2-3 years

[1] Refers to stores opened in 1H 2026.
[2] Refers to stores opened in 1H 2025.
[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 April 2024 to March 2025.

Balanced Delivery Strategy: Driving Sales Growth While Mitigating Margin Impact

Delivery Sales +26%[1] YoY in Q2

- Delivery mix increased by 9ppts YoY to 54% in Q2
- Driving top-line growth while margin impact was mitigated through our balanced approach
- Relatively stable delivery mix vs Q1 despite more normalized delivery platform subsidies



[1] Delivery sales at Company-owned stores.

KFC Delivered Strong Sales Growth and Expanded Margins

Q2 2026

+7% System Sales Growth YoY	**335** Net New Stores	**+14%** OP Growth YoY	**+7%** Core OP Growth YoY	**14.2%** OP Margin **+20 bps** YoY
+1% Same-Store Sales Growth YoY	**13,789** Total Stores	**$332mn** Operating Profit		**17.1%** Restaurant Margin **+20 bps** YoY

5th consecutive quarter of growth, driven by 4% same-store transaction growth YoY

Photo: Wenzhou Future City store（温州未来城店）

Platform Innovation Drives Strong Sales and Repeat Purchases

"Zinger" Platform
More Fragrant, Spicier

"Whole Chicken" Platform
Aromatic Paper-Wrapped Roasted

"Wings" Platform
New Crackling Salted Egg Yolk

KCOFFEE Cafe Targets RMB ~2bn Sales in 2026 and 5,000 Locations by 2027

Total Locations

3,300+

by the end of Q2

- ***Delivered mid-single-digit sales uplift to parent KFC stores***
- ***Module showing solid margin improvement***
- ***Enriched non-coffee offerings including tea and food options***

Iced Americano With Milk Cap

Passion Fruit & Pineapple Sparkling Americano

Lemon Rooibos Sparkling Tea

Strawberry White Choco Caramel Egg Tart

Photo: KCOFFEE Cafe University of Nottingham Ningbo China Campus Store (宁波诺丁汉大学同学店)

KPRO Year-End Target Raised to 800 Locations, Up from 600

Total Locations

450+

by the end of Q2

- *Delivered ~20% sales uplift to parent KFC stores*
- *Module showing solid margin improvement*
- *Expanding into Tier 1, 2 and select lower-tier cities*
- *Target sales to quadrupled YoY in 2026 and reach RMB 1bn+ in 2027*

Energy PRO Sandwich

High-Protein Yogurt Smoothie

Energy Bowl

Super Food Smoothie

Photo: Beijing Songjiazhuang store（北京宋家庄）

Pizza Hut Same-Store Sales Grew 1% YoY in Q2; OP Margin Expanded by 60 bps YoY in First Half 2026

Q2 2026

+6%
System Sales Growth YoY

+1%
Same-Store Sales Growth YoY

13% same-store transaction growth YoY (14th consecutive quarter of growth)

174
Net New Stores

4,549
Total Stores

+11%
OP Growth YoY

+5%
Core OP Growth YoY

$51 mn
Operating Profit

8.3%
OP Margin
Flat YoY

+60bps YoY in 1H'26

12.9%
Restaurant Margin
-40 bps YoY

+10bps YoY in 1H'26

Photo: Pizza Hut Shanghai Xinlin Life Station Shopping Mall (上海新邻生活城)

Newly-Launched Multi-Grain Crust Became Our Best-Seller in June

Strengthening the Core While Unlocking New Growth Drivers

Enriched Protein Platforms to Enhance Dine-In Experience

New Multi-Grain Crust Pizzas to Capture Lighter Meal Occasions

New Pizza Hut Burgers at Great Prices

Pizza Hut Burger Category Targets RMB 1bn+ Sales in 2026

Pizza Hut Burger Bar Expanded to 200+ Locations, Driving Double-Digit Incremental Sales to Parent Stores

- *Tight menu centered on made-to-order burgers*
- *Great taste, amazing value for money and quick-service convenience*
- *Utilize space in existing stores with light investment*
- *Target 500-600 locations by the end of 2026*

