COMPANY INFORMATION SHEET

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Company name (stock code): Yum China Holdings, Inc. (9987)

Stock short name: YUM CHINA-S

This information sheet is provided for the purpose of giving information to the public about Yum China Holdings, Inc. (the "**Company**") as at the date hereof. It does not purport to be a complete summary of the information relevant to the Company and/or its securities.

Unless the context requires otherwise, capitalized terms used herein shall have the meanings given to them in the Company's prospectus (the "**Prospectus**") dated September 1, 2020 and, if any, references to sections of the Prospectus shall be construed accordingly.

If there is any inconsistency between the English version of this information sheet and its Chinese translation, the English version shall prevail.

Responsibility Statement

The directors of the Company as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief the information contained in this information sheet is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any information herein misleading.

The directors of the Company also collectively and individually undertake to publish a revised information sheet when there are material changes to the information since the last publication.

Summary Contents

Document Type	**Date**
A. Waivers and Exemptions	
Latest version	September 1, 2020
B. Foreign Laws and Regulations	
Latest version	September 1, 2020
C. Constitutional Documents: Certificate of Incorporation	
Latest version	October 31, 2016
D. Constitutional Documents: Bylaws	
Latest version	October 31, 2016

Date of this information sheet: September 18, 2020

A. Waivers and Exemptions

In preparation for the Listing, we have sought the following waivers and exemptions from strict compliance with the relevant provisions of the Hong Kong Listing Rules, the SFO and the Companies (WUMP) Ordinance and have applied for a ruling under the Takeovers Codes:

Relevant rule(s)	Subject matter
Section 4.1 of the Introduction to the Takeovers Codes	Determination of whether a company is a "public company in Hong Kong"
Part XV of the SFO	Disclosure of interests
Paragraphs 41(4) and 45 of Part A of Appendix 1 and Practice Note 5 to the Hong Kong Listing Rules	Disclosure of interests information
Rules 19C.07(3) and 19C.07(7) of the Hong Kong Listing Rules	Shareholder protection requirements in relation to approval, removal and remuneration of auditors and requisition of extraordinary general meeting by Shareholders
Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules	Acquisition after the Track Record Period
Rules 4.04(3)(a), 4.05 and 4.13 of the Hong Kong Listing Rules and Paragraph 31(3)(b) of the Third Schedule to Companies (WUMP) Ordinance	Disclosure requirements under the Accountants' Report
Paragraphs 33(2), 33(3), 46(2) and 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules	Disclosure requirements in respect of Directors' and five highest individuals' emoluments
Paragraph 32 of Part A of Appendix 1 to the Hong Kong Listing Rules	Timing requirement of liquidity disclosure
Paragraphs 26, 27 and 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules and Paragraphs 10, 11 and 29 of the Third Schedule to Companies (WUMP) Ordinance	Other disclosure requirements under the Hong Kong Listing Rules and Companies (WUMP) Ordinance
Rule 2.07A of the Hong Kong Listing Rules	Corporate communications
Rule 13.25B of the Hong Kong Listing Rules	Monthly returns

Relevant rule(s)	Subject matter
Paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules	Three-year restriction on spin-offs
Rule 13.48(1) and Practice Note 10 to the Hong Kong Listing Rules	Publication of interim report for the six months ended June 30, 2020
Paragraph 15(2)(c) of Part A of Appendix 1 to the Hong Kong Listing Rules	Disclosure of Offer Price
Rule 9.09(b) of the Hong Kong Listing Rules	Dealings in the Shares prior to Listing
Rule 10.04 and Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules	Subscription for Shares by existing Shareholders
Rules 12.04(3), 12.07 and 12.11 of the Hong Kong Listing Rules	Availability of copies of the prospectus in printed form
Paragraph 4.2 of Practice Note 18 to the Hong Kong Listing Rules	Clawback mechanism

Not a Public Company in Hong Kong

Section 4.1 of the Introduction to the Takeovers Codes provides that the Takeovers Codes apply to takeovers, mergers and share buy-backs affecting, among others, public companies in Hong Kong and companies with a primary listing in Hong Kong. According to the Note to Section 4.2 of the Introduction to the Takeovers Codes, a Grandfathered Greater China Issuer (as defined in the Hong Kong Listing Rules) within the meaning of Rule 19C.01 of the Hong Kong Listing Rules with a secondary listing on the Hong Kong Stock Exchange will not normally be regarded as a public company in Hong Kong under Section 4.2 of the Introduction to the Takeovers Codes.

We have applied for, and the SFC has granted, a ruling that we are not a "public company in Hong Kong" for the purposes of the Takeovers Codes. Therefore, the Takeovers Codes do not apply to us. In the event that the bulk of trading in our Shares migrates to Hong Kong such that we would be treated as having a dual-primary listing pursuant to Rule 19C.13 of the Hong Kong Listing Rules, the Takeovers Codes will apply to us.

Disclosure of Interests under Part XV of SFO

Part XV of the SFO imposes duties of disclosure of interests in shares of common stock. Under Section 16 of the U.S. Exchange Act ("**Section 16**"), the insiders of a public company (including directors, officers or any person who directly or indirectly beneficially owns more than 10% of any class of the company's equity securities) are required to report their beneficial ownership of the company's equity securities and any transactions in such securities. Beneficial ownership for Section 16 reporting purposes means having a "pecuniary interest" (or economic interest), which refers to receiving or sharing in, directly or indirectly, profits from a transaction in the securities, whether by agreement, relationship or other arrangement. A person required to report ownership of equity securities under Section 16 must do so by filing the relevant forms to report, among other things, an initial statement of beneficial ownership, changes in beneficial ownership or an annual statement of beneficial ownership within respective specific periods of time as required under the SEC regulations.

Moreover, Section 13 of the U.S. Exchange Act ("**Section 13**") requires any person or group of persons who directly or indirectly acquires or has beneficial ownership of more than 5% of a class of a company's equity securities registered pursuant to Section 12 of the U.S. Exchange Act to report such beneficial ownership. Beneficial ownership for Section 13 reporting purposes means having or sharing, directly or indirectly, through any contract, arrangement, understanding relationship or otherwise, voting power or investment power over the security. A person required to report beneficial ownership of equity securities under Section 13 must do so by filing a Schedule 13D within 10 days of the initial acquisition and promptly thereafter in the case of changes of ownership of 1% or more or the occurrence of certain other events, or, when an exception applies, a short-form Schedule 13G within 45 days after the end of each calendar year if there have been changes in ownership during such calendar year.

As a comprehensive disclosure of interests mechanism is in place under the U.S. securities laws and regulations, compliance with Part XV of the SFO would subject our corporate insiders to a second level of reporting, which would be unduly burdensome to them, result in additional costs and not be meaningful, since the statutory disclosure of interests obligations under the U.S. Exchange Act that apply to us and our corporate insiders would provide our investors with sufficient information relating to the shareholding interests of our major Shareholders.

We have applied for, and the SFC has granted, a partial exemption under section 309(2) of the SFO to us, our substantial Shareholders, Directors, and chief executives from strict compliance with the provisions of Part XV of the SFO (other than Divisions 5, 11 and 12 of Part XV of the SFO), on the conditions that (i) the bulk of trading in the Shares is not considered to have migrated to Hong Kong on a permanent basis in accordance with Rule 19C.13 of the Hong Kong Listing Rules; (ii) all disclosures of interests filed with the SEC are also filed with the Hong Kong Stock Exchange as soon as practicable, which will then publish such disclosures in the same manner as disclosures made under Part XV of the SFO; and (iii) we will advise the SFC if there is any material change to any of the information which has been provided to the SFC, including any significant changes to the disclosure requirements in the U.S. and any significant changes in the volume of our worldwide share turnover that takes place on the Hong Kong Stock Exchange. This exemption may be reconsidered by the SFC in the event there is a material change in information provided to the SFC.

Disclosure of Interests Information

Part XV of the SFO imposes duties of disclosure of interests in shares of common stock. Paragraphs 41(4) and 45 of Part A of Appendix 1 and Practice Note 5 to the Hong Kong Listing Rules require the disclosure of shareholders' and directors' interests information to be included in the Prospectus.

The SFC has granted a partial exemption from strict compliance with Part XV of the SFO as set out above under sub-section headed "Disclosure of Interests under Part XV of SFO." The U.S. Exchange Act and the rules and regulations promulgated thereunder, which require disclosure of interests by shareholders, are broadly equivalent to Part XV of the SFO. Relevant disclosure in respect of the major Shareholder's interests can be found in the section headed "Major Shareholders" in the Prospectus.

We undertake to (i) file with the Hong Kong Stock Exchange, as soon as practicable, any declaration of shareholding and securities transactions filed with the SEC and (ii) disclose in present and future listing documents any shareholding interests as disclosed in a SEC filing, and the relationship between our Directors, officers, members of committees and their relationship with any controlling shareholders.

On the basis above, we have applied for, and the Hong Kong Stock Exchange has granted, a waiver from the requirements under Paragraphs 41(4) and 45 of Part A of Appendix 1 and Practice Note 5 to the Hong Kong Listing Rules.

Shareholder Protection

For an overseas issuer seeking a secondary listing on the Hong Kong Stock Exchange, Rule 19.30(1)(b) of the Hong Kong Listing Rules requires the overseas issuer's primary listing is or is to be on an exchange where the standards of shareholder protection are at least equivalent to those provided in Hong Kong. Rule 19C.07 of the Hong Kong Listing Rules provides that the Hong Kong Stock Exchange will consider that a Grandfathered Greater China Issuer, like us, seeking a secondary listing has met the requirements of Rule 19.30(1)(b) of the Hong Kong Listing Rules if it has met the shareholder protection standards by reference to eight criteria set out in Rule 19C.07 of the Hong Kong Listing Rules.

Approval, removal and remuneration of auditors

Rule 19C.07(3) of the Hong Kong Listing Rules requires the appointment, removal and remuneration of auditors must be approved by a majority of the Qualifying Issuer's members or other body that is independent of the issuer's board of directors. However, according to the applicable U.S. securities laws and NYSE rules, our Audit Committee is directly responsible for the appointment, removal and remuneration of auditors.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 19C.07(3) of the Hong Kong Listing Rules on the following basis:

- Our Audit Committee is akin to an independent body of the Board on the basis of the independence requirements as set out in applicable U.S. securities laws and the NYSE rules. Members of the Audit Committee must continuously meet two overlapping independence standards, one established by applicable U.S. securities laws, and the other by the NYSE rules. Under these applicable rules, no Audit Committee member may be a party to any material relationship that would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director. In addition, no Audit Committee member may accept any compensation from our Company other than directors' fees and no Audit Committee member may be an "affiliated person" of our Company or any of our subsidiary. The Audit Committee of our Company is comprised of five members, all of whom are independent Directors within the meaning of Section 303A of the NYSE Listed Company Manual and meet the criteria for independence set forth in Rule 10A-3 of the U.S. Exchange Act.

- Since our first annual meeting in 2017 after we became an independent public company, we have put forward a resolution at each annual general meeting for the Shareholders to ratify the auditors' appointment. Such resolution has passed with greater than 99% of Shares of common stock present in person or by proxy voted in favor without exception in each year.

Requisition of extraordinary general meeting by shareholders

Rule 19C.07(7) of the Hong Kong Listing Rules requires members holding a minority stake in the Qualifying Issuer's total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights (the "**10% Requisition Right**"), on a one vote per share basis, in the share capital of the Qualifying Issuer. Our Constitutional Documents currently preclude the calling of a shareholder meeting by Shareholders.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 19C.07(7) of the Hong Kong Listing Rules on the following conditions and bases:

- The 25% Requisition Right is considered in the context of the rights that our Shareholders already enjoy, the attributes of our Company in view of the facts that we were incorporated in the U.S., including the laws and regulations that apply to us, the type of listing we have on the NYSE, and the type of listing we are applying for in Hong Kong:

  – We are a Delaware-incorporated company and a U.S. domestic issuer, which subjects us to the highest level of U.S. corporate governance and shareholders rights standards.

  – The totality of rights provided to our Shareholders is both substantial and at least substantially equivalent to those found under the Hong Kong Listing Rules, particularly in light of our status as a U.S. domestic company.

  - We are a pure one-share, one-vote company and have no "partnership" structure or other types of weighted voting rights structures.

  - We are seeking a secondary listing on the Main Board of the Hong Kong Stock Exchange under Chapter 19C of the Hong Kong Listing Rules.

- The 25% Requisition Right would give our Shareholders an appropriate level of meaningful and effective protection, taking into account our specific circumstances including, among others, the quorum and vote requirements for shareholder meetings under Delaware law and our Constitutional Documents. Under the DGCL, the default rule is that a quorum for shareholder meetings consists of "a majority of the shares entitled to vote, present in person or represented by proxy." The DGCL allows companies to alter this default quorum requirement, except that it may not be lower than one-third of the shares of the company entitled to vote at the meeting. Under our Bylaws, the presence in person or by proxy of the holders of record of a majority of the issued and outstanding Shares of common stock of the Company entitled to vote at the meeting shall constitute a quorum for Shareholder meetings.

- The 25% Requisition Right is more commonly adopted among our Company's peer group within the S&P 500 companies, which we compare ourselves with from a governance standpoint.

Under the DGCL, our Company is required to hold a meeting of Shareholders at least once every 13 months. Our Company had held a general meeting on an annual basis for the three years ended December 31, 2019, and will continue to do so upon completion of the Listing.

Our Board has resolved, subject to the completion of the Listing, at the 2021 annual meeting and at subsequent annual meetings, if necessary, to present a proposal to the Shareholders to amend our Constitutional Documents providing for the 25% Requisition Right, and recommend that our Shareholders approve such proposal. The 25% Requisition Right shall be subject to customary terms and conditions.

Our Board undertakes that, after the completion of the Listing and before the approval of the 25% Requisition Right by the Shareholders, in the event that Shareholders holding 25% or more of our total outstanding Shares of common stock request that a special meeting be called, our Board will, subject to customary terms and conditions, support such request.

Acquisition after the Track Record Period

Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules require that, among other things, the results and balance sheet of any business or subsidiary acquired, agreed to be acquired or proposed to be acquired since the date to which the latest audited financial statements of the issuer have been made in respect of each of the three financial years immediately preceding the issue of the Prospectus.

Rule 4.28 of the Hong Kong Listing Rules states that where a new applicant has acquired or proposes to acquire any businesses or companies which would at the date of application or such later date of acquisition before listing of the applicant be classified as a major subsidiary, pro forma financial information prepared in accordance with the Rule 4.29 of the Hong Kong Listing Rules in respect of the enlarged group should be disclosed in its listing document.

Pursuant to the guidance letter HKEX-GL32-12 issued by the Hong Kong Stock Exchange, or GL32-12, acquisitions of business include acquisitions of associates and any equity interest in another company. Pursuant to GL32-12, the Hong Kong Stock Exchange may consider granting a waiver of the requirements under Rules 4.04(2) and 4.04(4) of the Hong Kong Listing Rules on a case-by-case basis, and having regard to all relevant facts and circumstances and subject to certain conditions set out thereunder.

Suzhou KFC is a joint venture entity owned by our Company and other independent third parties, which mainly operates KFC restaurants in and around Suzhou. The net income of Suzhou KFC for the six months ended June 30, 2020 and the years ended December 31, 2019, 2018 and 2017 was US$21 million, US$43 million, US$42 million and US$37 million, respectively, and the net assets of Suzhou KFC as of June 30, 2020 and December 31, 2019, 2018 and 2017 were US$34 million, US$56 million, US$54 million and US$50 million, respectively. Same-store sales of Suzhou KFC declined by 6% for the six months ended June 30, 2020, while same-store sales of KFC declined by 11% for the same period. Same-store sales growth of Suzhou KFC for the years ended December 31, 2019 and 2018 was 3% and 2%, respectively, while same-store sales growth of KFC was 4% and 2% for the same years, respectively. The operating profit margin of Suzhou KFC for the six months ended June 30, 2020 and the years ended December 31, 2019, 2018 and 2017 was 19%, 18%, 19% and 18%, respectively, while the operating profit margin of KFC reporting segment was 12%, 16%, 16% and 16% for the same period and years, respectively.

