

A. FURTHER INFORMATION ABOUT OUR GROUP**1. Incorporation**

We were incorporated under the laws of the State of Delaware in the United States, pursuant to Sections 242 and 245 of the DGCL, on April 1, 2016. Our registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.

We have registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance with an address at Unit 2806, Millennium City 5, No. 418 Kwun Tong Road, Kowloon, Hong Kong. Mr. Aiken Yuen has been appointed as our authorized representative for the acceptance of service of process and notices in Hong Kong.

A summary of the material terms of our Constitutional Documents and certain provisions of the DGCL is set out in “Appendix III — Summary of our Constitutional Documents and the DGCL.”

2. Changes in Our Share Capital

As of the Latest Practicable Date, we had an authorized share capital of US\$11,000,000, divided into 1,100,000,000 Shares of par value US\$0.01 per Share, and 377,195,679 issued and outstanding Shares of common stock.

For details of the changes in the share capital of our Company during the Track Record Period, please refer to “Appendix I — Accountants’ Report — Historical Financial Information of the Company — Consolidated Statements of Equity” in this prospectus.

3. Changes in the Share Capital of Our Major Subsidiaries

There is no alteration in the share capital of our Major Subsidiaries which took place within the two years immediately preceding the date of this prospectus.

B. FURTHER INFORMATION ABOUT OUR BUSINESS**1. Summary of Material Contract**

The following contract (not being the contract entered into in the ordinary course of business) was entered into by our Company or its subsidiaries within the two years preceding the date of this prospectus and may be material:

- (a) the Hong Kong Underwriting Agreement.

2. Our Intellectual Property Rights

We believe the protection of our trademarks, copyrights, domain names, trade names, trade secrets, patents and other proprietary rights is critical to our business. We rely on a combination of trademark, fair trade practice, copyright and trade secret protection laws and patent protection in China and other jurisdictions, as well as confidentiality procedures and contractual provisions to protect our intellectual property and our trademarks. We also enter into service agreements containing restrictive covenants in relation to confidentiality with all of our employees, and we rigorously control access to our proprietary technology and information.

As of June 30, 2020, we had 50 registered patents and 10 publicly filed patent applications in China. We do not know whether any of our pending patent applications will result in the issuance of patents or whether the examination process will require us to narrow our claims. In addition to patents, we have a large number of copyrights, trademarks and domain names, including over 530 registered trademarks in China and various other countries and jurisdictions.

We consider trademarks for our brands (and related logos and images) to be material to our business, including KFC (KFC, 肯德基), Pizza Hut (必胜客), Little Sheep (小肥羊, LITTLE SHEEP) and Huang Ji Huang (黄记煌). We also consider the ownership of domain names for yumchina.com, kfc.com.cn, pizzahut.com.cn, littlesheep.com and huangjihuang.com to be material to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND EXECUTIVE OFFICERS

1. Disclosure of Interests

See “Major Shareholders” for disclosure of interests of our Directors and senior management.

2. Directors’ Service Contracts

We have entered into employment agreement with our employee Director. See “Directors, Senior Management and Employees — Compensation — Employment Agreements.”

All our Directors have been nominated pursuant to our Certificate of Incorporation and Bylaws. Each of our Directors shall serve a term of one year, with their term to expire at the next annual meeting following the Director’s election.

3. Directors’ Remuneration

See “Directors, Senior Management and Employees — Compensation — Compensation of Directors and Executive Officers” for a discussion of Directors’ remuneration.

4. Disclosures relating to Directors and Experts

Except as disclosed in this prospectus:

- None of our Directors nor any of the persons listed in “— F. Other Information — 5. Qualification of Experts” is materially interested in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to our subsidiaries and our consolidated affiliated entities, or are proposed to be acquired or disposed of by or leased to our subsidiaries and our consolidated affiliated entities.
- None of our Directors nor any of the persons listed in “— F. Other Information — 5. Qualification of Experts” is materially interested in any contract or arrangement with us subsisting at the date of this prospectus which is unusual in its nature or conditions or which is significant in relation to our business as a whole.

- None of the persons listed in “— F. Other Information — 5. Qualification of Experts” has any shareholding in us or any of our Major Subsidiaries or has the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in us or any of our Major Subsidiaries.

D. INCENTIVE PLANS

1. Annual Performance-Based Incentive Program

Our annual performance-based incentive program is a cash-based plan which aims to motivate and reward short-term team and individual performance. We motivate the short-term performance of our executive officers through annual performance-based cash bonuses, which are based on role, responsibility, experience, market value and future potential of talent, in order to drive superior results year over year.