Patties Straight Off the Griddle

Buns Baked Freshly In-Store Daily

Photo: Pizza Hut Burger in Shanghai Xinlin Life Station Shopping Mall (上海新邻生活城) and Shenzhen Xinwen Road (深圳新闻路)

Acquisition of the Pizza Hut Brand in Mainland China Expected to Close in August 2026

- In the near term, expect the ***savings in license fee*** to enhance store economics and lower the threshold for new store openings. More potential new stores are expected to meet our payback requirements of 2-3 years.
- In the longer term, brand ownership will give us ***greater strategic flexibility*** to drive innovation across the menu, store formats, new modules, and operations.
- Expected to be ***immediately accretive to diluted EPS*** in 2026 following closing, and mid-single-digit accretive to diluted EPS in 2027 and 2028.
- Target to ***accelerate net new openings to 800+ per year*** in 2027 and 2028, up from our original target of over 600.
- Plan to borrow an approximately $1.2 bn equivalent offshore bridge loan to finance the transaction.

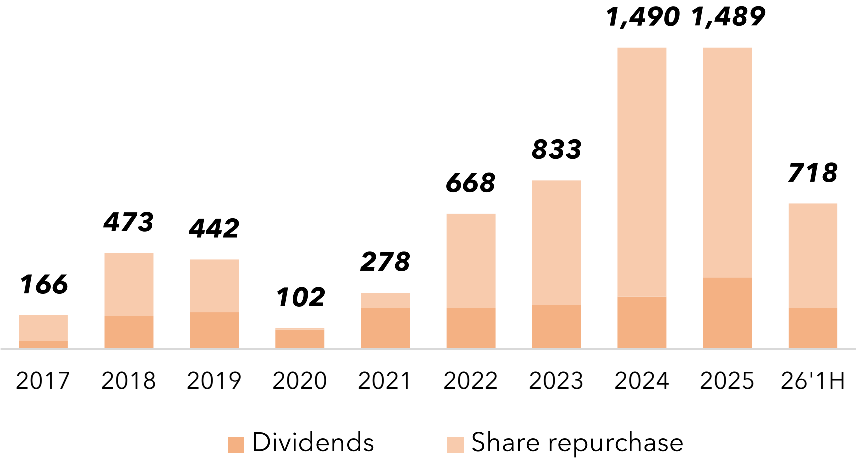
Photo: Pizza Hut Shenzhen Sanya Bay One (深圳三亚湾壹号)

On Track to Return $1.5Bn to Shareholders in 2026, Around 10% of Market Capitalization[1]

Capital Returns to Shareholders in 2017-20261H[2]

~$6.7 bn since spin-off

In $mn



Target Capital Returns in 2024-26[3]

$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[4]
- Estimated Average Annual Return of **~$900-1,000 mn+** in 2027-2028

Net Cash[5] (By end of Jun 2026) **$2.0 bn**

[1] Market capitalization as of July 29, 2026.
[2] Includes dividends and share repurchases. Share repurchase amount excludes 1% excise tax and commissions.
[3] 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.
[4] 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 .
[5] Refers to $485 mn cash and cash equivalents, $901 mn short-term investments and $688 mn long-term bank deposits and notes, net of $66 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*

Second Quarter Grew YoY and vs 2019

YumChina

Second Quarter	*2019*	*2025*	*2026*	*2026 vs 2025*	*2026 vs 2019*
No. of Stores	8,751	16,978	19,297	+14%	+121%
Total Revenues ($ mn)	2,124	2,787	3,138	+13%	+48%
Member Sales %	52%	64%	55%	(9) ppt	+3 ppt
Operating Profit ($ mn)	204	304	348	+14%	+70%
OP Margin (% of revenue)	9.6%	10.9%	11.1%	+0.2 ppt	+1.5 ppt

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

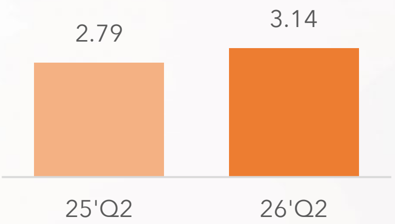
Sales and Profit Grew YoY in Second Quarter