In April 2020, we entered into a definitive agreement to acquire, for cash consideration of US$149 million, the entire equity interest in one of Suzhou KFC's shareholders, which owns 25% equity interest in Suzhou KFC (the "**Suzhou KFC Acquisition**"). Save for their equity interests in Suzhou KFC before the completion of the Suzhou KFC Acquisition, the selling parties and their ultimate beneficial owners are independent third parties of our Company. Prior to the Suzhou KFC Acquisition, Suzhou KFC was owned as to 47% by our Group and 53% by other independent third parties, and was accounted for in our financial statements under the equity method. Upon completion of the Suzhou KFC Acquisition on August 3, 2020, our equity interest in Suzhou KFC was increased to 72%, which allows us to consolidate Suzhou KFC into our Group.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules in respect of the Suzhou KFC Acquisition on the following grounds:

Suzhou KFC is operated in the ordinary and usual course of business of our Group

Suzhou KFC, in which we held a non-controlling interest prior to the completion of the Suzhou KFC Acquisition, has been operated in the ordinary and usual course of business of our Group under an operation model similar to our other KFC restaurants across China. The solid operating performance of Suzhou KFC and the exit of one of the joint venture partners presented the commercial opportunity for our Company to acquire additional equity interest in Suzhou KFC. During the Track Record Period, our Group has also acquired from our other joint venture partners additional equity interests in the joint venture operating KFC stores in and around Wuxi.

Immateriality

All applicable percentage ratios in respect of the Suzhou KFC Acquisition were calculated by reference to the financial information for the year ended December 31, 2019. Other than the profits ratio, which is 5.7%, all the other applicable percentage ratios regarding the Suzhou KFC Acquisition are less than 5%. The profits ratio is relatively higher than the revenue ratio, which is 4.4%, because Suzhou KFC only operates KFC restaurants and the profit margin of our KFC business is generally higher than our other brands. In addition, prior to the Suzhou KFC Acquisition, our Group accounted for 47% of the equity interest in Suzhou KFC as an equity method investment under U.S. GAAP, and the related share of its net income for the year ended December 31, 2019 accounted for 2.8% of the consolidated net income of our Group for the same year. When the acquisition of additional 25% equity interest is completed, the operating results, assets and liabilities of Suzhou KFC will be included in our Group's consolidated financial statements, subject to intercompany eliminations and attribution of net income to non-controlling interests. Had we consolidated Suzhou KFC into our Group's financial statements for the entire year of 2019, the consolidated net income of our Group for the year ended December 31, 2019 would have been increased by 1.5%. Furthermore, the assets ratio in respect of Suzhou KFC Acquisition is 2.1% by reference to our Group's total assets as of December 31, 2019. Therefore, we consider that the Suzhou KFC Acquisition is immaterial to us and do not expect it to result in any material change in the financial position and operating results of our Group.

Relevant disclosures are not required under the SEC regulatory framework

As none of the significance test percentage ratios exceeds 20%, which is the disclosure threshold under the SEC regulations, disclosure of historical results and balance sheets of the Suzhou KFC as well as the pro forma financial information of the enlarged Group is not required.

Unduly burdensome for us to prepare the required financial information and pro forma disclosures

The historical financial information currently available to us is only for the purpose of accounting for Suzhou KFC under the equity method. Given the relevant disclosures are not required under the SEC regulatory framework, we do not have sufficient information readily available to prepare the disclosures required under Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules. It would require considerable time and resources to compile necessary financial information and supporting documents and to request our reporting accountants to perform the necessary audit procedures on the financial information for the Track Record Period.

In addition, given the confidentiality obligation under the joint venture agreement, disclosing the full financial information required under Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules is subject to prior unanimous consent from the other two joint venture partners.

Given that (i) the Suzhou KFC Acquisition was only completed on August 3, 2020, (ii) the historical financial information required for preparation of the disclosure under Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules is not readily available, (iii) the disclosure of such information would require prior unanimous consent from the other two joint venture partners; and (iv) the prospectus is expected to be issued in early September, there would not be sufficient time, and would be impracticable and unduly burdensome for us to prepare the relevant disclosure under Rules 4.04(2), 4.04(4)(a) and 4.28 of the Hong Kong Listing Rules, and to request the reporting accountants to perform audit procedures on the required financial information.

The relevant financial information required under Rules 4.04(2), 4.04(4)(a) and 4.28 is not required to be disclosed for companies listed under Chapter 19C of the Hong Kong Listing Rules

Pursuant to Rule 19C.11 of the Hong Kong Listing Rules, the notifiable transaction requirements under Chapter 14 of the Hong Kong Listing Rules do not apply to a Qualifying Issuer having a secondary listing on the Hong Kong Stock Exchange. If the Suzhou KFC Acquisition proceeded after the completion of the Listing, we would not be required to disclose such acquisition pursuant to the requirements under Chapter 14 of the Hong Kong Listing Rules.

Similar operation model and available disclosure of financial results based on equity methods

Our Group has been closely involved in the daily operations of the restaurants under Suzhou KFC, which are under an operation model similar to other KFC restaurants across China, including the supply chain and logistics related management, management of staff as well as the products and services offered to consumers. Therefore, Suzhou KFC is operated in the ordinary and usual course of business of our Group, which remains unchanged before and after the completion of the Suzhou KFC Acquisition.

Prior to the completion of the Suzhou KFC Acquisition, our Group accounted for 47% of the equity interest in Suzhou KFC as an equity method investment under U.S. GAAP, and the related share of profit is included in our net income. The financial results of Suzhou KFC have been partially reflected in the financial statements of our Group and would provide the potential investors with necessary and adequate information to make an informed assessment of the activities, financial position and financial results of our Group. A waiver from disclosure of the required financial information in the Prospectus would not prejudice the interests of the investing public.

Alternative disclosure of the Suzhou KFC Acquisition in the Prospectus

We have provided certain alternative information in the Prospectus in connection with Suzhou KFC Acquisition required for a discloseable transaction under Chapter 14 of the Hong Kong Listing Rules, including (a) the background and principal business activities of Suzhou KFC, (b) the reason for the transaction; (c) the net assets, net income, same-store sales growth and operating profit margin of Suzhou KFC for the relevant periods; (d) a qualitative disclosure for the reason why the profits ratio of Suzhou KFC Acquisition was relatively higher than revenue ratio; and (e) a statement that save for their equity interests in Suzhou KFC, the selling parties and their ultimate beneficial owners are independent third parties of our Company. For the avoidance of doubt, disclosure of other information required under Chapter 14 of the Hong Kong Listing Rules will be excluded because (i) we are subject to the confidentiality obligations under the agreement for Suzhou KFC Acquisition and are prohibited from disclosing such terms without the consent of the counterparties; and (ii) given the competitive nature of the industries in which our Group operates, disclosure of such information in the Prospectus is commercially sensitive and may result in the leak of our commercial arrangement. We believe, given that (i) Suzhou KFC is operated in the ordinary and usual course of business of our Group; (ii) other than the profits ratio which is slightly over 5%, all the other applicable percentage ratios are below 5%; and (iii) Suzhou KFC's financial results have been partially reflected in our financial statements, the current disclosure in respect of the Suzhou KFC Acquisition in the Prospectus would provide the potential investors with the necessary and adequate information to make an informed assessment of the activities, financial positions and operation results of our Group, and the interest of the investing public would not be prejudiced.

Disclosure Requirements under the Accountants' Report

Rules 4.04(3)(a), 4.05 and 4.13 of the Hong Kong Listing Rules and paragraph 31(3)(b) of the Third Schedule to the Companies (WUMP) Ordinance set out certain content requirements in respect of an accountants' report included in a listing document.

Rule 4.04(3)(a) of the Hong Kong Listing Rules requires the accountants' report appended to the prospectus to include, among others, the statement of financial position of the issuer and, if the issuer is itself a holding company, the consolidated statement of financial position of the issuer and its subsidiaries in each case as at the end of each of the three financial years to which the latest audited financial statements of the issuer have been made up.

Rule 4.05 of the Hong Kong Listing Rules states that the report on results and financial position under Rules 4.04(1) to 4.04(4) of the Hong Kong Listing Rules must include the disclosures required under the relevant accounting standards adopted and disclose separately, among others, an aging analysis of accounts receivable and an aging analysis of accounts payable.

Rule 4.13 of the Hong Kong Listing Rules states that the relevant standards will normally be those current in relation to the last financial year reported on and, wherever possible, appropriate adjustments must be made to show profits for all periods in accordance with such standards.

Paragraph 31(3)(b) of the Third Schedule to the Companies (WUMP) Ordinance requires the accountants' report of the issuer include, among other things, the issuer's (other than its subsidiaries') assets and liabilities.

Certain historical financial information of our Company required to be disclosed under the Hong Kong Listing Rules and the Third Schedule to the Companies (WUMP) Ordinance are not required under U.S. GAAP or SEC regulatory framework, in particular,

(i) the following specific details concerning financial information as required under Rules 4.04(3)(a), 4.05 and 4.13 of the Hong Kong Listing Rules:

    (a) balance sheets of our Company (without consolidation of our subsidiaries);

    (b) aging analysis of accounts receivable;

    (c) aging analysis of accounts payable; and

    (d) adjustments made to show profits of all periods in accordance with the relevant accounting standards in relation to the last fiscal year reported on; and

(ii) balance sheets of our Company (without consolidation of our subsidiaries) required under paragraph 31(3)(b) of the Third Schedule to the Companies (WUMP) Ordinance.

In accordance with U.S. GAAP, we have applied the modified retrospective method or prospective method to account for the impact of the adoption of certain new accounting standards under U.S. GAAP during the Track Record Period. Under the modified retrospective method and prospective method adopted by us, comparative periods in the latest consolidated financial statements at the time of adoption are not retrospectively adjusted.

During the Track Record Period, we have adopted, in addition to new accounting standards that did not have a material impact on our consolidated financial statements, Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* ("**ASC 606**") and Accounting Standards Codification (ASC) 842, *Leases* ("**ASC 842**") issued by the Financial Accounting Standard Board ("**FASB**"), an independent, private, non-profit organization establishing financial accounting and reporting standards for companies that follow U.S. GAAP. For details of the relevant accounting policies upon the adoption of ASC 606 and ASC 842, please see "Appendix I — Accountants' Report." We adopted ASC 606 on January 1, 2018 and applied the full retrospective approach and recast financial statements for the years ended December 31, 2017 and 2016. Therefore, revenue for the Track Record Period was consistently accounted for in accordance with ASC 606.

ASC 842 was issued by the FASB in February 2016 with subsequent amendments made to clarify the implementation guidance, which increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements.

ASC 842 was adopted by us on January 1, 2019 using the modified retrospective method, by applying the new lease standard to leases that existed as of, or were entered into after, January 1, 2019, being the date of initial application of ASC 842. We elected the optional transition method, which allows us to record a cumulative-effect adjustment at the date of adoption without restating comparative periods. Additionally, we used the package of practical expedients that allows us not to reassess: (i) whether any expired or existing contracts are or contain leases; (ii) lease classification for any expired or existing leases; and (iii) initial direct costs for any expired or existing leases, at the date of initial adoption.

We recorded an impairment of US$60 million (net of related impact on deferred taxes and non-controlling interests) on ROU assets arising from existing operating leases as of January 1, 2019 as an adjustment to retained earnings, as the additional impairment charge would have been recorded before adoption had the operating lease ROU assets been recognized at the time of impairment. The adoption of ASC 842 did not have any material impact on the consolidated statements of income and cash flows for the years ended December 31, 2018 and 2017.

Upon adoption of the ASC 842, we recognized ROU assets and lease liabilities of US$2.0 billion and US$2.2 billion, respectively. However, operating leases were not recognized on our Company's consolidated balance sheet prior to the adoption of ASC 842 on January 1, 2019.

For the purpose of further providing the investing public with meaningful information about our financial position, we have included the following alternative disclosures in the Prospectus:

(i) summary of significant accounting policies adopted by our Company as set out in "Appendix I — Accountants' Report";

(ii) all applicable new accounting standards adopted by our Company during the Track Record Period as set out in "Appendix I — Accountants' Report";

(iii) accounting policies as a result of the adoption of ASC 606, which came into effect on January 1, 2018 and was applied retrospectively by our Company as set out in "Appendix I — Accountants' Report";

(iv) accounting policies adopted prior to and upon the adoption of ASC 842 as well as the impact of adoption, if any, to the consolidated balance sheet as of the initial application date of January 1, 2019 as set out in "Appendix I — Accountants' Report";

(v) a negative statement that there would be no material impact from the adoption of ASC 842 on our consolidated income statement for the years ended December 31, 2018 and 2017 if it was adopted on January 1, 2017; and

(vi) future minimum lease commitments as of December 31, 2018 and 2017 as set out in "Financial Information — Contractual Obligations."

At the date of initial adoption of ASC 842, we operated over 6,800 restaurants primarily by leasing the underlying land and/or building. Given the high volume and complexities of our lease arrangements, retrospective application of ASC 842 and recast of comparative periods during the Track Record Period would require significant additional efforts to be invested and is therefore unduly burdensome and impractical.

As the Prospectus has included the financial statements prepared under U.S. GAAP and the above alternative disclosure, and has contained all the information which is necessary for the investing public to make an informed assessment of the business, assets and liabilities, financial position, trading position, management and prospects of our Group and make informed investment decisions, we believe that it would be of no material value to provide the Hong Kong investing public with the information required under Rules 4.04(3)(a), 4.05 and 4.13 of the Hong Kong Listing Rules and paragraph 31(3)(b) of the Third Schedule to the Companies (WUMP) Ordinance and the non-disclosure of such information will not prejudice the interests of the investing public.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(3)(a), 4.05 and 4.13 of the Hong Kong Listing Rules. We have also applied for, and the SFC has granted, a certificate of exemption from strict compliance with Paragraph 31(3)(b) of the Third Schedule to the Companies (WUMP) Ordinance on the conditions that (i) the particulars of this exemption are set out in the Prospectus; and (ii) the Prospectus will be issued on or before September 1, 2020.

Disclosure Requirements in Respect of Directors' and Five Highest Individuals' Emoluments

Paragraph 33(2) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include information in respect of directors' emoluments during the Track Record Period. Paragraph 46(2) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include the aggregate of the remuneration paid and benefits in kind granted to the directors of the issuer in respect of the last completed financial year. Paragraph 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules requires information in relation to an estimate of the aggregate remuneration and benefits in kind payable to directors in respect of the current financial year to be set out in the listing document.

Paragraph 33(3) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include information with respect to the five individuals whose emoluments were highest in our Group for the year if one or more individuals whose emoluments were the highest have not been included under paragraph 33(2) of Part A of Appendix 1 to the Hong Kong Listing Rules.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraphs 33(2), 33(3), 46(2) and 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules on the following basis:

- In compliance with our annual reporting requirements under the regulatory framework of the SEC applicable to us, we have included in our proxy statements (i) the details of the compensation structure of our Directors and NEOs; (ii) a Compensation Discussion & Analysis ("**CD&A**") section; and (iii) detailed executive compensation tables listing amounts of various types of compensation received by the NEOs accompanied by detailed narratives describing the nature of the amounts contained in that table.

- The SEC also requires the proxy statement to include a table that lists, for each Director who is not an NEO (who would be covered by the CD&A and executive compensation tables), the amounts of director fees, stock and option awards, cash incentive compensation, deferred compensation earnings, and other compensation earned or granted during the most recently completed fiscal year, together with a narrative description of material factors necessary to understand the director compensation table.

- The detailed disclosures in our proxy statements provide investors with a wealth of information regarding the compensation of our Directors and NEOs. Additionally, the SEC requires us to disclose certain events that may be important to Shareholders on a current report on Form 8-K within four business days of the occurrence of the event. The Form 8-K filing requirements ensure that significant compensatory events relating to senior executives are timely disclosed to Shareholders. As such, the additional disclosure required under paragraphs 33(2), 33(3), 46(2) and 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules would not provide additional meaningful disclosure for potential Hong Kong investors in relation to the Directors' and five highest individuals' emoluments.

Timing Requirement of Liquidity Disclosure

Paragraph 32 of Part A of Appendix 1 to the Hong Kong Listing Rules requires a listing document to include a statement (or an appropriate negative statement) of a new applicant's indebtedness as at a specified most recent practicable date (the "**Most Recent Practicable Date**"), and a commentary on its liquidity, financial resources and capital structure (together, the "**Liquidity Disclosure**").

In accordance with the Stock Exchange's Guidance Letter HKEX-GL37-12 ("**GL37-12**"), the Stock Exchange normally expects that the Most Recent Practicable Date for the Liquidity Disclosure, including, among other things, amounts of total available facilities and commentary on liquidity and financial resources such as net current assets (liabilities) position and management discussion on this position, in a listing document to be dated no more than two calendar months before the final date of the listing document.