The following is the formula for calculating the annual performance-based bonuses:

$$\begin{array}{rcccccc} \text{Base} & \times & \text{Target Bonus} & \times & \text{Team} & \times & \text{Individual} & = & \text{Final} \\ \text{Salary} & & \text{Percentage} & & \text{Performance} & & \text{Performance} & & \text{Individual} \\ & & \text{(as a \% of} & & \text{Factor} & & \text{Factor} & & \text{Performance} \\ & & \text{Base Salary)} & & \text{(0\%-200\%)} & & \text{(0\%-150\%)} & & \text{Bonus Payout} \end{array}$$

Our Compensation Committee establishes the performance measures, targets and weights for the annual bonuses based on an evaluation of the annual performance objects and targets, actual performance, growth strategies and expected future operating environment, and consideration of recommendations from management and the Compensation Committee’s compensation consultant. A leverage formula for each team performance measure magnifies the potential impact that performance above or below the performance target will have on the calculation of the annual bonus. There is a threshold level of performance for all measures that must be met for any bonus to be paid. All measures have a cap on the level of performance above which no additional bonus will be paid regardless of performance above the cap.

2. 2016 Plan

Our 2016 Plan is a long-term incentive plan involving cash awards and equity incentives effective on October 31, 2016, which authorizes the award of stock options, SARs, restricted stock, stock units, RSUs, performance shares, incentive options, performance unit and cash incentive awards to our employees and non-employee Directors. As of the Latest Practicable Date, we issued only stock options, SARs, RSUs and PSUs under the 2016 Plan, and the outstanding share incentive awards accounted for approximately 4.0% of the Company’s total outstanding Shares of common stock. The following is a summary of the principal terms of our 2016 Plan. The terms of the 2016 Plan are not subject to the provisions of Chapter 17 of the Hong Kong Listing Rules.

(a) Purpose

The purposes of our 2016 Plan are (i) to attract and retain persons eligible to participate in the 2016 Plan; (ii) to motivate participants, by means of appropriate incentives, to achieve long-range goals; (iii) to provide incentive compensation opportunities that are competitive with those of other similar companies; (iv) to align the interests of participants with those of the our Shareholders; and (v) to issue awards pursuant to and in accordance with the employee matters agreement (the “**EMA**”).

(b) Types of Awards

The 2016 Plan authorizes the award of stock options (including incentive stock options (“**ISOs**”) and non-qualified stock options (“**NQOs**”)), SARs, full value awards (“**Full Value Awards**”) (including restricted stock awards, restricted stock unit awards, performance shares and PSUs) and cash incentive awards, each as described below. The 2016 Plan also provides for the grant of awards with respect to our Shares of common stock as provided in the EMA (“**EMA Awards**”).

(c) Eligibility and Participation

Any officer, Director or other employee of us or one of our subsidiaries, consultants, independent contractors or agents of us or one of our subsidiaries, and persons who are expected to become officers, employees, Directors, consultants, independent contractors or agents of us or one of our subsidiaries (but effective no earlier than the date on which such individual begins to provide services to us or one of our subsidiaries), including in any case, our non-employee Directors (“**Outside Directors**”) are eligible to participate in the 2016 Plan. Upon receiving a grant of an award under the 2016 Plan, an eligible individual shall be a “participant” in the 2016 Plan. EMA Awards will also be granted to those individuals who are entitled to them pursuant to the EMA, as described below.

(d) Terms of Awards

The 2016 Plan has been effective since October 31, 2016 and will continue in effect until terminated by our Board, provided that no award may be granted under the 2016 Plan on or after the tenth anniversary of the effective date of the 2016 Plan.

(e) Administration of the 2016 Plan

The 2016 Plan is generally administered by a “Committee” (the “**Committee**”), which generally means our Compensation Committee. For purposes of the 2016 Plan and subject to the terms and conditions of the 2016 Plan, the Committee has the authority and discretion (i) to select from among the eligible individuals those persons who shall receive awards under the 2016 Plan, (ii) to determine the time or times of receipt, (iii) to determine the types of awards and the number of Shares of common stock covered by the awards, (iv) to establish the terms, conditions, performance criteria, restrictions, and other provisions of such awards, and, subject to the terms and conditions of the 2016 Plan, to cancel or suspend awards, (v) to the extent that the Committee determines that the restrictions imposed by the 2016 Plan preclude the achievement of the material purposes of the awards in jurisdictions outside the United States, to modify those restrictions as the Committee determines to be necessary or appropriate to conform to applicable requirements or practices of jurisdictions outside of the United States, (vi) to conclusively interpret the 2016 Plan, (vii) to establish, amend, and rescind any rules and regulations relating to the 2016 Plan, (viii) to determine the terms and provisions of any award agreement made pursuant to the 2016 Plan, and (ix) to make all other determinations that may be necessary or advisable for the administration of the 2016 Plan.