YumChina

Revenue/Sales YoY

Revenue growth (reported)	+13%
Revenue growth (ex F/X)	+6%
System sales growth	+6%

Total Revenue ($bn)



Key factors for Revenue year-over-year change

- \+ Net new unit contribution
- \+ Same-store sales growth
- \+ Foreign exchange impact

Operating Profit/Core OP YoY

OP growth (reported)	+14%
OP growth (ex F/X)	+7%
Core OP growth	+7%

$mn	25'Q2	26'Q2
Operating Profit	304	348
Special items	-	-
Items affecting comparability	-	-
Foreign currency translation	-	(20)
Core operating profit	***304***	***328***

Key factors for Core OP year-over-year change

- \+ Increase in total revenue
- \+ Efficiency improvement from streamlined operations
- \+ Favorable commodity prices
- − Higher delivery cost due to increased delivery mix
- − Value-for-money offerings

Second Quarter Key Performance Highlights – KFC & Pizza Hut

26'Q2	YoY Sales Growth				Channel Mix		Digital orders
	System Sales YoY	Same-store sales YoY	Same-store transactions YoY	Average ticket YoY	Delivery	Total off-premise	Sales %
KFC	+7%	+1%	+4%	(3)%	54%	75%	94%
Pizza Hut	+6%	+1%	+13%	(11)%	52%	60%	96%

KFC average ticket:

26'Q2	RMB 36
25'Q2	RMB 38

Mainly due to incremental smaller orders

Pizza Hut average ticket:

26'Q2	RMB 68
25'Q2	RMB 76

In line with strategy to target mass market

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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

YumChina

Franchise Business	2025	Incremental Franchising Impact (2026-2028)	2028E
Unit Mix	13%	**3,000+** Net New Franchise Stores	Twenties
System Sales Mix	9%	Franchise Mix of Net New Stores: KFC 40-50%; Pizza Hut 40-50% (up from 20-30%)	Mid-teens
Revenue[1] Mix	4-5%	**1/3 - 2/3** of Average Sales of Existing Standard Stores	High-single
OP[2] Mix	3-4%	**~50%** Franchise Store Sales Recognized as YUMC Revenue	High-single
OP Margin[3]	8%		~10%

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

YumChina

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

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ESG Ratings and Awards

YumChina

Industry No.1 on S&P Global CSA for the 6th Year

- ✓ ***Industry No.1*** in S&P Global 2025 Corporate Sustainability Assessment (CSA)
- ✓ ***Dow Jones Best-in-Class World Index**** member for the 6th Year
- ✓ Included in the S&P Global Sustainability Yearbook 2026

Top 1%
Corporate Sustainability Assessment (CSA) 2025 Scor

"Top Employer" in China for the 8th Year

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

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

One of the Most Sustainable Companies by TIME

- ✓ TIME World's Best Companies of 2025
- ✓ TIME Top 500 World's Most Sustainable Companies List (2024-2025)

Support UN SDG

United Nations Global Compact

5th consecutive year

MSCI ESG RATINGS AA

CCC	B	BB	BBB	A	AA	AAA

Industry Leader

ISS ESG

* Formerly named DJSI World Index

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;
~80 "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 June 30, 2026

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Reconciliation of Operating Profit to Core Operating Profit*

(in $mn)

Yum China

	Quarter ended		% Change		Year to Date Ended		% Change	
	6/30/2026	6/30/2025	B/(W)		6/30/2026	6/30/2025	B/(W)	
Operating Profit	$ 348	$ 304	14		$ 795	$ 703	13	
Special Items, Operating Profit	–	–			–	–		
Adjusted Operating Profit	$ 348	$ 304	14		$ 795	$ 703	13	
Items Affecting Comparability	–	–			–	–		
F/X impact	(20)	–			(44)	–		
Core Operating Profit	$ 328	$ 304	7		$ 751	$ 703	7	
Total revenues	3,138	2,787	13		6,409	5,768	11	
F/X impact	(183)	–			(342)	–		
Total revenues, excluding the impact of F/X	$ 2,955	$ 2,787	6		$ 6,067	$ 5,768	5	
Core OP margin	11.1%	10.9%	0.2	ppts	12.4%	12.2%	0.2	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 to Date Ended	
	6/30/2026	6/30/2025	6/30/2026	6/30/2025
GAAP Operating Profit	$ 332	$ 292	$ 749	$ 678
Special Items, Operating Profit	–	–	–	–
Adjusted Operating Profit	$ 332	$ 292	$ 749	$ 678
Items Affecting Comparability	–	–	–	–
F/X impact	(19)	–	(40)	–
Core Operating Profit	$ 313	$ 292	$ 709	$ 678