As the prospectus will be issued in September 2020, we would otherwise be required to make the relevant Liquidity Disclosure no earlier than July 31, 2020 pursuant to paragraph 4.5(a) of GL37-12.

It would be impractical and unduly burdensome for us to make the Liquidity Disclosure later than June 30, 2020. As our Shares are currently listed and traded on the NYSE, we are required to file quarterly reports on Form 10-Q, with the SEC. In particular, to fulfill this quarterly filing requirement, we perform certain accounting adjustments/entries on a quarterly basis, including but not limited to income tax provision and certain balance sheet intercompany eliminations. Therefore, it would be unduly burdensome for us to prepare additional information for similar liquidity disclosure on a consolidated basis after the end of the second quarter of our current fiscal year.

Moreover, our quarterly reports on Form 10-Q are prepared on a quarterly basis. Strict compliance with the requirements would result in additional off-cycle disclosure by us of our liquidity position on a date that would fall in the middle of the quarter, which would not be required to be disclosed to investors under applicable U.S. securities regulations and NYSE rules. Such an off-cycle disclosure required under GL37-12 will deviate from the customary practices in our primary market and is therefore likely to cause confusion to our current investors.

The Track Record Period for the Prospectus is the three years ended December 31, 2019 and the six months ended June 30, 2020. We have included our audited financial information for the same period in the Prospectus, which are prepared in accordance with U.S. GAAP. As of June 30, 2020, we had a strong liquidity position and our debt was immaterial. As of June 30, 2020, the Company had a net cash position of US$1.7 billion, which is defined as total of cash and cash equivalent and short-term investments, net of debt, which includes outstanding loans and finance lease liabilities. The total of our cash and cash equivalents and short-term investments was US$1.7 billion and our outstanding loans and finance lease liabilities were US$5 million and US$26 million, respectively, as of June 30, 2020. The amount of our net current assets as of June 30, 2020 was US$580 million, and the operating cash inflow for the six months ended June 30, 2020 was US$452 million. We had undrawn credit facilities of US$513 million as of June 30, 2020. For detailed information of our indebtedness, see “Financial information — Indebtedness.” There has been no material change to the Liquidity Disclosures since June 30, 2020. In the event that there are material changes to the Liquidity Disclosure, the Company would be required to make an announcement under the NYSE listing rules and SEC rules and disclose relevant material facts in the prospectus under the rules and therefore, any additional or more up-to-date disclosure on the Company’s indebtedness and liquidity information beyond what is generally required under NYSE listing rules, SEC rules and other applicable U.S. regulations and such one-off disclosure in the prospectus would not provide any additional material or meaningful information to investors.

Having considered the above, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under paragraph 32 of Part A of Appendix 1 to the Hong Kong Listing Rules concerning paragraph 4.5(b) of GL37-12. The waiver is subject to the condition that the reported date of indebtedness and liquidity information in the final prospectus must not exceed the requirement under GL37-12 by one calendar month (i.e. the time gap between the reported date of the Company’s indebtedness and liquidity information and the date of the listing document would not be more than three calendar months).

Other Disclosure Requirements under the Hong Kong Listing Rules and the Companies (WUMP) Ordinance

Particulars of the capital or debentures of any member of the Group which is under option

Paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement.

Paragraph 10 of the Third Schedule to the Companies (WUMP) Ordinance requires the listing document to include the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the required particulars of the option, namely the period during which it is exercisable, the price to be paid for shares or debentures subscribed for under it, the consideration given or to be given (if any) and the names and addresses of the persons to whom it was given.

The only options (or derivatives with a similar nature) over any member of our Group's capital, shares or debentures are (i) the Warrant 1 and Warrant 2 (the "**Warrants**"); and (ii) those outstanding share incentive awards to the employees of YUM prior to our separation from YUM and the employees and non-employee Directors of our Group under the 2016 Plan, which accounted for approximately 4.5% and 4.0% of our total outstanding Shares of common stock as of the Latest Practicable Date, respectively. Among the share incentives under the 2016 Plan, outstanding stock options accounted for approximately 0.1% of our total outstanding Shares of common stock as of the same date, being 496,428 Shares of common stock, none of which were held by the Directors and NEOs. As of the Latest Practicable Date, there were over 3,500 grantees under the 2016 Plan, who were employees and non-employee Directors of our Group.

As for the Warrants, the particulars thereof, including, among other things, the name of the investors, the number of the Warrants issued, the price to be paid for the Shares of common stock underlying the Warrants, the exercise period of the Warrants and the names and addresses of the two strategic investors to whom the Warrants were initially issued have been disclosed in the Prospectus. See "Appendix IV — Statutory and General Information — E. Further Information about our Warrants Granted to Primavera and Ant Financial." To our best knowledge, Primavera entered into three pre-paid forward sale transactions with several financial institutions (the "**Dealers**"), pursuant to which Primavera is obligated to deliver to the Dealers in aggregate 45% of the total Warrants issued, which represent approximately 2.0% of our 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. Primavera has not disclosed the names and addresses of the Dealers in its SEC filings with respect to its beneficial ownership of our Shares of common stock. In addition, the Warrants or the interests therein are subsequently transferrable in the secondary market to other financial investors, the names or addresses of whom would not be in our possession.

Having considered the background that (a) the disclosure in the Prospectus is substantially the same as that set out in our SEC filings in compliance with applicable U.S. laws and regulations; (b) the names or addresses of the Dealers and subsequent financial investors are, to our best knowledge, not otherwise available to the general public; and (c) the Warrants are transferable in the secondary market and those Warrants beneficially owned by persons other than the strategic investors account only for approximately 2.0% of our total outstanding Shares of common stock as of the Latest Practicable Date, it is unnecessary for us to obtain, and inappropriate to disclose, the names and addresses of all subsequent transferees, which could not be material or meaningful to potential investors.

Details of the term of the 2016 Plan, including the eligible participants, have been disclosed in the Prospectus. In addition, we have provided, in the Prospectus, the details of the incentives granted to our Directors and NEOs in our proxy statements for the years ended December 31, 2019, 2018 and 2017 and our comprehensive executive compensation program, which is in alignment with the business performance of our Company, to provide the investors with a full picture of how the executives of our Company are compensated based on their annual performance. Relevant disclosures are set out in "Directors, Senior Management and Employees — Compensation," and "Appendix IV — Statutory and General Information — D. Incentive Plans." As of the Latest Practicable Date, 11.2 million Shares of common stock, which account for 3.0% of the total outstanding Shares of common stock, were available for future grant and issuance to eligible persons, including the Directors, NEOs or other employees of the Group. Grants to the Directors and the NEOs are subject to the approval of the Board and the Compensation Committee comprising of independent Directors only, respectively. In accordance with SEC rules, our Company also asks Shareholders to approve, on an advisory basis, the compensation of the NEOs on an annual basis.

Our Company confirms that we have disclosed all information necessary for the public to make an informed assessment of the business, financial statements, management and prospects of our Group in the Prospectus. In this regard, the granting of the relevant waivers and exemptions sought will not prejudice the interests of the investing public.

Having considered that (a) the disclosure in the Prospectus is substantially the same as that set out in our SEC filings and complies with applicable U.S. laws and regulations; (b) other than what has been disclosed in our SEC filings with respect to our Directors and NEOs, the details of specific awards made under the 2016 Plan have not been disclosed in any filings with SEC or otherwise become available to the general public; (c) the 2016 Plan is not subject to Chapter 17 of the Hong Kong Listing Rules which is not applicable to us pursuant to Rule 19C.11 of the Hong Kong Listing Rules; and (d) the outstanding share incentive awards under the 2016 Plan account for approximately 4.0% of all our outstanding Shares of common stock as of the Latest Practicable Date, it is unnecessary, inappropriate and unduly burdensome for us to disclose all the information required under paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraph 10 of the Third Schedule to the Companies (WUMP) Ordinance, which could not be material or meaningful to potential investors.

We have applied to the Hong Kong Stock Exchange for, and have been granted by the Hong Kong Stock Exchange, a waiver from strict compliance with the requirements under paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules. We have also applied to the SFC for, and have been granted by the SFC, a certificate of exemption from strict compliance with paragraph 10 of the Third Schedule to the Companies (WUMP) Ordinance on the conditions that (i) the particulars of this exemption are set out in the Prospectus; and (ii) the Prospectus will be issued on or before September 1, 2020.

Particulars and information of alteration of the Company's capital and subsidiaries

Paragraph 26 of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraph 11 of the Third Schedule to the Companies (WUMP) Ordinance require the listing document of a listing issuer to include the particulars of any alterations in the capital of any member of the group within the two years immediately preceding the issue of the listing document.

Paragraph 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraph 29 of the Third Schedule to the Companies (WUMP) Ordinance require the listing document of a listing issuer to include, information in relation to the name, date and place of incorporation, the public or private status and the general nature of the business, the issued capital and the proportion thereof held or intended to be held, of every company (a) the whole of the capital of which or a substantial proportion thereof is held or intended to be held by our Company, or (b) whose profits or assets make, or will make a material contribution to the figures in the Accountants' Report or to our Company's next financial statements.

Globally, we have more than 90 subsidiaries and consolidated affiliated entities. We have identified 22 entities that we consider as our Major Subsidiaries. By way of illustration, the Major Subsidiaries include, among others, all significant operating subsidiaries under the financial threshold of Regulation S-X in the U.S. and subsidiaries that are material to the business operation of our Group. The aggregate net income of our Major Subsidiaries for the six months ended June 30, 2020 and the year ended December 31, 2019 and the total assets of our Major Subsidiaries as of June 30, 2020 and December 31, 2019 extracted from the audited consolidated financial statements represent over 75% of our Group's net income for the same periods and total assets as of the same dates. For further details, see "Our History and Corporate Structure — Our Major Subsidiaries."

None of our non-Major Subsidiaries is individually material to our Company in terms of financial contribution to our Company, nor does any of them hold any assets, intellectual property rights or other proprietary technologies that are material to the business operation of our Group.

Accordingly, it would be unduly burdensome to disclose the particulars required under paragraphs 26 and 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraphs 11 and 29 of the Third Schedule to the Companies (WUMP) Ordinance in respect of our non-Major Subsidiaries, which include (a) any alterations in the capital within the two years immediately preceding the date of the Prospectus, (b) the name, date and place of incorporation, (c) the public or private status and the general nature of the business, and (d) the issued capital and the proportion thereof held or intended to be held, as we would have to incur additional costs and devote additional resources in compiling and verifying the relevant information for such disclosure, which would not provide further information that is meaningful to the investing public in Hong Kong.

Our Company confirms that we have disclosed all information necessary for the public to make an informed assessment of the business, financial statements, management and prospects of our Group in the Prospectus. In this regard, the granting of the relevant waivers and exemptions sought will not prejudice the interests of the investing public.

We have applied to the Hong Kong Stock Exchange for, and have been granted by the Hong Kong Stock Exchange, a waiver from strict compliance with the requirements under paragraphs 26 and 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules. We have also applied to the SFC for, and have been granted by the SFC, a certificate of exemption from strict compliance with paragraphs 11 and 29 of the Third Schedule to the Companies (WUMP) Ordinance on the conditions that (i) the particulars of this exemption are set out in the Prospectus; and (ii) the Prospectus will be issued on or before September 1, 2020.

Corporate Communications

Rule 2.07A of the Hong Kong Listing Rules provides that a listed issuer may send or otherwise make available to the relevant holders of its securities any corporate communication by electronic means, provided that either the listed issuer has previously received from each of the relevant holders of its securities an express, positive confirmation in writing or the shareholders of the listed issuer have resolved in a general meeting that the listed issuer may send or supply corporate communications to shareholders by making them available on the listed issuer's own website or the listed issuer's constitutional documents contain provision to that effect, and certain conditions are satisfied.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 2.07A of the Hong Kong Listing Rules on the following basis:

- We are an NYSE-listed company. We publicly file on the website of the SEC or furnish to the SEC various corporate communications, which include, among other things, our annual reports on Form 10-K and quarterly reports on Form 10-Q, as well as our proxy statements and corresponding materials. These documents are also available free of charge on our website as soon as reasonably practicable after they are filed with or furnished to the SEC.

- We have provided our Shareholders with sufficient channels to ensure the efficient communications with our Shareholders, through annual meetings, various investor events, our investor relations team, our corporate secretary and our Company website.

- Apart from the Offer Shares that will be offered by us for subscription in Hong Kong, the Offer Shares will also be placed to professional, institutional, corporate and other investors in Hong Kong and elsewhere in the world. Given our diverse shareholder base and the potential number of countries in which our Shareholders are located, it would not be practicable for us to send printed copies of all our corporate communications to all of our Shareholders. Further, given the expected liquidity of the trading of the Shares on the Hong Kong Stock Exchange, it would also not be practicable for us to approach all our Shareholders individually to seek confirmation from them of their wish to receive corporate communications in electronic form, or to provide

them with the right to request corporate communications in printed form instead. Given the various types resort of corporate communications available to our Shareholders, it would be costly, unnecessary and burdensome for us to fully comply with Rule 2.07A of the Hong Kong Listing Rules.

- In order to maintain regular and effective communication with our Shareholders, with effect from the Listing, in addition to the abovementioned corporate communications that have been carried out, we have or will make the following arrangements:

  (a) We will issue all future corporate communications as required by the Hong Kong Listing Rules on our own website in English and Chinese, and on Hong Kong Stock Exchange's website in English and Chinese.

  (b) We will provide printed copies of proxy materials in English and Chinese to our Shareholders in Hong Kong at no cost upon their request, which should be made following the relevant instructions for requesting such information.

  (c) We will also add to our own website a specific section named "HKEx Filings," which will direct investors to all of our future filings with the Hong Kong Stock Exchange.

Monthly Returns

Rule 13.25B of the Hong Kong Listing Rules requires a listed issuer to publish a monthly return in relation to movements in its equity securities, debt securities and any other securitized instruments, as applicable, during the period to which the monthly return relates. Pursuant to the Joint Policy Statement Regarding the Listing of Overseas Companies, companies applying for a secondary listing may seek a waiver from Rule 13.25B subject to satisfying the waiver condition that the SFC has granted a partial exemption from strict compliance with Part XV of the SFO (other than Divisions 5, 11 and 12 of Part XV of the SFO) in respect of disclosure of shareholders' interests.

As we have obtained a partial exemption from the SFC, we have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 13.25B of the Hong Kong Listing Rules. We will disclose information about share repurchases, if any, in our quarterly reports on Form 10-Q and annual reports on Form 10-K which are furnished or filed with the SEC in accordance with applicable U.S. rules and regulations.

Three-year Restriction on Spin-offs

Rule 19C.11 of the Hong Kong Listing Rules provides that, among other things, paragraphs 1 to 3(b) and 3(d) to 5 of Practice Note 15 to the Hong Kong Listing Rules ("**Practice Note 15**") do not apply to a Qualifying Issuer, like us, that has, or is seeking, a secondary listing on the Hong Kong Stock Exchange. Such exception is limited to circumstances where the spun-off assets or businesses are not to be listed on the Hong Kong Stock Exchange's markets and the approval of Shareholders of our Company is not required.

Paragraph 3(b) of Practice Note 15 provides that the Listing Committee would not normally consider a spin-off application within three years of the date of listing of the company, given the original listing of the company will have been approved on the basis of the company's portfolio of businesses at the time of listing, and that the expectation of investors at that time would have been that the company would continue to develop those businesses.

We do not have any specific plans with respect to the timing or details of any potential spin-off listing on the Hong Kong Stock Exchange as of the Latest Practicable Date. However, in light of our Group's overall business scale and multiple restaurant brands under our operation, spinning off one or more of our business units through a listing on the Hong Kong Stock Exchange (a "**Potential Spin-off Listing**") may become desirable and be in the interest of our Shareholders as a whole within three years after the Listing, e.g. if there are clear commercial benefits both to our Company and the businesses to be potentially spun-off. As of the Latest Practicable Date, we have not identified any target for a potential spin-off; as a result we do not have any information relating to the identity of any spin-off target or any other details of any spin-off and accordingly, there will be no material omission of any information relating to any possible spin-off in the Prospectus.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements in paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules, on the following grounds:

- No Shareholders' approval with respect to a Potential Spin-off Listing will be required under our Constitutional Documents and under applicable U.S. regulations and NYSE rules. Moreover, as we are a Grandfathered Greater China Issuer and therefore exempt from the requirements under Chapter 14 of the Hong Kong Listing Rules pursuant Rule 19C.11 of the Hong Kong Listing Rules, no Shareholders' approval will be required under the Hong Kong Listing Rules as well.