Except as prohibited by applicable law or as necessary to preserve exemptions under the securities laws, the Committee may delegate any of its duties under the 2016 Plan to such agents as it determines from time to time (which delegation can be revoked at any time).

(f) Shares Available Under the 2016 Plan

We have reserved for issuance under the 2016 Plan 45,000,000 Shares of common stock. Shares of common stock available under the 2016 Plan may be authorized but unissued or shares currently held or subsequently acquired by us as treasury shares (to the extent permitted by law), including shares purchased in the open market or in private transactions.

Each Share of common stock delivered in respect of a Full Value Award is counted as covering two Shares of common stock except that, in the case of restricted stock or restricted stock units delivered pursuant to the settlement of earned annual incentives or delivered pursuant to EMA Awards, each Share of common stock shall be counted as covering one share. To the extent any Shares of common stock covered by an award are not delivered to a participant or beneficiary because the award is forfeited or canceled, used to satisfy the applicable tax withholding obligation, or settled in cash, such Shares of common stock shall not be deemed to have been delivered for purposes of determining the maximum number of Shares of common stock available for delivery under the 2016 Plan. If the exercise price of any stock option granted under the 2016 Plan is satisfied by tendering our Shares of common stock (by either actual delivery or by attestation, including net exercise), only the number of Shares of common stock issued net of the Shares of common stock tendered shall be deemed delivered for purposes of the 2016 Plan.

(g) Other Share Limitations

The following limitations shall apply under the 2016 Plan: (a) the number of Shares of common stock available for grants of ISOs under the 2016 Plan is equal to 45,000,000; (b) the maximum number of Shares that may be covered by stock options or SARs granted to any one individual during any five calendar-year period shall be 9,000,000; (c) in the case of Full Value Awards that are intended to be performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code (the “**Code**”) (the “**Performance-based Compensation**”), no more than 3,000,000 Shares of common stock may be subject to such awards granted to any one individual during any five calendar-year period (regardless of when such shares are deliverable); provided, however, that, in the case of any Full Value Award that is a performance unit award that is intended to Performance-based Compensation, no more than US\$10,000,000 may be subject to any such awards granted to any one individual during any one-calendar-year period (regardless of when such amounts are deliverable); (d) in the case of cash incentive awards that are intended to be Performance-based Compensation, the maximum amount payable to any participant with respect to any twelve-month performance period shall equal US\$10,000,000 (prorated for performance periods that are greater or lesser than twelve months); and (e) no Outside Director may be granted during any calendar year an award or awards having a value determined on the grant date in excess of US\$1,500,000.

(h) Awards under the 2016 Plan

The Committee shall designate the participants to whom awards are to be granted and the type of awards to be granted and shall determine the number of our Shares of common stock (or cash) subject to each award and the other terms and conditions thereof, not inconsistent with the 2016 Plan. In no event shall a stock option or SAR be exercisable later than the ten-year anniversary of the date on which the stock option or SAR is granted (or such shorter period required by law or the rules of any stock exchange on which the stock is listed). Awards may be settled through the delivery of

our Shares of common stock, the granting of replacement awards, or combination thereof as the Committee shall determine. Any award settlement, including payment deferrals, may be subject to such conditions, restrictions and contingencies as the Committee shall determine.

(i) Stock Options and SARs

The grant of a stock option under the 2016 Plan entitles the participant to purchase our Shares of common stock at an exercise price and during a specified time established by the Committee. Any stock option may be either an ISO or an NQO, as determined in the discretion of the Committee. An ISO is a stock option that is intended to satisfy the requirements applicable to an “incentive stock option” described in Section 422(b) of the Code and may only be granted to employees of us or our eligible subsidiaries. An NQO is a stock option that is not intended to be an ISO. An SAR entitles the participant to receive, in cash or stock, value equal to (or otherwise based on) the excess of: (a) the fair market value of a specified number of our Shares of common stock at the time of exercise; over (b) an exercise price established by the Committee.

The exercise price of each stock option or SAR granted shall be established by the Committee or shall be determined by a method established by the Committee at the time the stock option or SAR is granted, except that the exercise price shall not be less than the fair market value of a Share of common stock on the date of grant (except in limited circumstances such as substitute awards in the context of a corporate transaction or EMA Awards).