Pizza Hut	Quarter ended		Year to Date Ended	
	6/30/2026	6/30/2025	6/30/2026	6/30/2025
GAAP Operating Profit	$ 51	$ 46	$ 122	$ 106
Special Items, Operating Profit	–	–	–	–
Adjusted Operating Profit	$ 51	$ 46	$ 122	$ 106
Items Affecting Comparability	–	–	–	–
F/X impact	(3)	–	(7)	–
Core Operating Profit	$ 48	$ 46	$ 115	$ 106

Reconciliation of Operating Profit to Restaurant Profit

(in $mn)

Yum China	Quarter ended		Year to Date Ended	
	6/30/2026	6/30/2025	6/30/2026	6/30/2025
GAAP Operating Profit	$ 348	$ 304	$ 795	$ 703
Less:				
Franchise fees and income	29	24	59	51
Revenues from transactions with franchisees	155	115	311	236
Other revenues	44	35	82	67
Add:				
General and administrative expenses	139	131	276	269
Franchise expenses	12	10	24	21
Expenses for transactions with franchisees	148	110	298	227
Other operating costs and expenses	38	30	69	59
Closures and impairment expenses, net	12	12	12	18
Other income, net	–	(1)	–	(1)
Restaurant profit	$ 469	$ 422	$ 1,022	$ 942
Company sales	2,910	2,613	5,957	5,414
Restaurant margin	16.1%	16.1%	17.2%	17.4%

Reconciliation of Operating Profit to Restaurant Profit

(in $mn)

KFC	Quarter ended		Year to Date Ended	
	6/30/2026	6/30/2025	6/30/2026	6/30/2025
GAAP Operating Profit	$ 332	$ 292	$ 749	$ 678
Less:				
Franchise fees and income	24	19	47	40
Revenues from transactions with franchisees	19	17	38	33
Other revenues	1	1	2	2
Add:				
General and administrative expenses	67	61	128	120
Franchise expenses	10	9	21	19
Expenses for transactions with franchisees	15	15	30	29
Other operating costs and expenses	1	1	1	2
Closures and impairment expenses, net	10	8	10	13
Restaurant profit	$ 391	$ 349	$ 852	$ 786
Company sales	2,294	2,059	4,704	4,267
Restaurant margin	17.1%	16.9%	18.1%	18.4%

Reconciliation of Operating Profit to Restaurant Profit

(in $mn)

Pizza Hut	Quarter ended		Year to Date Ended	
	6/30/2026	6/30/2025	6/30/2026	6/30/2025
GAAP Operating Profit	$ 51	$ 46	$ 122	$ 106
Less:				
Franchise fees and income	3	2	6	4
Revenues from transactions with franchisees	3	1	5	3
Other revenues	3	6	6	13
Add:				
General and administrative expenses	28	26	54	52
Franchise expenses	2	1	3	2
Expenses for transactions with franchisees	2	1	4	3
Other operating costs and expenses	3	5	5	11
Closures and impairment expenses, net	1	3	1	3
Restaurant profit	$ 78	$ 73	$ 172	$ 157
Company sales	604	545	1,231	1,129
Restaurant margin	12.9%	13.3%	14.0%	13.9%

About Yum China

Largest restaurant company in China[1]	***Fortune 500*** company	***19,000+*** restaurants	***2,700+*** 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	
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Media Contact:	Media@YumChina.com	Tel: +86 21 2407 3824

[1] In terms of system sales.