- The three-year restriction ("**Three-year Restriction**") imposed by paragraph 3(b) of the Practice Note 15 on a Potential Spin-off Listing should be waived. The effect that a spin-off to the Shareholders should be the same regardless of whether or not the businesses to be potentially spun-off are to be listed on the Hong Kong Stock Exchange (save with respect to any preferential rights to subscribe for shares that are commonly provided in spin-offs on the Hong Kong Stock Exchange). In addition, the Three-year Restriction will restrict us from conducting a spin-off within three years after the Listing even if such spin-off is desirable and in the interest of our Shareholders as a whole, which will lead to failure of us to act for the best interest of our Shareholders. In this regard, the Three-year Restriction imposed on the Potential Spin-off Listing under paragraph 3(b) of the Practice Note 15 will not provide additional meaningful protection to our Shareholders.

- In any event of a Potential Spin-off Listing, our Company and the subsidiary in respect of which a Potential Spin-off Listing is contemplated will be subject to compliance with all other applicable requirements under the Hong Kong Listing Rules, including the remaining requirements of Practice Note 15 and (in the case of the company to be spun-off) the listing eligibility requirements of Chapter 8, 8A or 19C of the Hong Kong Listing Rules (as the case may be), unless otherwise waived by the Hong Kong Stock Exchange.

- Under applicable U.S. securities laws and NYSE rules, we are not subject to any restrictions similar to the Three-year Restriction in relation to the spin-offs of our businesses, nor is there any requirement for us to disclose any details of our potential spin-off entities in the absence of any concrete spin-off plan.

- In light of the fiduciary duties owed by our Directors to us under applicable laws, including the duty to act in good faith to be in the best interests of our Shareholders, our Board will only pursue a potential spin-off if there are clear commercial benefits both to our Company and the entity or entities to be spun off. We will only conduct a spin-off if our Directors believe that the spin-off will be in the interest of our Company and our Shareholders as a whole.

Publication of Interim Report for the Six Month Ended June 30, 2020

Rule 13.48(1) of the Hong Kong Listing Rules requires an issuer to send to its members and holders of its listed securities an interim report or a summary interim report in respect of the first six months of the financial year within three months after the end of that period. In addition, the Hong Kong Stock Exchange's Listing Decision HKEx-LD38-2012 sets out the conditions that the Hong Kong Stock Exchange would ordinarily expect in connection with waiver application from strict compliance with the Rule 13.48(1) of the Hong Kong Listing Rules.

Practice Note 10 to the Hong Kong Listing Rules requires newly listed issuers to prepare and publish interim reports in respect of the first six month period where the deadline for publishing the reports falls after the date on which dealings in the securities of the issuer commenced.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 13.48(1) of, and Practice Note 10 to, the Hong Kong Listing Rules, on the following grounds:

- We are subject to the reporting requirements under the SEC rules in our primary market. Pursuant to the U.S. Exchange Act, we, being a large accelerated filer, are required to file quarterly reports on Form 10-Q no later than 40 days after the end of the fiscal quarter. Our quarterly report for the quarter ended June 30, 2020 was filed with the SEC on August 6, 2020. The publication of interim report requirement would therefore incur unnecessary administrative costs and time on the part of our management and be unduly burdensome for us.

- In addition, as we have included in the Prospectus our audited financial information in respect of the six months ended June 30, 2020 with unaudited comparative figures for the six months ended June 30, 2019, our Directors believe that strict compliance with the requirements of Rule 13.48(1) and Practice Note 10 to the Hong Kong Listing Rules would not provide our Shareholders and potential investors with additional material information of us not already contained in the Prospectus.

We confirm that we would not be in breach of the Constitutional Documents or laws or regulations of the United States or any other regulatory requirements for not preparing, publishing and sending an interim report under the Hong Kong Listing Rules to our Shareholders for the six months ended June 30, 2020.

Disclosure of Offer Price

Paragraph 15(2)(c) of Part A of Appendix 1 to the Hong Kong Listing Rules states that the issue price or offer price of each security must be disclosed in the Prospectus.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 15(2)(c) of Part A of Appendix 1 to the Hong Kong Listing Rules so that we will only disclose the maximum Public Offer Price for the Hong Kong Offer Shares, or the Public Offer Price, in the Prospectus, on the following grounds:

- The pricing of the Offer Shares will be determined by reference to, among other factors, the closing price of the Shares of common stock on the NYSE on the last trading day on or before the Price Determination Date and we have no control on the market price of our Shares of common stock traded on the NYSE;

- Setting a fixed price or a price range with a low end International Offer Price or Public Offer Price may adversely affect the market price of the Shares of common stock and the Hong Kong Offer Shares; and

- Disclosure of a maximum Public Offer Price is in compliance with the Companies (WUMP) Ordinance as such disclosure constitutes sufficient disclosure of the "amount payable" on application and allotment on the Offer Shares as required under the Companies (WUMP) Ordinance.

See "Structure of the Global Offering — Pricing and Allocation" for (i) the time for determination of the Public Offer Price and form of its publication; (ii) the historical prices of our Shares of common stock and trading volume on the NYSE; and (iii) the source for the investors to access the latest market price of our Shares of common stock.

Dealings in the Shares prior to Listing

According to Rule 9.09(b) of the Hong Kong Listing Rules, there must be no dealing in the securities of a new applicant for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the "**Relevant Period**").

We have over 90 subsidiaries and consolidated affiliated entities and Shares of our common stock are widely held, publicly traded and listed on the NYSE. Considering the basis and grounds set out below, the following categories of persons (collectively, the "**Permitted Persons**") shall be permitted to deal in our Shares of common stock during the Relevant Period:

- the joint venture partners (the "**JV Partners**") of the Company's non-wholly owned Major Subsidiaries, which are substantial shareholders of such Major Subsidiaries, the directors appointed by the JV Partners who are not employees of the Group, and their close associates who have not been provided by the Company with any information relating to the Global Offering ("**Category 1**");

- directors, chief executives and substantial shareholders of our non-Major Subsidiaries and their close associates who have not been provided by the Company with any information relating to the Global Offering ("**Category 2**");

- any other person (whether or not an existing Shareholder) who may, as a result of dealings, become our substantial Shareholder and who is not our Director or chief executive, or a director or chief executive of our subsidiaries, or their close associates ("**Category 3**"); and

- Invesco Ltd. ("**Invesco**"), a substantial shareholder of the Company, holding 10.8% of the total number of issued and outstanding Shares as at June 30, 2020 based on the Form 13F filed with the SEC by it on August 14, 2020 and the close associates of Invesco.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 9.09(b) of the Hong Kong Listing Rules in respect of any dealing during the Relevant Period by the Permitted Persons subject to the following conditions:

- the Permitted Persons have not been provided with any of our non-public information in relation to the Global Offering, in accordance with our internal policies and rules in relation to the management of material non-public information. As a NYSE-listed company, the Company has implemented a strict internal confidentiality protocol. With respect to the non-public information regarding the Global Offering, the Company has only allowed, on a need-to-know basis, information access by (1) the Directors of the Company who are subject to confidentiality requirement under our corporate governance principles, (2) the leadership members of the Company who are subject to confidentiality undertakings they signed, and (3) a limited number of employees assisting the listing process who are subject to confidentiality undertakings they signed;

- the Permitted Persons are currently not and will not be involved in the preparation of the Global Offering, including the allocation process, therefore they do not have any influence on the Company in respect of the allocation of the Global Offering;

- of the Category 1 persons:

    - JV Partners: they are external parties not subject to trading restrictions implemented by the Group. None of them is under any contractual obligation to notify the Company regarding their trading in the Company's common stock currently listed and traded on the NYSE. As a result, the Company does not have any control or actual knowledge over their dealings in the Shares; and

    - Directors and chief executives appointed by JV Partners: they are appointed by the JV Partners at the joint venture level and are not employees of the Group. These non-employee directors are not controlled by us;

- with respect to Invesco, the Company has no control over any dealing in the Share made by Invesco:

    - Invesco is a passive investor of the Company. There has not been any existing business relationship between the Company and Invesco;

    - based on the public information available to the Company, Invesco is a global independent investment management firm and the Company has no control over the investment decisions of Invesco;

    - Regulation FD to which the Company is subject to prohibits companies from selectively disclosing material non-public information to analysts, institutional investors, and others without concurrently making widespread public disclosure;

    - Invesco does not have any board representative or other special rights in the Company and does not have control over the management of the Company; and

    - disclosure of the latest shareholding information of Invesco will be made in the Prospectus;

- we will promptly release any inside information to the public in the United States and Hong Kong in accordance with the relevant laws and regulations of the United States and Hong Kong. Accordingly, the Permitted Persons (other than Category 1 persons) are not in possession of any non-public inside information of which we are aware;

- the Company's core connected persons, other than the Permitted Persons, will not deal in the Shares during the Relevant Period. For the avoidance of doubt, such dealing in the Company's Shares of common stock shall not include the granting, vesting, payment or exercise (as applicable) of any awards in accordance with the terms of the 2016 Plan; and

- the Company will notify the Stock Exchange of any breaches of the dealing restrictions by any core connected persons, unless waived, as soon as the Company becomes aware of the same.

Subscription for Shares by existing Shareholders

Rule 10.04 of the Hong Kong Listing Rules requires that existing shareholders may only subscribe for or purchase any securities for which listing is sought that are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions in Rule 10.03 of the Hong Kong Listing Rules are fulfilled. Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules states that, without the prior written consent of the Hong Kong Stock Exchange, no allocations will be permitted to be made to directors, existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 are fulfilled.

Our Company has over 90 subsidiaries and consolidated affiliated entities and our Shares of common stock are widely held, publicly traded and listed on the NYSE. Category 2 of the Permitted Persons (as defined in "— Dealings in the Shares Prior to the Listing" above) have no influence over the Global Offering and are not in possession of any non-public inside information in relation to the Global Offering and are effectively in the same positions as our public investors. In addition, to the best knowledge of the Company, several Shareholders of the Company, who are large global assets managers, were interested in approximately 3% to 10% of the voting rights of the Company's Shares as of the Latest Practicable Date. Considering the nature of those investors and as the Company's Shares are publicly traded on the NYSE, the Company is not in the position to restrict those Shareholders from purchasing the Company's Shares and Shareholders who hold less than 5% of the voting rights of the Company's Shares may, in accordance with their own respective investment policies, increase their respective shareholdings in the Company to 5% or more. Category 2 of the Permitted Persons and other public investors who do not have special rights in the Company are referred to as Permitted Existing Shareholders.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 10.04 and Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules in respect of the restriction on Permitted Existing Shareholders to subscribe for or purchase Shares in the Global Offering, subject to the following conditions:

- each Permitted Existing Shareholder is interested in less than 10% of the Company's voting rights before the Listing;

- the Permitted Existing Shareholders do not have the power to appoint Directors of the Company or any other special rights in the Company;

- the Permitted Existing Shareholders do not have influence over the offering process and will be treated the same as other applicants and placees in the Global Offering;

- the Permitted Existing Shareholder will be subject to the same book-building and allocation process as other investors in the Global Offering; and

- to the best of their knowledge and belief, each of the Company, the Sponsor and the Joint Global Coordinators (based on its discussions with and the confirmations from the Company and the other Joint Global Coordinators (for themselves and on behalf of the Underwriters)), confirms to the Hong Kong Stock Exchange in writing that no preferential treatment has been, nor will be, given to the Permitted Existing Shareholders and their close associates as a placee in the International Offering by virtue of their relationship with the Company.

Allocation to the Permitted Existing Shareholders and/or their close associates will not be disclosed in our allotment results announcement (other than to the extent that such Permitted Existing Shareholders or close associates subscribe for shares as cornerstone investors) unless such Permitted Existing Shareholders are interested in 5% or more of our issued share capital after the Global Offering as disclosed in any of their public filings with the SEC (the "**Available Information**"). It would be unduly burdensome for us to disclose such information other than the Available Information given that there is no requirement to disclose interests in equity securities under the U.S. Exchange Act unless the beneficial ownership of a person reaches 5% or more, and when there is a subsequent change of ownership of 1% or more, in our issued share capital.

Availability of Copies of the Prospectus in Printed Form

We have adopted a fully electronic application process for the Hong Kong Public Offering and we will not provide printed copies of the Prospectus or printed copies of any application forms to the public in relation to the Hong Kong Public Offering. We will adopt additional communication measures as we consider appropriate to inform the potential investors that they can only subscribe for the Hong Kong Offer Shares electronically, including publishing on the website of the Company and in both English and Chinese-language newspapers, a formal notice describing the fully electronic application process including the available channels for share subscription of the Hong Kong Offer Shares. We have applied for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rules 12.04(3), 12.07 and 12.11 of the Hong Kong Listing Rules in respect of the availability of copies of the prospectus in printed form based on the specific and prevailing circumstances of the Company.

Clawback mechanism

Paragraph 4.2 of Practice Note 18 of the Hong Kong Listing Rules requires a clawback mechanism to be put in place, which would have the effect of increasing the number of Hong Kong Offer Shares to certain percentages of the total number of Offer Shares offered in the Global Offering if certain prescribed total demand levels are reached. Subject to the Hong Kong Stock Exchange granting the waiver described below, the Hong Kong Public Offering and the International Offering will initially account for 4.0% and 96.0% of the Global Offering, respectively, subject to the clawback mechanism described below. We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements of Paragraph 4.2 of Practice Note 18 to the Hong Kong Listing Rules such that the allocation of the Offer Shares in the Hong Kong Public Offering will be adjusted as follows:

- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 10 times or more but less than 15 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 2,724,200 Offer Shares, representing approximately 6.5% of the Offer Shares initially available under the Global Offering (before exercise of the Over-allotment Option);

- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 20 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of the Offer Shares available under the Hong Kong Public Offering will be 3,143,350 Offer Shares, representing approximately 7.5% of the Offer Shares initially available under the Global Offering (before exercise of the Over-allotment Option); and

- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 20 times or more the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be 6,915,300 Offer Shares, representing approximately 16.5% of the Offer Shares initially available under the Global Offering (before exercise of the Over-allotment Option).

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Joint Global Coordinators deem appropriate. In addition, the Joint Global Coordinators would have discretion to allocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. On the other hand, if the Hong Kong Public Offering is not fully subscribed, the unsubscribed Offer Shares under the Hong Kong Public Offering may be reallocated to the International Offering.

See "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" for further details.

B. Foreign Laws and Regulations

Yum China Holdings, Inc. is a corporation incorporated under the laws of the State of Delaware, the United States, and our affairs are governed by our Constitutional Documents and the DGCL, as well as other applicable laws, regulations, policies and procedures. The following is a summary of certain material terms of our Certificate of Incorporation and our Bylaws, as well as certain provisions of the DGCL and the U.S. Exchange Act. The summary is qualified in its entirety by reference to such documents, which you must read along with the applicable provisions of the DGCL and U.S. Exchange Act for complete information about the rights of our Shareholders and powers of our Directors.

General

Our authorized capital stock consists of 1,100,000,000 shares, of which 1,000,000,000 are shares of common stock, par value $0.01 per share, and 100,000,000 are shares of preferred stock, par value $0.01 per share.

Our authorized but unissued shares of common stock and preferred stock will generally be available for future issuance without the approval of the Company's stockholders. The number of authorized shares may be increased or decreased (but not below the number of shares thereof then outstanding) by amendment to the Certificate of Incorporation. The Company may use authorized but unissued shares for a variety of purposes, including future public offerings to raise additional capital, to fund acquisitions and as employee compensation.

Common Stock

Voting. Each holder of our common stock is entitled to one vote for each share on all matters to be voted upon by the common stockholders, and there are no cumulative voting rights. Except as otherwise provided by law, the Certificate of Incorporation or the Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the shares present in person or represented by proxy at a meeting in which a quorum is present and entitled to vote on the matter is the act of the stockholders.

Dividends. Subject to any preferential rights of any outstanding preferred stock and the effect of applicable abandoned property, escheat or similar laws, holders of our common stock are entitled to receive ratably the dividends, if any, as may be declared from time to time by our Board out of funds legally available for that purpose.