The exercise price of a stock option shall be payable in cash or by tendering (including by way of a net exercise), by either actual delivery of shares or by attestation, shares of stock acceptable to the Committee, and valued at fair market value as of the day of exercise, or in any combination thereof, as determined by the Committee or, if permitted by the Committee, by the participant’s irrevocably authorizing a third party to sell shares of stock (or a sufficient portion of the shares) acquired upon exercise of the stock option and remit to us a sufficient portion of the sale proceeds to pay the entire exercise price and any tax withholding resulting from such exercise.

In no event shall a stock option or SAR be exercisable later than the ten-year anniversary of the date on which the stock option or SAR is granted (or such shorter period required by law or the rules of any stock exchange on which the stock is listed).

Except for either adjustments in connection with corporate transactions (discussed above) or reductions of the exercise price approved by our Shareholders, the exercise price for any outstanding option or SAR may not be decreased after the date of grant nor may an outstanding option or SAR granted under the 2016 Plan be surrendered to us as consideration for the grant of a replacement Option or SAR with a lower exercise price or a Full Value Award. Except as approved by our Shareholders, in no event shall any Option or SAR granted under the 2016 Plan be surrendered to us in consideration for a cash payment if, at the time of such surrender, the exercise price of the Option or SAR is greater than the then current fair market value of a Share of common stock.

(ii) Full Value Awards

A Full Value Award is a grant of one or more our Shares of common stock or a right to receive one or more our Shares of common stock in the future (including restricted stock, restricted stock units, performance shares, and performance units) that is contingent on continuing service, the achievement of performance objectives during a

specified period performance, or other restrictions as determined by the Committee. The grant of Full Value Awards may also be subject to such other conditions, restrictions and contingencies, as determined by the Committee. Full Value Awards made to employees be subject to minimum vesting requirements depending on the terms and purpose of the award.

(iii) Cash Incentive Awards

A Cash Incentive Award is the grant of a right to receive a payment of cash (or in the discretion of the Committee, shares of stock having value equivalent to the cash otherwise payable) that is contingent on achievement of performance objectives over a specified period established by the Committee. The grant of Cash Incentive Awards may also be subject to such other conditions, restrictions and contingencies, as determined by the Committee.

(iv) EMA Awards

As of the distribution date, the Committee shall grant EMA Awards to each individual who is entitled to an award with respect to our Shares of common stock pursuant to the terms of the EMA or who is otherwise entitled to receive a Share of common stock pursuant to the EMA. All EMA Awards will be made in accordance with the terms of the EMA. With respect to EMA Awards, the provisions of the EMA relating to such awards supersede any other Plan provisions.

The number of Shares of our common stock subject to an EMA Award granted to an EMA participant, and, to the extent applicable, the exercise price of the EMA Award, shall be determined in accordance with the applicable provision of the EMA and shall otherwise be subject to the same terms and conditions (including vesting, settlement and termination) as applied to the corresponding award granted by YUM pursuant to YUM's equity incentive compensation program, to which the EMA Award relates and otherwise shall be subject to the terms and conditions of the EMA. Any condition related to termination of a participant's employment or service with YUM or its affiliates or related to a determination by the Committee charged with administration of the YUM plans shall be based on an otherwise identical condition related to the termination of a participant's employment or service with us and our subsidiaries or a determination by the Committee under the 2016 Plan, respectively and as applicable.

(i) Performance-based Compensation

In general, Code Section 162(m) limits our compensation deduction to US\$1,000,000 paid in any tax year to any "covered employee" as defined under Code Section 162(m). This deduction limitation does not apply to certain types of compensation, including Performance-based Compensation. The terms of the 2016 Plan permit, but do not require, us to issue awards under the 2016 Plan that meet the requirements of Performance-based Compensation so that such awards will be deductible by us for federal income tax purposes. Full Value Awards granted under the 2016 Plan that are designated and structured as Performance-based Compensation will be conditioned on the achievement of one or more performance targets as determined by the Committee and one or more of the following performance measures: cash flow, earnings, earnings per share, market value added or economic value added, profits, return on assets, return on equity, return on investment, revenues, stock price, total shareholder return, customer satisfaction metrics, or restaurant unit development. Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of us and/or the past or current performance of

other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, shareholders' equity and/or shares outstanding, investments or to assets or net assets. The performance targets established by the Committee may be with respect to us, a subsidiary, operating unit, division, or group or individual performance (or any combination thereof).

