

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

We refer to our announcement dated September 4, 2020 where we announced that the final offer price for both the International Offering and the Hong Kong Public Offering (the “**Offer Price**”) has been set at HK\$412.00 per Share.

Net Proceeds from the Global Offering

- The net proceeds from the Global Offering that we will receive, after deduction of the underwriting fees and other estimated expenses payable by us in connection with the Global Offering and assuming that the Over-allotment Option is not exercised, are estimated to be approximately HK\$17,002 million, based on the Offer Price of HK\$412.00 per Share. We intend to apply such net proceeds in accordance with the purposes set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, we will receive additional net proceeds of approximately HK\$2,563 million for 6,286,600 Shares to be issued upon the exercise of the Over-allotment Option.

Applications and Indications of Interest Received in the Hong Kong Public Offering

- The Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been very significantly over-subscribed. A total of 137,724 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 87,718,500 Hong Kong Offer Shares, representing approximately 52.32 times of the total number of 1,676,500 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering represents 20 times or more of the total number of Offer Shares initially available under the Hong Kong Public Offering, the reallocation procedure as disclosed in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied and 5,238,800 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering has been increased to 6,915,300 Offer Shares, representing 16.50% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 55,295 successful applicants under the Hong Kong Public Offering.

International Offering

- The Offer Shares initially offered under the International Offering were significantly over-subscribed, representing approximately 8.74 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares allocated to the 339 placees under the International Offering is 34,995,400 Shares, representing 83.50% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

Connected Client Placees with Consent under the Placing Guidelines

- We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a consent under Paragraph 5(1) of Appendix 6 to the Hong Kong Listing Rules (the “**Placing Guidelines**”) to permit the Company to allocate Offer Shares in the International Offering to the placees set out in the section headed “International Offering — Connected Client Placees with Consent under the Placing Guidelines”.

Over-allotment Option

- In connection with the Global Offering, we have granted the International Underwriters an option, exercisable from September 4, 2020 until 30 days thereafter, to purchase up to an additional 6,286,600 Shares, representing not more than 15% of the number of Shares initially available under the Global Offering, at the Offer Price. There has been an over-allocation of 6,286,600 Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed. Such over-allocation will be covered by, among other methods, exercising the Over-allotment Option in full or in part or by using Shares purchased by the Stabilizing Manager (or its affiliates or any person acting for it) in the secondary market at prices that do not exceed the Public Offer Price, or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on our website and the website of the Hong Kong Stock Exchange at www.yumchina.com and www.hkexnews.hk, respectively. As of the date of this announcement, the Over-allotment Option has not been exercised.

Results of Allocations

- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where applicable) and the number of Hong Kong Offer Shares, successfully applied for, will be made available at the times and dates and in the manner specified below:
 - in the announcement to be posted on our website and the website of the Hong Kong Stock Exchange at www.yumchina.com and www.hkexnews.hk, respectively, by no later than 9:00 a.m. on Wednesday, September 9, 2020;
 - from the designated results of allocations website at www.iporeresults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24 hour basis from 8:00 a.m. on Wednesday, September 9, 2020 to 12:00 midnight on Tuesday, September 15, 2020; and
 - from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Wednesday, September 9, 2020 to Friday, September 11, 2020 and Monday, September 14, 2020.

Despatch/Collection of Share Certificates/e-Refund Payment Instructions/Refund Checks

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificates in person may collect Share certificates from the Hong Kong Share Registrar, Computershare Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, September 9, 2020, or any other place or date we may notify.
- Share certificates for Hong Kong Offer Shares allocated to applicants who applied through the **White Form eIPO** service which are either not available for personal collection or which are available but are not collected in person by 1:00 p.m. on Wednesday, September 9, 2020, are expected to be despatched by ordinary post to those entitled to them at their own risk on or before Wednesday, September 9, 2020.

- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificates issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf on Wednesday, September 9, 2020.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.
- Applicants who applied through the **White Form eIPO** service and paid the application monies from a single bank account will have refund monies (if any) despatched to their application payment accounts in the form of e-Refund payment instructions on Wednesday, September 9, 2020. Applicants who applied through the **White Form eIPO** service and paid the application monies from multiple bank accounts will have refund monies (if any) despatched to the addresses specified on their **White Form eIPO** applications in the form of refund check(s) by ordinary post at their own risk on or around Wednesday, September 9, 2020.
- Refund monies for applicants who have applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants' designated bank accounts or the designated bank accounts of their brokers or custodians on Wednesday, September 9, 2020.
- Share certificates will only become valid certificates of title at 8:00 a.m. on the Listing Date which is expected to be Thursday, September 10, 2020, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in the Prospectus has not been exercised.
- We will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.

Commencement of Dealings

- Dealings in the Shares on the Main Board of the Hong Kong Stock Exchange are expected to commence at 9:00 a.m. on Thursday, September 10, 2020. Shares will be traded in board lots of 50 Shares each. The stock code of the Shares is 9987.

OFFER PRICE

We refer to our announcement dated September 4, 2020 where we announced that the Offer Price has been set at HK\$412.00 per Share.

NET PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering that we will receive, after deduction of the underwriting fees and other estimated expenses payable by us in connection with the Global Offering and assuming that the Over-allotment Option is not exercised, are estimated to be approximately HK\$17,002 million, based on the Offer Price of HK\$412.00 per Share. We currently intend to apply such net proceeds for the following purposes:

- (i) Approximately 45%, or HK\$7,651 million will be used to expand and deepen our restaurant network;
- (ii) Approximately 45%, or HK\$7,651 million will be used to invest in (a) digitalization and supply chain; (b) food innovation and value proposition and (c) high-quality assets; and
- (iii) Approximately 10%, or HK\$1,700 million, will be used for working capital and general corporate purposes.

If the Over-allotment Option is exercised in full, we will receive additional net proceeds of approximately HK\$2,563 million for 6,286,600 Shares to be issued upon the exercise of the Over-allotment Option.

For further information, please refer to the section headed “Use of Proceeds” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been very significantly over-subscribed. At the close of the application lists at 12:00 noon on Friday, September 4, 2020, a total of 137,724 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 87,718,500 Hong Kong Offer Shares, representing approximately 52.32 times of the total number of 1,676,500 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 136,868 valid applications in respect of a total of 49,289,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Public Offer Price of HK\$468.00 per Hong Kong Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 58.80 times of the 838,250 Hong Kong Offer Shares initially comprised in Pool A; and
- 856 valid applications in respect of a total of 38,429,500 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Public Offer Price of HK\$468.00 per Hong Kong Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing approximately 45.84 times of the 838,250 Hong Kong Offer Shares initially comprised in Pool B.

179 multiple or suspected multiple applications have been identified and rejected. 2 dishonored payments have been identified and rejected. No application for more than 838,250 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering represents 20 times or more of the total number of Offer Shares initially available under the Hong Kong Public Offering, the reallocation procedure as disclosed in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied and 5,238,800 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering has been increased to 6,915,300 Offer Shares, representing 16.50% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 55,295 successful applicants under the Hong Kong Public Offering.

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of allocation under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering were significantly over-subscribed, representing approximately 8.74 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares allocated to the 339 placees under the International Offering is 34,995,400 Shares, representing 83.5% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

Connected Client Placees with Consent under the Placing Guidelines

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a consent under Paragraph 5(1) of the Placing Guidelines to permit the Company to allocate Offer Shares in the International Offering to the following placees:

Placee	Joint Bookrunner/ Joint Lead Manager/ Underwriter	Relationship with the Joint Bookrunner/Joint Lead Manager/Underwriter	Number of Offer Shares placed	Approximate percentage of Offer Shares in the Global Offering ⁽¹⁾	Approximate percentage of the total issued share capital immediately following completion of the Global Offering ⁽²⁾
China Asset Management (HK) Limited (“China AM HK”) in its capacity as the discretionary fund manager managing assets on behalf of its underlying client.	CLSA Limited (“CLSA”)	China AM HK is member of the same group of companies as CLSA	40,000	0.095%	0.010%
CITIC Securities Co., Ltd. (“CITIC Securities”), through CITIC Securities Global Return Fund, in its capacity as the discretionary fund manager managing assets on behalf of its underlying client.	CLSA	CLSA is wholly-owned by CITIC Securities.	150,000	0.358%	0.036%