Liquidation, Dissolution or Winding Up. If there is a liquidation, dissolution or winding up of the Company, holders of our common stock would be entitled to a ratable distribution of our assets remaining after the payment in full of liabilities and any preferential rights of any then-outstanding preferred stock.

Other Rights. Holders of our common stock have no preemptive or conversion rights or other subscription rights, and there are no redemption or sinking fund provisions applicable to our common stock. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

Under the terms of our Certificate of Incorporation, our Board is authorized, subject to limitations prescribed by the DGCL, to issue up to 100,000,000 shares of preferred stock in one or more series without further action by the holders of our common stock. Our Board has the discretion, subject to limitations prescribed by the DGCL and by our Certificate of Incorporation, to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

Board of Directors

Powers. The business and affairs of the Company are managed by or under the direction of our Board, and the Board may exercise all such powers of the Company (including powers related to the incurrence of debt) and do all such lawful acts and things as are not by the DGCL, the Certificate of Incorporation or the Bylaws required to be exclusively exercised or done by the stockholders.

Term. Each director is elected to serve a term of one year, with each director's term to expire at the annual meeting next following the director's election. Notwithstanding the expiration of the term of a director, the director will continue to hold office until a successor is elected and qualified or until his or her earlier death, resignation or removal.

Size; Vacancies. Our Certificate of Incorporation provides that the number of directors on our Board will be not less than three nor more than 15 and that the exact number of directors will be fixed by resolution of a majority of our entire Board (assuming no vacancies). Any vacancies created on our Board resulting from any increase in the authorized number of directors or death, resignation, retirement, disqualification, removal from office or other cause will be filled by a majority of our Board then in office, even if less than a quorum is present, or by a sole remaining director. Any director appointed to fill a vacancy on our Board will be appointed for a term expiring at the next election of directors and until his or her successor has been elected and qualified.

Election. Subject to the rights of the holders of any series of preferred shares to elect directors under specified circumstances, a majority of the votes cast at any meeting for the election of directors shall elect directors. A majority of votes cast means that the number of shares voted "for" a director's election exceeds 50% of the number of votes cast with respect to that director's election. Notwithstanding the foregoing, in the event of a contested election of directors, directors are elected by the vote of a plurality of the votes cast. If an incumbent director nominee is not elected and no successor has been elected at such meeting, the director is required to promptly tender his or her resignation to the Board for consideration. If such incumbent director's resignation is not accepted by the Board, such director will continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier death, resignation or removal.

Removal. Directors may be removed with or without cause by the affirmative vote of a majority of the voting power of the outstanding common stock.

Actions of the Board. A majority of all directors in office shall constitute a quorum for the transaction of business at any meeting of the Board. A majority of directors who are present at a meeting at which a quorum is present will constitute the required vote to effect any action taken by the Board. There is no specific provision requiring a quorum of independent directors to effect actions taken by the Board, including actions with respect to the compensation of directors. Any action required or permitted to be taken at a meeting of the Board may also be taken without a meeting if the action is taken in writing by all members of the Board.

Committees of the Board

The Board may create and make appointments to one or more committees of the Board comprised exclusively of directors who serve at the pleasure of the Board and who may have and exercise such powers of the Board in directing the management of the business and affairs of the Company as the Board may delegate, in its sole discretion, consistent with the provisions of the DGCL and the Certificate of Incorporation.

Meetings of Stockholders

Annual Meetings. The annual meeting of the stockholders will be held on such date and at such place, if any, and time as the Board determines, for the purpose of electing directors and the transaction of such business as may be a proper subject for action at the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board (or any duly authorized committee thereof), or (c) otherwise properly brought before the annual meeting by any stockholder (i) who is a stockholder of record both on the date of the giving of the notice such business and at the time of the annual meeting, (ii) who is entitled to vote at the meeting, and (iii) who complies with the advance notice procedures set forth in our Bylaws.

Under the DGCL, the Company is generally required to hold an annual meeting of stockholders at least once every 13 months. The rules of the NYSE also require the Company to hold an annual meeting of stockholders during each fiscal year.

Special Meetings. Our Certificate of Incorporation provides that only our Board (or the chairman of our Board, our Chief Executive Officer or our Secretary with the concurrence of a majority of our Board) may call special meetings of our stockholders.

The Board has resolved, subject to the completion of the Listing, at the 2021 annual meeting and at subsequent annual meetings, if necessary, to present a proposal to our stockholders to amend our Constitutional Documents to provide for the right to call a special meeting of the Company by holders of 25% or more of our outstanding shares of common stock (the "**25% Requisition Right**"), and to recommend that our stockholders approve such proposal. The 25% Requisition Right shall be subject to customary terms and conditions.

The Board undertakes that, after the completion of the Listing and before the approval of the 25% Requisition Right by the stockholders, in the event that shareholders holding 25% or more of our outstanding shares of common stock request that a special meeting be called, the Board will, subject to customary terms and conditions, support such request.

Notice of Meetings. The Company has adopted the default notice period for stockholder meetings under the DGCL. Under the Bylaws, at least 10 and no more than 60 days prior to any annual or special meeting of the stockholders, the Company must notify the stockholders entitled to vote at such meeting of the date, time and place, if any, and means of remote communication, if any, of the meeting and, in the case of a special meeting or where otherwise required by the Certificate of Incorporation or by statute, shall briefly describe the purpose or purposes of the meeting.

The Company is subject to the e-proxy rules of the U.S. Securities and Exchange Commission (the "**SEC**"). Since the Company has historically opted not to mail proxy materials to each stockholder and instead relies on electronic delivery, the Company is subject to the e-proxy rules and is required to notify stockholders of the electronic availability of the proxy materials (which include, among other things, the notice of the stockholder meeting) at least 40 days before the stockholder meeting to which the proxy materials relate. Accordingly, for stockholder meetings to which the e-proxy rules apply, the minimum number of days in advance that the Company must notify stockholders of an annual or special meeting is 40 days. If the e-proxy rules are not applicable — i.e., if the Company opts to mail its proxy materials to stockholders — then the Company would not be bound by the 40-day notice requirement. If the Company opts to mail its proxy materials, then it would, in consonance with the NYSE recommendation on the setting of the record date, give notice to stockholders at least 30 days in advance of the meeting.

The Company undertakes that it will provide at least 14 days' notice for a general meeting after the Listing.

Record Date. For the purpose of determining the stockholders entitled to notice of or to vote at any meeting of the stockholders, or entitled to receive payment of any dividend, the Board may fix in advance a date as the record date for the determination of stockholders. The record date must not be more than 60 days before the meeting or action requiring a determination of stockholders. If no record date is fixed for the determination of stockholders, the record date is the day the notice of the meeting is mailed or the day the action requiring a determination of stockholders is taken.

Quorum. Except as otherwise prescribed by statute or the Bylaws, at any meeting of the stockholders, the presence in person or by proxy of the holders of record of a majority of the issued and outstanding shares of capital stock of the Company entitled to vote thereat constitutes a quorum for the transaction of business.

Requirements for Advance Notification of Stockholder Nominations and Proposals. Our Bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors (other than nominations made by or at the direction of our Board or a committee of our Board) to be presented at a meeting but not included in our proxy statement. To be timely, a stockholder's notice to the Secretary of the Company must generally be delivered to or mailed and received at the principal executive offices of the Company: (a) in the case of an annual meeting, not more than 120 days and not less than 90 days prior to the anniversary date of

the immediately preceding annual meeting; provided, however, in the event that the annual meeting is called for a date that is not within 30 days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the 10th day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs and (b) in the case of a special meeting called for the purpose of electing directors, not later than the close of business on the 10th day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs. In addition, to be considered timely, a stockholder's notice must be updated and supplemented as required by our Bylaws, and must set forth the information specified in our Bylaws.

Proxy Access. Our Bylaws also include provisions permitting, subject to certain terms and conditions, stockholders owning at least 3% of our outstanding common stock for at least three consecutive years to use our annual meeting proxy statement to nominate a number of director candidates not to exceed 20% of the number of directors in office, subject to reduction in certain circumstances.

Stockholder Proposals pursuant to the U.S. Exchange Act Rule 14a-8. Stockholders who have continuously held at least US$2,000 in market value of the Company's voting securities for at least one year, and who continue to hold those securities through the date of the applicable meeting, may also submit a shareholder proposal for inclusion in our proxy statement for that meeting, in accordance with the U.S. Exchange Act Rule 14a-8. To be timely, a stockholder's notice to the Secretary of the Company must be received (a) in the case of a regularly scheduled annual meeting, not less than 120 calendar days before the date of the Company's proxy statement released to stockholders in connection with the previous year's annual meeting; provided, however, in the event that the annual meeting is called for a date that is not within 30 days before or after the previous year's annual meeting, then the deadline is a reasonable time before the Company begins to print and send its proxy materials and (b) in the case of a meeting of stockholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the Company begins to print and send its proxy materials. Any proposals submitted pursuant to the U.S. Exchange Act Rule 14a-8 must also comply with the other requirements of that Rule.

Stockholder Action by Written Consent

Our Certificate of Incorporation expressly eliminates the right of our stockholders to act by written consent. Accordingly, stockholder action must take place at the annual or a special meeting of our stockholders.

Transfers of Shares

The shares of the Company's capital stock may be transferred on the books of the Company, in the case of certificated shares of stock, by the holder thereof in person or by such person's attorney duly authorized in writing, upon surrender for cancellation of certificates for at least the same number of shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the Company or its agents may reasonably require; and, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney duly authorized in

writing, and upon compliance with appropriate procedures for transferring shares in uncertificated form. No transfer of shares shall be valid as against the Company for any purpose until it shall have been entered in the share records of the Company by an entry showing from and to whom transferred. Notwithstanding anything to the contrary in the Bylaws, at all times that the Company's shares are listed on a stock exchange, the shares must comply with all direct registration system eligibility requirements established by such exchange, including any requirement that shares of the Company's capital stock be eligible for issue in book-entry form.

There are no provisions in our Certificate of Incorporation or Bylaws relating to restriction on ownership of our shares.

Exclusive Forum

Our Certificate of Incorporation provides that, unless our Board otherwise determines, a state court of the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of the Company, any action asserting a claim of breach of a fiduciary duty owed by any director or officer of the Company to the Company or the Company's stockholders, creditors or other constituents, any action asserting a claim against the Company or any director or officer of the Company arising pursuant to any provision of the DGCL or the Company's Certificate of Incorporation or Bylaws, or any action asserting a claim against the Company or any director or officer of the Company governed by the internal affairs doctrine. However, if such court dismisses any such action for lack of subject matter jurisdiction, the action may be brought in the U.S. federal court for the District of Delaware. Although the Company's Certificate of Incorporation includes this exclusive forum provision, it is possible that a court could rule that this provision is inapplicable or unenforceable.

Indemnification and Limitation of Liability

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors, except for liability for any breach of the director's duty of loyalty to the corporation or its stockholders, for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, for unlawful payments of dividends or unlawful stock repurchases or redemptions described by Section 174 of the DGCL or for any transaction from which the director derived an improper personal benefit. Our Certificate of Incorporation includes such an exculpation provision.

Our Certificate of Incorporation includes provisions that require the Company to indemnify, to the fullest extent allowable under the DGCL, directors or officers for monetary damages for actions taken as a director or officer of the Company or while serving at the Company's request as a director or officer or another position at another corporation or enterprise, as the case may be. The Certificate of Incorporation also provides that the Company must, subject to certain conditions, advance reasonable expenses to its directors and officers. The Certificate of Incorporation expressly authorizes the Company to carry directors' and officers' insurance to protect the Company and its directors, officers, employees and agents from certain liabilities.

Amendments to Certificate of Incorporation and Bylaws

Pursuant to the DGCL and subject to the exceptions provided therein, amendments to the Certificate of Incorporation require approval of both the Board and a majority of the outstanding stock entitled to vote thereon.

The Board is authorized to adopt, amend or repeal the Bylaws, in whole or in part, without any action on the part of the stockholders. The Bylaws may also be amended or repealed by the stockholders even though the Bylaws may also be amended or repealed by the Board.

Delaware Anti-Takeover Statute

The Company is subject to Section 203 of the DGCL, an anti-takeover statute. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the time the person became an interested stockholder, unless: (a) prior to such time, the board of directors of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (b) upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of such corporation at the time the transaction commenced (excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) the voting stock owned by directors who are also officers or held in employee benefit plans in which the employees do not have a confidential right to tender or vote stock held by the plan); or (c) on or subsequent to such time the business combination is approved by the board of directors of such corporation and authorized at a meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock of such corporation not owned by the interested stockholder. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years prior to the determination of interested stockholder status did own) 15% or more of a corporation's voting stock. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our Board, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by our stockholders.

Comparison of Certain Provisions of Hong Kong Law to Certain Provisions of Laws Applicable to the Company

Rights of Shareholders and Investor Protection. Please see the section headed "Waivers from Compliance with the Hong Kong Listing Rules and Exemptions from Strict Compliance with the Companies (WUMP) Ordinance — Shareholder Protection" in the Prospectus for further details of differences between Hong Kong law and U.S. securities laws, NYSE rules and Delaware law in relation to shareholder protection standards.

Appointment of Directors. Pursuant to Hong Kong law, the appointment of each director is required to be voted on individually. At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution must not be made, unless a resolution that it may be so made has first been passed at the meeting without any vote against it. Pursuant to U.S. securities laws, the election of each director of the Company at an annual or special meeting is required to be voted on individually. Accordingly, the standard of shareholders' protection under U.S. securities laws is similar to that under Hong Kong law.

Declaration of Interest of Directors. Pursuant to Hong Kong law, if a director is in any way, directly or indirectly, interested in a transaction, arrangement or contract, or a proposed transaction, arrangement or contract, with the company that is significant in relation to the company's business, and the director's interest is material, the director must declare the nature and extent of the director's interest to the other directors. Pursuant to Delaware law, director fiduciary duties require that directors act in the best interest of the Company and not in their personal self-interest. Delaware law also provides that a transaction between the Company and a director, or the Company and another organization in which the director has a financial interest, shall not be void or voidable solely as a result of the self-interest, so long as the material facts as to the director's relationship or interest are disclosed or known to the Board or committee (or stockholders voting thereon, as applicable) and the transaction is approved by a majority of disinterested directors (or the stockholders, as applicable), or else the transaction is fair to the Company. Accordingly, the standard of shareholders' protection under Delaware law is similar to that under Hong Kong law.

Payment of Loss of Office or Retirement. Pursuant to Hong Kong law, without shareholders' approval, a company must not make a payment for loss of office to a director or former director of the company. U.S. securities laws and Delaware law contain no similar requirement for shareholder approval, as the approval of director compensation is within the discretion of the Board (or a duly authorized committee). However, the duty of care provided by Delaware law would prohibit the waste of corporate assets, and director compensation must be disclosed in the Company's annual proxy statement.

Loans to Directors. Pursuant to Hong Kong law, without shareholders' approval, a company must not make a loan to a director of the company or a body corporate controlled by such a director. In addition, without shareholders' approval, a public company must not make a quasi-loan to or enter into credit transaction with a director of the company. The Sarbanes-Oxley Act of 2002 generally prohibits the Company from making, or arranging for third parties to make, personal loans to directors. Accordingly, the standard of shareholders' protection under U.S. securities laws is similar to that under Hong Kong law.

Explanation of improving director's emoluments to be set out in notice of general meeting. Pursuant to Hong Kong law, a company must not at a general meeting amend its articles so as to provide emoluments or improved emoluments for a director of the company in respect of the office as director unless (a) there is set out in the notice calling the meeting or in a document attached to the notice an adequate explanation of the provision and (b) the provision is approved by a resolution not relating also to other matters. U.S. securities laws and Delaware law contain no similar requirement for shareholder approval, as the approval of director compensation is within the discretion of the Board (or a duly authorized committee). However, the duty of care provided by Delaware law would prohibit the waste of corporate assets, and director compensation must be disclosed in the Company's annual proxy statement.

Circumstances under which minority shareholders may be bought out or may be required to be bought out after a successful takeover or share repurchase. Pursuant to Hong Kong law, the minority shareholders of a company may be bought out or may require an offeror to buy out their interests if the offeror acquires nine-tenths in value of the shares for which the offer is made (or if the offer relates to shares of different classes, nine-tenths in value of the shares of that class). Pursuant to Delaware law, the shares held by minority stockholders of the Company may be acquired by an offeror owning at least 90% of the outstanding stock without the need for stockholder approval. Also under Delaware law, in certain circumstances following the acquisition of a majority of the shares of a publicly traded company, an offeror may acquire the remainder of the shares at the same price. In this regard, the standard of shareholders' protection under Delaware law is similar to that under Hong Kong law. However, there is no provision for minority stockholders to require an offeror to buy out their interests under similar circumstances.

MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following discussion summarizes the material U.S. federal income and estate tax considerations relating to the acquisition, ownership and disposition of the Shares purchased in this offering by a non-U.S. holder (as defined below). This discussion is based on the provisions of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), final, temporary and proposed U.S. Treasury regulations promulgated thereunder and current administrative rulings and judicial decisions, all as in effect as of the date hereof. All of these authorities may be subject to differing interpretations or repealed, revoked or modified, possibly with retroactive effect, which could materially alter the tax consequences to non-U.S. holders described in the Prospectus.

There can be no assurance that the U.S. Internal Revenue Service ("**IRS**") will not take a contrary position to the tax consequences described herein or that such position will not be sustained by a court. No ruling from the IRS has been obtained with respect to the U.S. federal income or estate tax consequences to a non-U.S. holder of the purchase, ownership or disposition of the Shares.

This discussion is for general information only and is not tax advice. All prospective non-U.S. holders of the Shares should consult their own tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences of the purchase, ownership and disposition of the Shares.

As used in this discussion, a "non-U.S. holder" is, for U.S. federal income tax purposes, a beneficial owner of the Shares that is not a U.S. holder. A "U.S. holder" means a beneficial owner of the Shares that is, for U.S. federal income tax purposes, (a) an individual who is a citizen or resident of the United States, (b) a corporation or other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (d) a trust if it (1) is subject to the primary supervision of a court within the United States and one or more "United States persons" (within the meaning of the Code) have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

This discussion assumes that a prospective non-U.S. holder will hold the Shares as a capital asset within the meaning of the Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances. In addition, this discussion does not address tax consequences to U.S. holders, any aspect of the U.S. federal alternative minimum tax, the Medicare contribution tax, U.S. state or local or non-U.S. taxes, or the special tax rules applicable to particular non-U.S. holders, such as insurance companies and financial institutions; tax-exempt organizations; pension plans; controlled foreign corporations; passive foreign investment companies; brokers and dealers in securities; persons that hold the Shares as part of a straddle, conversion transaction, or other integrated investment; and former citizens or residents of the United States subject to tax as expatriates.

If a partnership or other entity treated as a partnership for U.S. federal income tax purposes is an owner of the Shares, the treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. We urge any owner of the Shares that is a partnership and partners in that partnership to consult their tax advisors regarding the U.S. federal income and estate tax consequences of purchasing, owning and disposing of the Shares.

Stockholder Registers

Holders may hold Shares registered on the principal segment of our register of stockholders in the United States (such Shares, "**U.S. registered Shares**," and such register, the "**U.S. register**"), which will be maintained by our principal Share registrar, Computershare US. Alternatively, holders may hold Shares registered on the Hong Kong register (such Shares. "**Hong Kong registered Shares**"), which will be maintained by our Hong Kong Share registrar, Computershare HK. Hong Kong registered Shares include Shares held through the services of CCASS. As discussed under the heading "Information About the Listing — Repositioning for Shares Trading and Settlement in Different Markets, Between Hong Kong and the United States," holders of Hong Kong registered Shares will be able to reposition these Shares to the U.S. register, and vice versa. Any such repositioning will not be a taxable event for U.S. federal income tax purposes.

Distributions on the Shares

The gross amount of any distribution on the Shares (notwithstanding that such distribution may be paid net of any PRC withholding taxes) paid to non-U.S. holders will generally constitute a dividend for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Gross distributions in excess of our current and accumulated earnings and profits will generally constitute a return of capital to the extent of the non-U.S. holder's adjusted tax basis in the Shares, and will be applied against and reduce the non-U.S. holder's adjusted tax basis. Any remaining excess will be treated as capital gain, subject to the tax treatment described below in "— Gain on Sale, Exchange or Other Disposition of the Shares."

In the case of the U.S. registered Shares, provided such dividends are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States, dividends paid to a non-U.S. holder generally will be subject to withholding of U.S. federal income tax at a rate of 30% on the gross amount paid. This 30% withholding tax rate may be subject to reduction or elimination pursuant to an applicable income tax treaty, provided the non-U.S. holder provides proper certification of its eligibility for such reduced rate (usually on an IRS Form W-8BEN or W-8BEN-E). No additional amounts will be paid to non-U.S. holders in respect of U.S. withholding tax. The withholding tax does not apply to dividends paid to a non-U.S. holder of U.S. registered Shares that provides an IRS Form W-8ECI, certifying that the dividends are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States. Instead, the effectively connected dividends will be subject to regular U.S. income tax as if the non-U.S. holder were a U.S. resident, subject to an applicable income tax treaty providing otherwise. A non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits" tax imposed at a rate of 30% (or a lower treaty rate, if applicable).

In the case of Hong Kong registered Shares, the 30% withholding tax will apply to all holders, including U.S. holders, non-U.S. holders for whom the dividends constitute income "effectively connected" with a U.S. trade or business and non-U.S. holders otherwise eligible for a reduced rate of U.S. withholding tax on such dividends under the provisions of an applicable income tax treaty in effect between the United States and another country. This is because there will not be a mechanism available through the trading, settlement and security transferring facilities in Hong Kong for such holders to provide to the applicable withholding agent the certifications required by applicable U.S. Treasury regulations to avoid withholding on effectively connected income or to receive the benefit of the lower applicable income tax treaty withholding tax rate with respect to U.S. source dividends. In addition, for the same reason, it is not certain whether such holders will be able to obtain documentation required to make or substantiate a claim with the IRS for a refund or credit of U.S. federal income tax withheld from such dividends. Holders may request from their brokers or custodians documentation showing the amount of dividends received and the amounts of U.S. withholding tax applied with respect to those dividends in order to substantiate their own tax refund or credit, although there is no guarantee that such documentation will be provided or that such refund or credit claim will be successful. Accordingly, such holders holding Hong Kong registered Shares should consider repositioning these Shares to the U.S. register as described under "Information About the Listing — Repositioning for Shares Trading and Settlement in Different Markets, Between Hong Kong and the United States" prior to the payment of a dividend. Also, non-U.S. holders should be aware that the United States has not entered into an income tax treaty with Hong Kong and certain other countries. No additional amount will be paid to non-U.S. holders in respect of U.S. withholding tax. Prospective investors are urged to consult their own tax advisors regarding the application to them of the rules governing the withholding of U.S. federal income tax, and the rules governing the making of a claim with the IRS for a refund or credit of any excess amounts of U.S. federal income tax withheld, from such dividends paid to them. No additional amounts will be paid to non-U.S. holders in respect of U.S. withholding tax.

In addition to the 30% U.S. withholding tax described above, dividends received by a non-U.S. holder of Hong Kong registered Shares that are treated as effectively connected with a U.S. trade or business generally are subject to U.S. federal income tax at rates applicable to U.S. persons. A non-U.S. holder that is a corporation may, under certain circumstances, be subject to an additional "branch profits tax" imposed at a rate of 30%, or such lower rate as specified by an applicable income tax treaty between the United States and such non-U.S. holder's country of residence.

Gain On Sale, Exchange or Other Disposition of the Shares

A non-U.S. holder will generally not be subject to any U.S. federal income tax or withholding on any gain realized from the non-U.S. holder's sale, exchange or other disposition of the Shares unless:

- the gain is effectively connected with a U.S. trade or business (and, if an applicable income tax treaty so provides, is also attributable to a permanent establishment or a fixed base maintained within the United States by the non-U.S. holder), in which case the gain will be taxed on a net-income basis, generally in the same manner as if the non-U.S. holder were a U.S. person, and, if the non-U.S. holder is a corporation, the additional branch profits tax described above in "— Distributions on the Shares" may also apply;

- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, in which case the non-U.S. holder will be subject to a 30% tax on the net gain derived from the disposition, which may be offset by U.S.-source capital losses of the non-U.S. holder, if any; or

- we are, or have been at any time during the five-year period preceding such disposition (or the non-U.S. holder's holding period, if shorter), a "United States real property holding corporation" ("**USRPHC**") under Section 897 of the Code.

Generally, we will be a USRPHC if the fair market value of our U.S. real property interests equals or exceeds 50% of the sum of the fair market values of our worldwide real property interests and other assets used or held for use in a trade or business, all as determined under applicable U.S. Treasury regulations. We believe that we have not been and are not currently, and do not anticipate becoming in the future, a USRPHC for U.S. federal income tax purposes. Even if we become a USRPHC, however, as long as the Shares are regularly traded on an established securities market, the Shares will be treated as a United States real property interest only if a non-U.S. holder actually or constructively holds more than five percent of the Shares at any time during the shorter of the five-year period ending on the date of the sale or other taxable disposition and the non-U.S. holder's holding period.

U.S. Federal Estate Tax

An individual non-U.S. holder who is treated as the owner, or who has made certain lifetime transfers, of an interest in the Shares will be required to include the value of the Shares in his or her gross estate for U.S. federal estate tax purposes and may be subject to U.S. federal estate tax, unless an applicable estate or other tax treaty provides otherwise.

FATCA

In addition to the withholding described above, legislation enacted in 2010, known as FATCA, imposes a 30% withholding tax on dividend payments made by a U.S. person to a foreign financial institution or non-financial foreign entity (including, in some cases, when a foreign financial institution or nonfinancial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into (or is deemed to have entered into) an agreement with the U.S. Treasury Department to withhold on certain payments, and to collect and provide to the U.S. Treasury Department substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity provides the withholding agent with a certification identifying the direct and indirect substantial U.S. owners of the entity, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. No additional amounts will be paid to non-U.S. holders in respect of FATCA withholding tax.

Each prospective purchaser of our Shares is advised to consult its own tax advisor with respect to the U.S. federal, state, local and non-U.S. tax consequences of purchasing, owning and disposing of our Shares. In particular, non-U.S. holders should consult their tax advisors regarding the possible implications of FATCA to them in connection with the purchase, ownership and disposition of the Shares.

Information Reporting

U.S. Treasury regulations require the applicable withholding agent to report annually to the IRS and to each non-U.S. holder the amount of distributions paid to such non-U.S. holders and the amount of tax withheld, if any. As described above under “Distributions on the Shares,” however, non-U.S. holders of Hong Kong registered Shares may not be able to obtain this information from their brokers. Copies of the information returns filed with the IRS to report the distributions and withholding may also be made available to the tax authorities in a country in which the non-U.S. holder is a resident under the provisions of an applicable income tax treaty or agreement.

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "YUM CHINA HOLDINGS, INC.", FILED IN THIS OFFICE ON THE TWENTY-EIGHTH DAY OF OCTOBER, A.D. 2016, AT 11:40 O`CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID RESTATED CERTIFICATE IS THE THIRTY-FIRST DAY OF OCTOBER, A.D. 2016 AT 12:01 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

5972245 8100
SR# 20166402538

Authentication: 203242886
Date: 10-28-16

You may verify this certificate online at corp.delaware.gov/authver.shtml

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
YUM CHINA HOLDINGS, INC.

Yum China Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware, as the same may be amended (the "DGCL"), hereby certifies as follows:

1. The name of the Corporation is Yum China Holdings, Inc. The Corporation was originally formed as Yum! China Holding, Inc. by filing a Certificate of Incorporation with the Secretary of State of the State of Delaware on April 1, 2016. On June 30, 2016, the Corporation filed a Certificate of Amendment with the Secretary of State of the State of Delaware, which amended the Certificate of Incorporation by changing the name of the Corporation to Yum China Holdings, Inc.

2. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL and by the written consent of its stockholders in accordance with Section 228 of the DGCL.

3. This Amended and Restated Certificate of Incorporation amends and restates, in its entirety, the original Certificate of Incorporation, as amended.

4. Effective as of 12:01 p.m. Eastern time on October 31, 2016, the text of the original Certificate of Incorporation, as amended, is amended and restated to read in its entirety as follows:

FIRST: The name of the corporation is Yum China Holdings, Inc.

SECOND: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

THIRD: The number of shares of stock which the Corporation shall have authority to issue 1,100,000,000 shares, par value $0.01 per share, of which 1,000,000,000 shares shall be Common Stock, and of which 100,000,000 shares shall be Preferred Stock, with the following powers, preferences and rights, and qualifications, limitations and restrictions.

(a) Except as otherwise provided by law, each share of Common Stock shall have one vote, and, except as otherwise provided in respect of any series of Preferred Stock hereafter issued, the exclusive voting power for all purposes shall be vested in the holders of the Common Stock. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the Corporation and the amount to which the holders of any series of Preferred Stock hereafter issued having a preference on distribution in the liquidation, dissolution or winding up of the Corporation shall be entitled, to share ratably in the remaining net assets of the Corporation.

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:40 AM 10/28/2016
FILED 11:40 AM 10/28/2016
SR 20166402538 - File Number 5972245

(b) Preferred Stock may be issued in one or more series, from time to time, with each such series to consist of such number of shares and to have such voting powers relative to other classes or series of Preferred Stock, if any, or Common Stock, full or limited or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions and certificate of designation providing for the issuance of such series adopted by the board of directors of the Corporation (the "Board of Directors"), and the Board of Directors is hereby expressly vested with the authority, to the fullest extent now or hereafter permitted by applicable law, to adopt any such resolution or resolutions.

(c) The Board of Directors has created a series of 10,000,000 shares of Preferred Stock designated as "Series A Junior Participating Preferred Stock" by filing a Certificate of Designations of the Corporation with the Secretary of State of the State of Delaware, and the voting powers, designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of the Series A Junior Participating Preferred Stock are set forth in Appendix A hereto and are incorporated herein by reference.

FOURTH: The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, New Castle County. The name of the Corporation's registered agent is The Corporation Trust Company. The Corporation may have such other offices, either within or without the State of Delaware, as the Board of Directors may designate or as the business of the Corporation may from time to time require.

FIFTH: No holder of any share of capital stock of the Corporation, whether now or hereafter authorized, shall have any preemptive right to subscribe for or to purchase any shares of capital stock or other securities of the Corporation, nor have any right to cumulate such holder's votes for the election of Directors (as defined below). Any action required or permitted to be taken by the stockholders of the Corporation (the "Stockholders") must be effected at a duly called annual or special meeting of the Stockholders and may not be effected by any consent in writing in lieu of a meeting.

SIXTH: The term of existence of the Corporation shall be perpetual.

SEVENTH: The following provisions are intended for the management of the business and for the regulation of the affairs of the Corporation, and it is expressly provided that the same are intended to be in furtherance and not in limitation of the powers conferred by statute:

(a) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities by this Amended and Restated Certificate of Incorporation expressly conferred upon it, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by this Amended and Restated Certificate of Incorporation or by the bylaws of the Corporation (as amended from time to time in accordance with the provisions thereof, the "Bylaws") required to be exclusively exercised or done by the Stockholders.

(b) Special meetings of the Stockholders may be called exclusively: (i) by the Board of Directors; or (ii) by the Chairman of the Board of Directors, the Corporation's Chief Executive Officer or the Corporation's Secretary, in each case with the concurrence of a majority of the Board of Directors. Special meetings of Stockholders shall be held at such places and times as determined by the Board of Directors in its discretion. Advance notice of stockholder nominations for the election of Directors and of business to be brought before any meeting of the Stockholders shall be given in the manner provided in the Bylaws.

(c) The number of directors of the Corporation ("Directors") constituting the Board of Directors shall not be less than three nor more than fifteen. Within such limit, the number of members of the entire Board of Directors shall be fixed from time to time exclusively by the Board of Directors, subject to the rights of holders of any series of Preferred Stock with respect to the election of Directors, if any. During any period when the holders of any series of Preferred Stock have the right to elect additional Directors as provided for or fixed pursuant to the provisions of Article Third above, then upon commencement and for the duration of the period during which such right continues, the then otherwise total authorized number of Directors shall automatically be increased by such specified number of Directors and the holders of such Preferred Stock shall be entitled to elect the additional Directors so provided for or fixed pursuant to such provisions.