(j) Adjustments

In the event of a change in corporate capitalization (such as a stock split or stock dividend), a corporate transaction (such as a reorganization, reclassification, merger or consolidation or separation), other changes in our corporate structure, or a distribution to shareholders (other than a cash dividend that is not an extraordinary cash dividend) that affects our outstanding Shares of common stock, the Committee shall make such equitable adjustments, as it determines are necessary and appropriate, in: (a) the number and type of shares (or other property) with respect to which awards may be granted under the 2016 Plan; (b) the number and type of shares (or other property) subject to outstanding awards; (c) the grant or exercise price with respect to outstanding awards; (d) the limitations on shares reserved for issuance under the 2016 Plan and the limitations on the number of shares (or dollar amount) that can be subject to awards granted to certain individuals or within a specified time period; and (e) the terms, conditions or restrictions of outstanding awards and/or award agreements.

(k) Change in Control

Subject to the provisions relating to adjustments in the context of corporate transactions (described above) and except as otherwise provided in the 2016 Plan or the award agreement reflecting the applicable award, if a change in control occurs prior to the date on which an award is vested and prior to the participant's separation from service and if the participant's employment is involuntarily terminated by us or our subsidiaries (other than for cause) on or within two years following the change in control, then (a) all outstanding Options and SARs (regardless of whether in tandem with a SAR or Option, as applicable) shall become fully exercisable and (b) all Full Value Awards shall become fully vested and the Committee shall determine the extent to which performance conditions are met in accordance with the terms of the 2016 Plan and the applicable award agreement. A change of control of YUM will be treated as a change in control under the 2016 Plan with respect to vesting of EMA Awards held by YUM employees and former employees.

(l) Transferability

Unless otherwise determined by the Committee and expressly provided for in an award agreement, no award or any other benefit under the 2016 Plan shall be assignable or otherwise transferable except by will or the laws of descent and distribution.

(m) Withholding

All distributions under the 2016 Plan are subject to withholding of all applicable taxes, and the Committee may condition the delivery of any shares or other benefits under the 2016 Plan on satisfaction of the applicable withholding obligations. The Committee, in its discretion, and subject to such requirements as the Committee may impose prior to the occurrence of such withholding, may permit such withholding obligations to be satisfied through cash payment by the participant, through the surrender of shares of stock which the participant already owns, or through the surrender of shares of stock to which the participant is otherwise entitled under the 2016 Plan; provided, however,

stock that has been held by the participant or stock to which the participant is entitled under the 2016 Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates of withholding that will not have a negative accounting impact).

(n) Participants outside the United States

The Committee may grant awards to eligible persons who are foreign nationals on such terms and conditions different from those specified in the 2016 Plan as may, in the judgment of the Committee, be necessary or desirable to foster and promote achievement of the purposes of the 2016 Plan. In furtherance of such purposes, the Committee may make such modifications, amendments, procedures and sub-plans as may be necessary or advisable to comply with provisions of laws in other countries or jurisdictions in which we or any of our subsidiaries operates or has employees. The foregoing provisions may not be applied to increase the share limitations of the 2016 Plan or to otherwise change any provision of the 2016 Plan that would otherwise require the approval of our Shareholders.

(o) Misconduct and Recoupment

The Committee, in its discretion, may impose such restrictions on shares of stock acquired pursuant to the 2016 Plan, whether pursuant to the exercise of a stock option or SAR, settlement of a Full Value Award or otherwise, as it determines to be desirable, including, without limitation, restrictions relating to disposition of the shares and forfeiture restrictions based on service, performance, stock ownership by the participant, conformity with our recoupment, compensation recovery, or clawback policies and such other factors as the Committee determines to be appropriate. Unless otherwise specified by the Committee, any awards under the 2016 Plan and any shares of stock issued pursuant to the 2016 Plan shall be subject to our compensation recovery, clawback, and recoupment policies as in effect from time to time.

If the Committee determines that a present or former employee has (i) used for profit or disclosed to unauthorized persons, confidential or trade secrets of us, (ii) breached any contract with or violated any fiduciary obligation to us, or (iii) engaged in any conduct which the Committee determines is injurious to us or our subsidiaries, the Committee may cause that employee to forfeit his or her outstanding awards under the 2016 Plan. This provision does not apply during any period where there is a potential change in control in effect or following a change in control.