Placee	Joint Bookrunner/ Joint Lead Manager/ Underwriter	Relationship with the Joint Bookrunner/Joint Lead Manager/Underwriter	Number of Offer Shares placed	Approximate percentage of Offer Shares in the Global Offering ⁽¹⁾	Approximate percentage of the total issued share capital immediately following completion of the Global Offering ⁽²⁾
CMB International Asset Management Limited	CMB International Capital Limited ("CMBI")	<p>CMBI SPC — Special Opportunities Fund SP is a segregated portfolio company in Cayman Islands;</p> <p>CMBI SPC — China Sector Focus Fund SP is a segregated portfolio company in Cayman Islands;</p> <p>CMB Global Access SPC — Greater China IPO Fund SP is a segregated portfolio company registered in the Cayman Islands;</p> <p>(All "CMBI Connected Entities")</p> <p>CMB International Asset Management Limited ("CMBI AM") acts in its capacity as the discretionary fund manager of the CMBI Connected Entities.</p> <p>CMBI AM is a member of the same group of companies as CMBI.</p>	8,000	0.019%	0.002%

Placee	Joint Bookrunner/ Joint Lead Manager/ Underwriter	Relationship with the Joint Bookrunner/Joint Lead Manager/Underwriter	Number of Offer Shares placed	Approximate percentage of Offer Shares in the Global Offering ⁽¹⁾	Approximate percentage of the total issued share capital immediately following completion of the Global Offering ⁽²⁾
UBS Asset Management (Singapore) Ltd. (“UBS AMSG”)	UBS AG Hong Kong Branch* (“UBS AG”)	UBS AMSG is a member of the same group of companies as UBS AG.	150,000	0.358%	0.036%
	(*UBS AG is incorporated in Switzerland with limited liability)				
Total			348,000	0.830%	0.084%

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) Assuming the Over-allotment Option is not exercised and without taking into account the Shares to be issued pursuant to the 2016 Plan, the Warrant 1 and the Warrant 2.

The Offer Shares placed to the above placees are in compliance with all the conditions under the consent granted by the Hong Kong Stock Exchange.

Save as disclosed above and in the Prospectus, the International Offering is in compliance with the Placing Guidelines.

We confirm that, to the best of our knowledge, information and belief, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with (i) any of the core connected persons of the Company (other than those Permitted Persons (as defined in the Prospectus) for which a waiver from strict compliance with the requirements under Rule 9.09(b) of the Hong Kong Listing Rules has been granted) or (ii) any of our existing Shareholders holding 10% or more of the voting rights of the Company or (iii) their respective close associates (the “**Restricted Persons**”) whether in their own names or through nominees.

We confirm that, to the best of our knowledge, information and belief, no subscription of the Offer Shares by the placees or the public has been financed directly or indirectly by any of the Restricted Persons and none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Restricted Persons in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it.

The public float requirements under Rule 8.08(1)(a) of the Hong Kong Listing Rules is not applicable to us as our primary listing is on NYSE.

Over-allotment Option

In connection with the Global Offering, we have granted the International Underwriters an option, exercisable from September 4, 2020 until 30 days thereafter, to purchase up to an additional 6,286,600 Shares, representing not more than 15% of the number of Shares initially available under the Global Offering, at the Offer Price. There has been an over-allocation of 6,286,600 Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed. Such over-allocation will be covered by, among other methods, exercising the Over-allotment Option in full or in part or by using Shares purchased by the Stabilizing Manager (or its affiliates or any person acting for it) in the secondary market at prices that do not exceed the Public Offer Price, or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on our website and the website of the Hong Kong Stock Exchange at www.yumchina.com and www.hkexnews.hk, respectively. As of the date of this announcement, the Over-allotment Option has not been exercised.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, valid applications made by the public through the **White Form eIPO** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

No. of Hong Kong Offer Shares applied for	No. of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total No. of Hong Kong Offer Shares applied for
POOL A			
50	79,415	19,854 out of 79,415 to receive 50 Shares	25.00%
100	12,913	3,673 out of 12,913 to receive 50 Shares	14.22%
150	4,533	1,516 out of 4,533 to receive 50 Shares	11.15%
200	5,177	2,071 out of 5,177 to receive 50 Shares	10.00%
250	4,692	2,111 out of 4,692 to receive 50 Shares	9.00%
300	2,628	1,340 out of 2,628 to receive 50 Shares	8.50%
350	1,178	660 out of 1,178 to receive 50 Shares	8.00%
400	3,111	1,966 out of 3,111 to receive 50 Shares	7.90%
450	850	581 out of 850 to receive 50 Shares	7.59%
500	5,910	4,433 out of 5,910 to receive 50 Shares	7.50%
600	1,670	1,443 out of 1,670 to receive 50 Shares	7.20%
700	741	50 Shares	7.14%
800	906	50 Shares plus 109 out of 906 to receive additional 50 Shares	7.00%