(d) Prior to the third annual meeting of Stockholders, the Board of Directors shall be classified into three classes: Class I; Class II; and Class III. Each class shall consist, as nearly as possible, of one-third of the total number of Directors constituting the entire Board of Directors and the allocation (including the initial allocation) of Directors among the three classes shall be determined by the Board of Directors. The initial Class I Directors shall serve for a term expiring at the first annual meeting of Stockholders following October 31, 2016; the initial Class II Directors shall serve for a term expiring at the second annual meeting of Stockholders following October 31, 2016; and the initial Class III Directors shall serve for a term expiring at the third annual meeting of Stockholders following October 31, 2016. Directors elected to replace initial Class I and Class II Directors shall serve terms expiring at the third annual meeting of Stockholders following October 31, 2016. Each Director in each class shall hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible.

(e) From and including the third annual meeting of Stockholders, each Director shall be elected to serve a term of one year, with each Director's term to expire at the annual meeting next following the Director's election. Notwithstanding the expiration of the term of a Director, the Director shall continue to hold office until a successor shall be elected and qualified or until his or her earlier death, resignation or removal.

(f) Directors may be removed: (i) prior to the third annual meeting of Stockholders, only for cause by the affirmative vote of a majority of the voting power of outstanding Common Stock; and (ii) from and including the third annual meeting of Stockholders, with or without cause by the affirmative vote of a majority of the voting power of outstanding Common Stock.

(g) A vacancy occurring on the Board of Directors, including, without limitation, a vacancy resulting from an increase in the number of Directors or from the failure by Stockholders to elect the full authorized number of Directors, may only be filled by a majority of the remaining Directors or by the sole remaining Director in office. In the event of the death, resignation or removal of a Director during his or her elected term of office, his or her successor shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualified or until his or her earlier death, resignation or removal.

(h) The Board of Directors is expressly authorized to adopt, amend or repeal the Bylaws, in whole or in part, without any action on the part of the Stockholders;

(i) The Corporation shall have the right, subject to any express provisions or restrictions herein or in the Bylaws, from time to time, to amend, alter or repeal any provision of this Amended and Restated Certificate of Incorporation in any manner now or hereafter provided by law.

(j) The Board of Directors may create and make appointments to one or more committees of the Board of Directors comprised exclusively of Directors who will serve at the pleasure of the Board of Directors and who may have and exercise such powers of the Board of Directors in directing the management of the business and affairs of the Corporation as the Board of Directors may delegate, in its sole discretion, consistent with the provisions of the DGCL and this Amended and Restated Certificate of Incorporation.

(k) Unless and except to the extent the Bylaws so require, the election of Directors need not be by written ballot.

EIGHTH:

(a) A Director shall not be personally liable to the Corporation or the Stockholders for monetary damages for breach of fiduciary duty as a Director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as the same exists or may hereafter be amended.

(b) Each Director and officer of the Corporation who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including, without limitation, service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, to the fullest extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the

Corporation to provide prior to such amendment), against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, amounts paid or to be paid in settlement, and excise taxes or penalties arising under the Employee Retirement Income Security Act of 1974, as the same may be amended) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in paragraph (c) of this Article, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors. The right to indemnification conferred in this Article Eighth shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the DGCL requires, the payment of such expenses incurred by a Director or officer in his or her capacity as a Director or officer in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Director or officer, to repay all amounts so advanced if it shall ultimately be determined that such Director or officer is not entitled to be indemnified under this Article Eighth or otherwise. The Corporation may, by action of the Board of Directors, provide indemnification to employees and agents of the Corporation or another corporation, partnership, joint venture, trust or other enterprise with the same scope and effect as the foregoing indemnification of Directors and officers.

(c) If a claim under paragraph (b) of this Article is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including, without limitation, its Board of Directors, independent legal counsel, or the Stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including, without limitation, its Board of Directors, independent legal counsel, or the Stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(d) The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article Eighth shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of this Amended and Restated Certificate of Incorporation, bylaw, agreement, vote of Stockholders or disinterested Directors or otherwise.

(e) The Corporation may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or any director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

(f) Any amendment, repeal or modification of any provision of this Article Eighth shall, unless otherwise required by law, be prospective only (except to the extent such amendment, repeal or modification permits the Corporation to further limit or eliminate the liability of Directors or officers) and shall not adversely affect any right or protection of any current or former Director or officer of the Corporation existing hereunder at the time of such amendment, repeal or modification with respect to any act or omission occurring prior to such amendment, repeal or modification.

NINTH: Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (a) any derivative action or proceeding brought or purporting to be brought on behalf of the Corporation, (b) any action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former Director, officer, employee or agent of the Corporation to the Corporation or to the Stockholders, including, without limitation, a claim alleging the aiding and abetting of such a breach of fiduciary duty, (c) any action asserting a claim against the Corporation or any current or former Director, officer, employee or agent of the Corporation arising pursuant to any provision of the DGCL, this Amended and Restated Certificate of Incorporation or the Bylaws (as either may be amended from time to time), (d) any action asserting a claim related to or involving the Corporation that is governed by the internal affairs doctrine, or (e) any action asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL, shall be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware).

TENTH: If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Corporation has duly executed this Amended and Restated Certificate of Incorporation as of the 28th day of October, 2016.

YUM CHINA HOLDINGS, INC.

By: _____
Name: Shella Ng
Title: Chief Legal Officer and Corporate Secretary

APPENDIX A

CERTIFICATE OF DESIGNATIONS
of
SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
of
YUM CHINA HOLDINGS, INC.

(Pursuant to Section 151 of the Delaware General Corporation Law)

Yum China Holdings, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (hereinafter called the "Corporation"), hereby certifies that the following resolution was adopted by a duly authorized Committee of the Board of Directors of the Corporation as required by Section 151 of the General Corporation Law by written consent in lieu of a meeting:

RESOLVED, that pursuant to the authority granted to and vested in the ChinaCo Spin Committee (hereinafter called the "Spin Committee") of the Board of Directors of this Corporation (hereinafter called the "Board of Directors") in accordance with the provisions of the Certificate of Incorporation, the Spin Committee, on behalf of, and as authorized by, the Board of Directors, hereby creates a series of Preferred Stock, par value $0.01 per share, of the Corporation (the "Preferred Stock"), and hereby states the designation and number of shares, and fixes the relative rights, preferences, and limitations thereof as follows:

Series A Junior Participating Preferred Stock:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Preferred Stock" (the "Series A Preferred Stock") and the number of shares constituting the Series A Preferred Stock shall be 10,000,000. Such number of shares may be increased or decreased by resolution of the Board of Directors; provided that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than the number of shares then outstanding plus the number of shares reserved for issuance upon the exercise of outstanding options, rights or warrants or upon the conversion of any outstanding securities issued by the Corporation convertible into Series A Preferred Stock.

Section 2. Dividends and Distributions.

(A) Subject to the rights of the holders of any shares of any series of Preferred Stock (or any similar stock) ranking prior and superior to the Series A Preferred Stock with respect to dividends, the holders of shares of Series A Preferred Stock, in preference to the holders of Common Stock, par value $0.01 per share (the "Common Stock"), of the Corporation, and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and

December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) $1 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in paragraph (A) of this Section immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $1 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive payment of a dividend or distribution

declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

Section 3. Voting Rights. The holders of shares of Series A Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein, in any other Certificate of Designations creating a series of Preferred Stock or any similar stock, or by law, the holders of shares of Series A Preferred Stock and the holders of shares of Common Stock and any other capital stock of the Corporation having general voting rights shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(C) Except as set forth herein, or as otherwise provided by law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

Section 4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity stock on which

dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

Section 5. Reacquired Shares. Any shares of Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock subject to the conditions and restrictions on issuance set forth herein, in the Certificate of Incorporation, or in any other Certificate of Designations creating a series of Preferred Stock or any similar stock or as otherwise required by law.

Section 6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received $100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Series A Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of shares of Common Stock, or (2) to the holders of shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the

Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case each share of Series A Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 8. No Redemption. The shares of Series A Preferred Stock shall not be redeemable.

Section 9. Rank. The Series A Preferred Stock shall rank, with respect to the payment of dividends and the distribution of assets, junior to all series of any other class of the Corporation's Preferred Stock.

Section 10. Amendment. The Certificate of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding shares of Series A Preferred Stock, voting together as a single class.

D. Constitutional Documents: Bylaws

AMENDED AND RESTATED BYLAWS
OF
YUM CHINA HOLDINGS, INC.

ARTICLE 1 — OFFICES

Section 1. Offices and Records. The registered office of Yum China Holdings, Inc. (the "**Corporation**") in the State of Delaware shall be in the City of Wilmington, New Castle County. The name and address of the Corporation's registered agent shall be The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, New Castle County. The Corporation may have offices at such other places, either within or without the State of Delaware, as the Board of Directors of the Corporation (the "**Board of Directors**") may from time to time determine. The books and records of the Corporation may be kept inside or outside the State of Delaware.

ARTICLE 2 — MEETINGS OF STOCKHOLDERS

Section 1. Place of Meeting. Meetings of the stockholders of the Corporation (the "**Stockholders**") shall be held at such places, if any, either within or without the State of Delaware, as shall be designated by the Board of Directors in the notice of the meeting.

Section 2. Annual Meeting. The annual meeting of the Stockholders shall be held on such date and at such place, if any, and time as the Board of Directors shall determine, for the purpose of electing directors of the Corporation ("**Directors**") and the transaction of such business as may be a proper subject for action at the meeting.

Section 3. Special Meetings. Special meetings of the Stockholders may be called exclusively: (a) by the Board of Directors; or (b) by the Chairman of the Board of Directors, the Corporation's Chief Executive Officer or the Corporation's Secretary, in each case with the concurrence of a majority of the Board of Directors. Special meetings of the Stockholders shall be held at such places, if any, and times as determined by the Board of Directors in its discretion.

Section 4. Notice of Meetings. At least ten (10) and no more than sixty (60) days prior to any annual or special meeting of the Stockholders, the Corporation shall notify the Stockholders of the date, time and place, if any, and means of remote communication, if any, of the meeting and, in the case of a special meeting or where otherwise required by the Corporation's Amended and Restated Certificate of Incorporation (the "**Certificate**") or by statute, shall briefly describe the purpose or purposes of the meeting. Without limiting the manner by which notice otherwise may be given effectively to Stockholders, notice of meetings may be given to Stockholders by means of electronic transmission in accordance with applicable law. Only business within the purpose or purposes described in the notice may be conducted at a special meeting. Unless otherwise required by the Certificate or by statute, the Corporation shall be required to give notice only to the Stockholders entitled to vote at the meeting. If an annual or special Stockholders' meeting is adjourned to a different date, time or place, notice thereof need not be given if the new date, time

or place, if any, and means of remote communication, if any, is announced at the meeting before adjournment. If a new record date for the adjourned meeting is fixed pursuant to Article 7, Section 5 hereof, notice of the adjourned meeting shall be given to persons who are Stockholders as of the new record date. If mailed, notice shall be deemed to be effective when deposited in the United States mail with postage thereon prepaid, correctly addressed to the Stockholder's address shown in the Corporation's current record of Stockholders.

Section 5. Quorum, Presiding Officer. Except as otherwise prescribed by statute or these Bylaws, at any meeting of the Stockholders of the Corporation, the presence in person or by proxy of the holders of record of a majority of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereat shall constitute a quorum for the transaction of business. In the absence of a quorum at such meeting or any adjournment or adjournments thereof, the holders of record of a majority of such shares so present in person or by proxy and entitled to vote thereat may adjourn the meeting from time to time until a quorum shall be present. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. Meetings of the Stockholders shall be presided over by the Chairman or Vice Chairman of the Board of Directors or, if neither is present, by another officer or Director who shall be designated to serve in such event by the Board of Directors. The Secretary of the Corporation, or an Assistant Secretary designated by the officer or Director presiding at the meeting, shall act as secretary of the meeting.

Section 6. Voting. Except as otherwise prescribed by statute, the Certificate or these Bylaws, at any meeting of the Stockholders of the Corporation, each Stockholder shall be entitled to one (1) vote in person or by proxy for each share of voting capital stock of the Corporation registered in the name of such Stockholder on the books of the Corporation on the date fixed pursuant to these Bylaws as the record date for the determination of the Stockholders entitled to vote at such meeting. No proxy shall be voted after eleven (11) months from its date unless said proxy provides for a longer period. Shares of its voting capital stock belonging to the Corporation shall not be voted either directly or indirectly. The vote for the election of Directors, other matters expressly prescribed by statute and, upon the direction of the presiding officer or Director of the meeting, the vote on any other question before the meeting, shall be by ballot. Except as otherwise provided by law, the Certificate or these Bylaws, in all matters other than the election of Directors, the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the matter shall be the act of the Stockholders.

Section 7. Notice of Stockholder Proposal. No business may be transacted at an annual meeting of the Stockholders, other than business properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the annual meeting by any Stockholder of the Corporation (i) who is a Stockholder of record both on the date of the giving of the notice provided for in Section 9 of this Article 2 and at the time of the annual meeting, (ii) who is entitled to vote at the meeting, and (iii) who complies with the notice procedures set forth in Section 9 of this Article 2. Except for proposals properly made in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations,

the "**Exchange Act**"), included in the notice of meeting given by or at the direction of the Board of Directors, the foregoing clause (c) shall be the exclusive means for a Stockholder to propose business to be brought before an annual meeting of the Stockholders. Stockholders seeking to nominate persons for election to the Board of Directors must comply with Section 9 or Section 10, as applicable, of this Article 2.

Section 8. Postponement of Stockholders Meeting. A scheduled annual or special meeting of the Stockholders may be postponed by the Board of Directors by public notice given at or prior to the time of the meeting.

Section 9. Stockholder Nominations of Directors and Other Proposals. Only persons who are nominated in accordance with the procedures in this Section 9, or the procedures in Section 10 of this Article 2, shall be eligible for election as Directors of the Corporation. Nominations of persons for election to the Board of Directors may be made at any annual meeting of the Stockholders, or at any special meeting of the Stockholders called for the purpose of electing Directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (b) by any Stockholder of the Corporation (i) who is a Stockholder of record both on the date of the giving of the notice provided for in this Section 9 and at the time of the meeting, (ii) who is entitled to vote at the meeting, and (iii) who complies with the notice procedures set forth in this Section 9. Except as provided in Section 10 of this Article 2, the foregoing clause (b) shall be the exclusive means for a Stockholder to make any nomination of a person or persons for election to the Board of Directors at an annual or special meeting.

In addition to any other applicable requirements, for a nomination to be made or any other business to be proposed by a Stockholder, such Stockholder must have given timely notice thereof, and timely updates and supplements thereof, in proper written form to the Secretary of the Corporation.

To be timely, a Stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation: (a) in the case of an annual meeting of the Stockholders, not more than one hundred and twenty (120) days and not less than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting; provided, however, that in the case of the first annual meeting after October 31, 2016 and in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the Stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs; and (b) in the case of a special meeting of the Stockholders called for the purpose of electing Directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs. In no event shall any adjournment or postponement of an annual meeting or special meeting, or the public announcement thereof, commence a new time period for the giving of a Stockholder's notice as described above.

Notwithstanding anything in the immediately preceding paragraph to the contrary, in the event that the number of Directors to be elected to the Board of Directors is increased by the Board of Directors, and there is no public announcement by the Corporation naming all of the nominees for Director or specifying the size of the increased Board of Directors at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a Stockholder's notice required by this Section 9 of this Article 2 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which the public announcement specifying the size of the increased Board of Directors is first made by the Corporation.

In addition, to be considered timely, a Stockholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof. For the avoidance of doubt, the obligation to update and supplement as set forth in this Section 9 or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a Stockholder, extend any applicable deadlines hereunder to amend or update any proposal or nomination (or notice thereof) or to submit any new proposal or nomination (or notice thereof), including, without limitation, by changing or adding nominees, matters, business and/or resolutions proposed to be brought before a meeting of the Stockholders.