(p) Amendment and Termination of the 2016 Plan

The Board may, at any time, amend or terminate the 2016 Plan (and the Committee may amend any award agreement); provided, however, that no amendment or termination of the 2016 Plan or amendment of any award agreement may, in the absence of written consent to the change by the affected participant or beneficiary, if applicable, affect the rights of any participant or beneficiary under any award granted under the 2016 Plan prior to the date of such amendment or termination. Adjustments pursuant to corporate transactions and restructurings are not subject to the foregoing limitations. In addition, amendments to the provisions of the 2016 Plan that prohibit the repricing of stock options and SARs, amendments expanding the group of eligible individuals, or amendments increases in the aggregate number of shares reserved under the 2016 Plan, the shares that may be issued in the form of ISOs, limitations on certain types of Full Value Awards and amendments of the individual limits on awards and the limitations on awards to Outside Directors will not be effective unless approved by our Shareholders.

In addition, no amendment shall be made to the 2016 Plan without the approval of our Shareholders if such approval is required by law or the rules of any stock exchange on which the common stock is listed.

3. Awards Granted under the 2016 Plan

For details of our awards granted under the 2016 Plan, please refer to Note 14 to the Accountants' Report as set out in Appendix I to this prospectus.

4. Share-based Awards Held by Our Directors and Officers

The following table summarizes, the number of Shares of common stock covered by exercisable and unexercisable SARs, RSUs, options and other rights held on December 31, 2019 by our Directors and NEOs, as well as by their affiliates, under our 2016 Plan.

Name	Grant Date	Options/SAR Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options/SARs (exercisable)	Number of Securities Underlying Unexercised Options/SARs (unexercisable) ⁽¹⁾	Exercise Price (US\$)	Expiration Date	Number of Share/Units of Stock that have not Vested ⁽²⁾	Market Value of Shares/Units of Stock that have not Vested (US\$) ⁽³⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested ⁽⁴⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (US\$) ⁽³⁾
Joey WAT	2/6/2015	27,063	—	22.32	2/6/2025	—	—	—	—
	3/25/2015	32,309	—	23.90	3/25/2025	—	—	—	—
	2/5/2016	30,987	10,329(i)	21.06	2/5/2026	—	—	—	—
	11/11/2016	36,634	12,212(ii)	26.98	11/11/2026	—	—	—	—
	2/10/2017	55,887	55,887(iii)	26.56	2/10/2027	77,163(i)	3,704,613	—	—
	2/9/2018	46,537	139,614(iv)	40.29	2/9/2028	—	—	59,881(i)	2,874,887
Andy YEUNG	2/7/2019	—	186,100(v)	41.66	2/7/2029	—	—	41,975(ii)	2,015,220
	11/1/2019	—	—	—	—	24,193(ii)	1,161,489	—	—

Name	Options/SAR Awards				Stock Awards				
	Grant Date	Number of Securities Underlying Unexercised Options/SARs (exercisable)	Number of Securities Underlying Unexercised Options/SARs (unexercisable) ⁽¹⁾	Exercise Price (US\$)	Expiration Date	Number of Share/Units of Stock that have not Vested ⁽²⁾	Market Value of Shares/Units of Stock that have not Vested (US\$) ⁽³⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested ⁽⁴⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (US\$) ⁽³⁾
Johnson HUANG	2/8/2012	8,994	—	19.46	2/8/2022	—	—	—	—
	2/6/2013	9,652	—	19.00	2/6/2023	—	—	—	—
	2/5/2014	6,797	—	21.30	2/5/2024	—	—	—	—
	2/5/2014	9,516	—	21.30	2/5/2024	—	—	—	—
	2/6/2015	10,149	—	22.32	2/6/2025	—	—	—	—
	2/5/2016	10,329	3,443(i)	21.06	2/5/2026	—	—	—	—
	11/11/2016	18,317	6,106(ii)	26.98	11/11/2026	—	—	—	—
	2/10/2017	18,629	18,629(iii)	26.56	2/10/2027	—	—	—	—
	11/1/2017	—	—	—	—	20,702(iii)	993,921	—	—
	2/9/2018	8,135	24,408(iv)	40.29	2/9/2028	11,164(iv)	535,974	—	—
2/7/2019	—	32,754(v)	41.66	2/7/2029	10,677(v)	512,579	—	—	
Danny TAN	2/4/2011	7,033	—	14.88	2/4/2021	—	—	—	—
	2/8/2012	3,679	—	19.46	2/8/2022	—	—	—	—
	2/6/2013	7,556	—	19.00	2/6/2023	—	—	—	—
	2/5/2014	6,797	—	21.30	2/5/2024	—	—	—	—
	2/5/2014	7,681	—	21.30	2/5/2024	—	—	—	—
	2/6/2015	10,149	—	22.32	2/6/2025	—	—	—	—
	2/5/2016	10,329	3,443(i)	21.06	2/5/2026	—	—	—	—
	11/11/2016	18,317	6,106(ii)	26.98	11/11/2026	—	—	—	—
	2/10/2017	18,629	18,629(iii)	26.56	2/10/2027	—	—	—	—
	2/9/2018	7,026	21,079(iv)	40.29	2/9/2028	9,642(iv)	462,898	—	—
2/7/2019	—	28,288(v)	41.66	2/7/2029	9,221(v)	442,695	—	—	