No. of Hong Kong Offer Shares applied for	No. of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total No. of Hong Kong Offer Shares applied for
900	540	50 Shares plus 131 out of 540 to receive additional 50 Shares	6.90%
1,000	5,219	50 Shares plus 1,566 out of 5,219 to receive additional 50 Shares	6.50%
1,500	1,321	50 Shares plus 1,057 out of 1,321 to receive additional 50 Shares	6.00%
2,000	1,611	100 Shares	5.00%
2,500	1,093	100 Shares plus 273 out of 1,093 to receive additional 50 Shares	4.50%
3,000	583	100 Shares plus 233 out of 583 to receive additional 50 Shares	4.00%
3,500	279	100 Shares plus 184 out of 279 to receive additional 50 Shares	3.80%
4,000	364	150 Shares	3.75%
4,500	158	150 Shares plus 24 out of 158 to receive additional 50 Shares	3.50%
5,000	604	150 Shares plus 242 out of 604 to receive additional 50 Shares	3.40%
6,000	298	200 Shares	3.33%
7,000	128	200 Shares plus 26 out of 128 to receive additional 50 Shares	3.00%
8,000	258	200 Shares plus 124 out of 258 to receive additional 50 Shares	2.80%
9,000	71	250 Shares	2.78%
10,000	617	250 Shares plus 123 out of 617 to receive additional 50 Shares	2.60%
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	<u>136,868</u>		

No. of Hong Kong Offer Shares applied for	No. of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total No. of Hong Kong Offer Shares applied for
POOL B			
20,000	603	1,850 Shares plus 114 out of 603 to receive additional 50 Shares	9.30%
40,000	124	3,700 Shares	9.25%
60,000	42	5,500 Shares	9.17%
80,000	22	7,250 Shares	9.06%
100,000	32	9,000 Shares	9.00%
200,000	13	17,800 Shares	8.90%
300,000	7	26,400 Shares	8.80%
500,000	2	43,500 Shares	8.70%
600,000	3	51,600 Shares	8.60%
700,000	2	59,500 Shares	8.50%
838,250	6	70,350 Shares	8.39%
	<u>856</u>		

The final number of Offer Shares comprising the Hong Kong Public Offering is 6,915,300 Offer Shares, representing 16.50% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where applicable) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on our website and the website of the Hong Kong Stock Exchange at www.yumchina.com and www.hkexnews.hk, respectively, by no later than 9:00 a.m. on Wednesday, September 9, 2020;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24 hour basis from 8:00 a.m. on Wednesday, September 9, 2020 to 12:00 midnight on Tuesday, September 15, 2020; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Wednesday, September 9, 2020 to Friday, September 11, 2020 and Monday, September 14, 2020.

SHAREHOLDING CONCENTRATION ANALYSIS

We set out below the analysis of shareholding concentration in the International Offering:

subscription of Shares held by the top 1, 5, 10 and 25 of the placees out of the International Offer Shares, total Offer Shares and our total issued share capital upon Listing (without taking into account the Shares to be issued pursuant to the 2016 Plan, the Warrant 1 and the Warrant 2 from time to time):

Placees	Subscription	Subscription as % of final International Offer Shares		Subscription as % of total Offer Shares		Subscription as % of total issued share capital upon Listing	
		(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)
Top 1 Placee	3,880,000	11.087%	9.399%	9.258%	8.050%	0.926%	0.912%
Top 5 Placees	9,270,000	26.489%	22.455%	22.118%	19.233%	2.212%	2.179%
Top 10 Placees	14,500,000	41.434%	35.124%	34.597%	30.085%	3.460%	3.409%
Top 25 Placees	24,810,000	70.895%	60.099%	59.197%	51.476%	5.920%	5.832%