Name	Grant Date	Options/SAR Awards			Stock Awards				
		Number of Securities Underlying Unexercised Options/SARs (exercisable)	Number of Securities Underlying Unexercised Options/SARs (unexercisable) ⁽¹⁾	Exercise Price (US\$)	Expiration Date	Number of Share/Units of Stock that have not Vested ⁽²⁾	Market Value of Shares/Units of Stock that have not Vested (US\$) ⁽³⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested ⁽⁴⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (US\$) ⁽³⁾
Aiken YUEN	2/4/2011	2,713	—	14.88	2/4/2021	—	—	—	—
	2/8/2012	2,290	—	19.46	2/8/2022	—	—	—	—
	2/6/2013	3,591	—	19.00	2/6/2023	—	—	—	—
	2/5/2014	3,602	—	21.30	2/5/2024	—	—	—	—
	2/6/2015	4,060	—	22.32	2/6/2025	—	—	—	—
	2/6/2015	4,060	—	22.32	2/6/2025	—	—	—	—
	2/5/2016	3,460	1,154(i)	21.06	2/5/2026	—	—	—	—
	2/10/2017	5,682	5,682(iii)	26.56	2/10/2027	—	—	—	—
	2/9/2018	4,215	12,648(iv)	40.29	2/9/2028	5,785(iv)	277,729	—	—
	2/7/2019	—	16,973(v)	41.66	2/7/2029	5,532(v)	265,607	—	—

Notes:

- (1) The actual vesting dates for unexercisable SARs are as follows:
- (i) Remainder of the unexercisable award vested on February 5, 2020.
 - (ii) Remainder of the unexercisable award will vest on November 11, 2020.
 - (iii) One-half of the unexercisable award vested or will vest on each of February 10, 2020 and 2021.
 - (iv) One-third of the unexercisable award vested or will vest on each of February 9, 2020, 2021 and 2022.
 - (v) One-fourth of the unexercisable award vested or will vest on each of February 7, 2020, 2021, 2022 and 2023.
- (2) The RSUs reported in this column include additional RSUs received with respect to dividend equivalents, which remain subject to the same underlying vesting conditions. The actual vesting dates for unvested RSUs are as follows:
- (i) The RSUs will vest in full on February 10, 2021.
 - (ii) One-third of the RSUs will vest on each of November 1, 2020, 2021 and 2022.
 - (iii) The RSUs will vest in full on November 1, 2021.
 - (iv) The RSUs will vest in full on February 9, 2021.
 - (v) The RSUs will vest in full on February 7, 2022.

- (3) The market value of each award is calculated by multiplying the number of shares covered by the award by US\$48.01, the closing price of the Company's Share of common stock on the NYSE on December 31, 2019.
- (4) The awards reported in this column represent PSU awards with three-year performance periods that are scheduled to be settled in Shares of common stock, subject to the attainment of the relative total shareholder return performance goal over the applicable performance period. In accordance with the SEC executive compensation disclosure rules, the amounts reported for Ms. Wat's PSU awards are based on the target performance level. The actual vesting dates for unvested PSUs are as follows, subject to the attainment of the applicable performance goal:
- (i) The PSUs will vest in full on December 31, 2020.
 - (ii) The PSUs will vest in full on December 31, 2021.

E. FURTHER INFORMATION ABOUT OUR WARRANTS GRANTED TO PRIMAVERA AND ANT FINANCIAL

The following table summarizes the particulars of warrants initially granted to Primavera and Ant Financial:

Name	Address	Tranche of Warrants	Date of Issuance	Number of Shares Initially Issuable under Warrants	Initial Exercise Price per Share (US\$)	Expiration Date
Pollos Upside L. P. ("Pollos Upside")	28th Floor	Warrant 1	January 9, 2017	7,309,057 ⁽¹⁾	31.40 ⁽¹⁾	October 31, 2021
	28 Hennessy Road Hong Kong	Warrant 2	January 9, 2017	7,309,057 ⁽²⁾	39.25 ⁽²⁾	October 31, 2021
API Investment	Block B, Dragon Times Plaza	Warrant 1	January 9, 2017	891,348 ⁽³⁾	31.40 ⁽³⁾	October 31, 2021
	18 Wantang Road Xihu District Hang Zhou, China	Warrant 2	January 9, 2017	891,348 ⁽³⁾	39.25 ⁽³⁾	October 31, 2021

Notes:

- (1) Based on Amendment No. 5 to the Schedule 13D under the U.S. Exchange Act filed with the SEC by Primavera Capital on May 20, 2020, the number of Shares of common stock issuable to Pollos Upside under Warrant 1 was adjusted to 7,511,967.35, and the exercise price per Share of common stock under Warrant 1 was adjusted to US\$30.552.

- (2) As of March 4, 2020, the number of Shares of common stock issuable to Pollos Upside under Warrant 2 was adjusted to 7,511,967.35, and the exercise price per Share of common stock under Warrant 2 was adjusted to US\$38.190. To the best knowledge of the Company, in 2019, Pollos Upside entered into three pre-paid forward sale contracts with several unaffiliated banks, pursuant to which Pollos Upside is obligated to deliver to these unaffiliated banks in aggregate all of the warrants issued to it under Warrant 2, representing 45% of the total warrants issued and 2.0% of the Company's total outstanding Shares of common stock as of the Latest Practicable Date, on the settlement date subject to certain conditions as specified in the relevant pre-paid forward contracts. The warrants under such pre-paid forward sale contracts are transferrable in the secondary market.
- (3) As of March 4, 2020, the number of Shares of common stock issuable to API Investment under each of Warrant 1 and Warrant 2 was adjusted to 916,093.14, and the exercise price per Share of common stock Warrant 1 and Warrant 2 was adjusted to US\$30.552 and US\$38.190, respectively.

F. OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

2. Litigation

We were not involved in any material legal proceedings as of June 30, 2020. See "Business — Legal Proceedings" for further information.

3. Sponsor

The Sponsor has made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares of common stock in issue, the Shares of common stock to be issued pursuant to the Global Offering (including the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option), and the Shares of common stock to be issued pursuant to the 2016 Plan, including pursuant to the exercise of options or the vesting of RSUs or other awards that have been or may be granted from time to time. All necessary arrangements have been made to enable such Shares of common stock to be admitted into CCASS.

Goldman Sachs (Asia) L.L.C. satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Hong Kong Listing Rules.

The fee payable to the Sponsor is US\$500,000 and is payable by our Company.

4. Material Adverse Change

Our Directors confirm that, save as disclosed in the prospectus, as far as they are aware, there has been no material adverse change in our financial, trading position or prospects since June 30, 2020, being the latest date of our consolidated financial statements as set out in "Appendix I — Accountants' Report" of this prospectus, up to the date of this prospectus.

5. Qualification of Experts

The following are the qualifications of the experts (as defined under the Hong Kong Listing Rules and the Companies (WUMP) Ordinance) who have given opinions or advice which are contained in this prospectus:

NAME	QUALIFICATION
Goldman Sachs (Asia) L.L.C.	A licensed corporation to conduct type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
Sidley Austin LLP	Legal advisor to Company as to Delaware law
Jingtian & Gongcheng	Legal advisor to Company as to PRC law
Frost & Sullivan International Limited	Independent industry consultant

6. Consents of Experts

Each of the experts above has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its report and/or letter and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.

None of the experts named above has any shareholding interests in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

7. Promoter

Our Company has no promoter for the purpose of the Hong Kong Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

8. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (WUMP) Ordinance insofar as applicable.

9. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

10. Miscellaneous

- (a) Notwithstanding information otherwise disclosed in this prospectus or waived or exempted from disclosure pursuant to the waivers and exemptions disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) to the best of our knowledge, neither we nor any of our Major Subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any share capital or debentures of our Company or any of our Major Subsidiaries;
 - (iv) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued; and
 - (v) there is no arrangement under which future dividends are waived or agreed to be waived.
- (b) Our branch register of members will be maintained in Hong Kong by our Hong Kong Share Registrar. Unless the directors otherwise agree, all transfer and other documents of title of Shares of common stock must be lodged for registration with and registered by our share register in Hong Kong and may not be lodged in the State of Delaware, the United States. All necessary arrangements have been made to enable the Shares of common stock to be admitted to CCASS.
- (c) Our Directors confirm that, save as disclosed in this prospectus:
 - (i) there has not been any interruption in our business which may have or have had a material adverse effect on our financial position in the 12 months immediately preceding the date of this prospectus; and
 - (ii) we and our Major Subsidiaries have no outstanding debentures or convertible debt securities.
- (d) The English version of this prospectus shall prevail over the Chinese version.