To be in proper written form, a Stockholder's notice to the Secretary must set forth:

(a) As to the Stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal, as applicable, is made: (i) the name and address of such Stockholder, as they appear on the Corporation's books, of such beneficial owner, if any, and of their respective affiliates or associates or others acting in concert therewith, (ii) (A) the class or series and number of shares of the Corporation which are, directly or indirectly, owned beneficially and of record by such Stockholder, such beneficial owner and any of their respective affiliates or associates or others acting in concert therewith, (B) any option, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of capital stock of the Corporation, or any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of capital stock of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of capital stock of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by

reference to the price, value or volatility of any class or series of shares of capital stock of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of capital stock of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the Stockholder of record, the beneficial owner, if any, or any of their respective affiliates or associates or others acting in concert therewith, may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of capital stock of the Corporation (any of the foregoing, a "**Derivative Instrument**") directly or indirectly owned beneficially by such Stockholder, the beneficial owner, if any, or any of their respective affiliates or associates or others acting in concert therewith, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith have any right to vote any class or series of shares of the Corporation, (D) any agreement, arrangement, understanding, relationship or otherwise, including, without limitation, any repurchase or similar so-called "stock borrowing" agreement or arrangement, involving such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Corporation (any of the foregoing, a "**Short Interest**"), (E) any rights to dividends on the shares of the Corporation owned beneficially by such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership, (G) any performance-related fees (other than an asset-based fee) that such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith are entitled to based on any increase or decrease in the value of shares of capital stock of the Corporation or Derivative Instruments, if any, including, without limitation, any such interests held by any members of the immediate family sharing the same household of such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, (H) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith and (I) any direct or indirect interest of such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (iii) all

information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Exchange Act by such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, if any, and (iv) any other information relating to such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act;

(b) If the notice relates to any business other than a nomination of a Director or Directors that the Stockholder proposes to bring before the meeting, in addition to the matters set forth in paragraph (a) above: (i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such Stockholder, such beneficial owner and each of their respective affiliates or associates or others acting in concert therewith, if any, in such business; (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such proposal or business includes a proposal to amend the bylaws of the Corporation, the text of the proposed amendment); and (iii) a description of all agreements, arrangements and understandings between such Stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, if any, and any other person or persons (including their names) in connection with the proposal of such business by such Stockholder;

(c) As to each individual, if any, whom the Stockholder proposes to nominate for election or reelection to the Board of Directors, in addition to the matters set forth in paragraph (a) above: (i) all information relating to such individual that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act (including, without limitation, such individual's written consent to being named in the proxy statement as a nominee and to serving as a Director if elected); and (ii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among such Stockholder and beneficial owner, if any, or any of their respective affiliates and associates or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"), if the Stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such item and the nominee were a director or executive officer of such registrant; and

(d) With respect to each individual, if any, whom the Stockholder proposes to nominate for election or reelection to the Board of Directors, in addition to the matters set forth in paragraphs (a) and (c) above, a completed and signed questionnaire, representation and agreement required by Section 11 of this Article 2. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent Director or that could be material to a reasonable Stockholder's understanding of the independence, or lack thereof, of such nominee. Notwithstanding anything to the contrary, only persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible for election as Directors.

If the Chairman of the meeting determines that a nomination was not made in accordance with the foregoing procedures, or that business was not properly brought before the meeting in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded or that the business was not properly brought before the meeting and such business shall not be transacted. For purposes of this Section 9, "affiliate" and "associate" shall have the meanings ascribed thereto in Rule 405 under the Securities Act, and the rules and regulations thereunder; provided, however, that the term "partner" as used in the definition of "associate" shall not include any limited partner that is not involved in the management of the relevant partnership.

Section 10. Proxy Access.

(a) Whenever the Board of Directors solicits proxies with respect to the election of Directors at an annual meeting of Stockholders, subject to the provisions of this Section 10, the Corporation shall include in its proxy statement for such annual meeting, (i) as a nominee, in addition to any persons nominated for election by the Board of Directors or any committee thereof, any person nominated for election (the "**Stockholder Nominee**") to the Board of Directors by a Stockholder, or group of no more than 20 Stockholders, that satisfies the requirements of this Section 10 (the "**Eligible Stockholder**") and that timely submits the notice required by this Section 10 (the "**Notice of Proxy Access Nomination**") requesting to have its nominee included in the Corporation's proxy materials for such annual meeting pursuant to this Section 10 and (ii) the Required Information (defined below) concerning such person. No person may be a member of more than one group of Stockholders constituting an Eligible Stockholder with respect to any annual meeting. For purposes of this Section 10, the "Required Information" that the Corporation will include in its proxy statement is the information provided to the Secretary of the Corporation by the Eligible Stockholder concerning the Stockholder Nominee and the Eligible Stockholder that is required to be disclosed in the Corporation's proxy statement by the regulations promulgated under the Exchange Act, and if the Eligible Stockholder so elects, a written statement, not to exceed 500 words, in support of the Stockholder Nominee's candidacy (the "**Statement**"). Notwithstanding anything to the contrary contained in this Section 10, the Corporation may omit from its proxy materials any information or Statement (or portion thereof) that it, in good faith, believes would violate any applicable law or regulation. For the purposes of this Section 10:

(1) "Voting Stock" shall mean outstanding shares of capital stock of the Corporation entitled to vote generally for the election of Directors;

(2) "Constituent Holder" shall mean any Stockholder, collective investment fund or beneficial holder whose stock ownership is counted for the purposes of qualifying as holding the Required Stock (as defined below) or qualifying as an Eligible Stockholder;

(3) "affiliate" and "associate" shall have the meanings ascribed thereto in Rule 405 under the Securities Act, and the rules and regulations thereunder; provided, however, that the term "partner" as used in the definition of "associate" shall not include any limited partner that is not involved in the management of the relevant partnership; and

(4) a Stockholder (including any Constituent Holder) shall be deemed to "own" only those outstanding shares of Voting Stock as to which the Stockholder itself (or such Constituent Holder itself) possesses both (a) the full voting and investment rights pertaining to the shares and (b) the full economic interest in (including the opportunity for profit and risk of loss on) such shares. The number of shares calculated in accordance with the foregoing clauses (a) and (b) shall be deemed not to include (and to the extent any of the following arrangements have been entered into by affiliates of the Stockholder (or of any Constituent Holder), shall be reduced by) any shares (x) sold by such Stockholder or Constituent Holder (or any of either's affiliates) in any transaction that has not been settled or closed, including any short sale, (y) borrowed by such Stockholder or Constituent Holder (or any of either's affiliates) for any purposes or purchased by such Stockholder or Constituent Holder (or any of either's affiliates) pursuant to an agreement to resell, or (z) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by such Stockholder or Constituent Holder (or any of either's affiliates), whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of Voting Stock, in any such case which instrument or agreement has, or is intended to have, or if exercised by either party thereto would have, the purpose or effect of (i) reducing in any manner, to any extent or at any time in the future, such Stockholder's or Constituent Holder's (or either's affiliate's) full right to vote or direct the voting of any such shares, and/or (ii) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such Stockholder or Constituent Holder (or either's affiliate), other than any such arrangements solely involving an exchange listed multi-industry market index fund in which Voting Stock represents at the time of entry into such arrangement less than 10% of the proportionate value of such index. A Stockholder (including any Constituent Holder) shall "own" shares held in the name of a nominee or other intermediary so long as the Stockholder itself (or such Constituent Holder itself) retains the right to instruct how the shares are voted with respect to the election of Directors and the right to direct the disposition thereof and possesses the full economic interest in the shares. A Stockholder's (including any Constituent Holder's) ownership of shares shall be deemed to continue during any period in which such person has loaned such shares or delegated any voting power over such shares by means of a proxy, power of attorney or other instrument or arrangement which in all such cases is revocable at any time by the Stockholder. The terms "owned," "owning" and other variations of the word "own" shall have correlative meanings.

(b) To be timely, the Notice of Proxy Access Nomination must be delivered to, or mailed to and received by, the Secretary of the Corporation no earlier than one hundred fifty (150) days and no later than one hundred twenty (120) days prior to the anniversary of the date that the Corporation issued its proxy statement for the immediately preceding annual meeting of Stockholders. In no event shall any adjournment or postponement of an annual meeting, the date of which has been announced by the Corporation, commence a new time period for the giving of a Notice of Proxy Access Nomination.

(c) The maximum number of Stockholder Nominees nominated by all Eligible Stockholders that will be included in the Corporation's proxy materials with respect to an annual meeting of Stockholders (the "**Nominee Limit**") shall not exceed 20% of the total number of Directors in office as of the last day on which a Notice of Proxy Access Nomination may be delivered pursuant to and in accordance with this Section 10 (the "**Final Proxy Access Nomination Date**") or if such amount is not a whole number, the closest whole number below 20%; provided, that in no circumstance shall the Nominee Limit exceed the number of Directors to be elected at the applicable annual meeting as noticed by the Corporation, and provided, further, that the Nominee Limit shall be reduced by the number of Directors in office or director candidates that in either case will be included in the Corporation's proxy materials with respect to such annual meeting as an unopposed (by the Corporation) nominee pursuant to any agreement, arrangement or other understanding with any stockholder or group of stockholders (other than any such agreement, arrangement or understanding entered into in connection with an acquisition of Voting Stock, by such stockholder or group of stockholders, from the Corporation). In the event that one or more vacancies for any reason occurs on the Board of Directors after the Final Proxy Access Nomination Date but before the date of the annual meeting and the Board of Directors resolves to reduce the size of the board in connection therewith, the Nominee Limit shall be calculated based on the number of Directors in office as so reduced. Any individual (i) nominated by an Eligible Stockholder for inclusion in the Corporation's proxy materials pursuant to this Section 10 whom the Board of Directors decides to nominate as a nominee of the Board of Directors, or (ii) nominated pursuant to any agreement, arrangement or other understanding with any stockholder or group of stockholders (other than any such agreement, arrangement or understanding entered into in connection with an acquisition of Voting Stock, by such stockholder or group of stockholders, from the Corporation, shall, in each case, further reduce the Nominee Limit. Any Eligible Stockholder submitting more than one Stockholder Nominee for inclusion in the Corporation's proxy materials pursuant to this Section 10 shall rank such Stockholder Nominees based on the order that the Eligible Stockholder desires such Stockholder Nominees to be selected for inclusion in the Corporation's proxy statement in the event that the total number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this Section 10 exceeds the maximum number of nominees provided for in this Section 10. In the event that the number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this Section 10 exceeds the maximum number of nominees provided for in this Section 10, the highest ranking Stockholder Nominee who meets the requirements of this Section 10 from each Eligible Stockholder will be selected for inclusion in the Corporation's proxy materials until the maximum number is reached, going in order of the number (largest to smallest) of shares of the common stock, par value $0.01 per share, of the Corporation ("**Common Stock**") each Eligible Stockholder disclosed as owned in its respective Notice of Proxy Access Nomination submitted to the Corporation. If the maximum number is not reached after the highest ranking Stockholder Nominee who meets the

requirements of this Section 10 from each Eligible Stockholder has been selected, this process will continue with the next highest ranked nominees as many times as necessary, following the same order each time, until the maximum number is reached. Notwithstanding anything to the contrary contained in this Section 10, if the Corporation receives notice pursuant to Section 9 of this Article 2 that a Stockholder intends to nominate for election at such meeting a number of nominees greater than or equal to a majority of the total number of Directors to be elected at such meeting, no Stockholder Nominees will be included in the Corporation's proxy materials with respect to such meeting pursuant to this Section 10.

(d) If the Stockholder Nominee or an Eligible Stockholder fails to continue to meet the requirements of this Section 10 or if a Stockholder Nominee withdraws, dies, becomes disabled or is otherwise disqualified from being nominated for election or serving as a Director prior to the annual meeting: (1) the Corporation may, to the extent feasible, remove the name of the Stockholder Nominee and the Statement from its proxy statement, remove the name of the Stockholder Nominee from its form of proxy and/or otherwise communicate to its Stockholders that the Stockholder Nominee will not be eligible for nomination at the annual meeting; and (2), subsequent to the last day on which a Stockholder's Notice of Proxy Access Nomination would be timely, the Eligible Stockholder may not name another Stockholder Nominee or otherwise cure in any way any defect preventing the nomination of the Stockholder Nominee identified in the Notice of Proxy Access Nomination provided pursuant to this Section 10.

(e) In order to make a nomination pursuant to this Section 10, an Eligible Stockholder must have owned (as defined above) the Required Ownership Percentage (as defined below) of shares of Common Stock (the "**Required Stock**") continuously for the Minimum Holding Period (as defined below) as of both the date the Notice of Proxy Access Nomination is delivered to, or mailed to and received by, the Secretary of the Corporation in accordance with this Section 10 and the record date for determining the Stockholders entitled to vote at the annual meeting and must continue to own the Required Stock through the meeting date. For purposes of this Section 10, the "Required Ownership Percentage" is three percent (3%) or more, and the "Minimum Holding Period" is three (3) years.

(f) Within the time period specified in this Section 10 for delivering the Notice of Proxy Access Nomination, an Eligible Stockholder must provide the following materials in writing to the Secretary of the Corporation: (i) one or more written statements from the record holder of the shares of Common Stock owned by the Eligible Stockholder (and from each intermediary through which the shares of Common Stock are or have been held during the Minimum Holding Period) verifying that, as of a date within seven (7) calendar days prior to the date the Notice of Proxy Access Nomination is delivered to, or mailed to and received by, the Secretary of the Corporation, the Eligible Stockholder owns, and has owned continuously for the Minimum Holding Period, the Required Stock, and the Eligible Stockholder's agreement to provide, within five (5) business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the Eligible Stockholder's continuous ownership of the Required Stock through the record date; (ii) a copy of the Schedule 14N that has been filed with the Securities and Exchange Commission ("**SEC**") as required by Rule 14a-18 under the Exchange Act; (iii) the information, representations and agreements that are the same as those that would be required to be set forth in a Stockholder's notice of nomination pursuant to Section 9 of this Article 2; (iv) a representation and agreement of the

Eligible Stockholder that the Eligible Stockholder (including each member of any group of Stockholders that together is an Eligible Stockholder hereunder) (A) acquired the Required Stock in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have such intent, (B) presently intends to maintain qualifying ownership of the Required Stock through the date of the annual meeting, (C) has not engaged and will not engage in any, and has not and will not be a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a Director at the annual meeting other than its Stockholder Nominee(s) or a nominee of the Board of Directors, (D) agrees not to distribute to any Stockholder any form of proxy for the annual meeting other than the form distributed by the Corporation, (E) agrees to comply with all applicable laws and regulations applicable to the use, if any, of soliciting material and to file any such soliciting material with the SEC regardless of whether such filing is required under Regulation 14A under the Exchange Act, and (F) will provide facts and other information in all communications with the Corporation and its Stockholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; (v) a representation as to the Eligible Stockholder's (including each member of any group of Stockholders that together is an Eligible Stockholder hereunder) intentions with respect to maintaining qualifying ownership of the Required Stock for at least one (1) year following the annual meeting; and (vi) an undertaking that the Eligible Stockholder agrees to (A) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Stockholder's communications with the Stockholders or out of the information that the Eligible Stockholder provided to the Corporation and (B) indemnify and hold harmless the Corporation and each of its Directors, officers and employees individually against any and all liabilities, losses and damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its Directors, officers or employees arising out of any nomination submitted by the Eligible Stockholder pursuant to this Section 10.

(g) Within the time period specified in this Section 10 for delivering the Notice of Proxy Access Nomination, each Eligible Stockholder and Stockholder Nominee must deliver or cause to be delivered to the Secretary of the Corporation:

(i) a written representation and agreement of the Stockholder Nominee that such person (A) consents to being named in the Corporation's proxy statement as a nominee and to serving as a Director if elected, (B) understands his or her duties as a Director under the General Corporation Law of the State of Delaware (the "**DGCL**") and agrees to act in accordance with those duties while serving as a Director, (C) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person as to how such nominee, if elected as a Director, will act or vote as a Director on any issue or question to be decided by the Board of Directors, (D) in connection with such nominee's candidacy for Director, is not and will not become a party to any compensatory, payment or other financial agreement, arrangement or understanding with any person other than the Corporation, and has not and will not receive any such compensation or other payment from any person other than the Corporation, in each case that has not been disclosed to the Secretary of the Corporation, (E) in connection with such nominee's service as a Director of the Corporation, is not and will not become a party to

any compensatory, payment or other financial agreement, arrangement or understanding with any person other than the Corporation, and has not and will not receive any such compensation or other payment from any person other than the Corporation, (F) if elected as a Director, will comply with all applicable laws and stock exchange listing standards and the Corporation's policies and guidelines applicable to Directors, and (G) will provide facts and other information in all communications with the Corporation and its Stockholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(ii) with respect to each Stockholder Nominee, all completed and signed questionnaires required of Directors, and such additional information as the Corporation may determine necessary to permit the Board of Directors to determine if such Stockholder Nominee is independent under the listing standards of each exchange upon which the Common Stock of the Corporation is listed, any applicable rules of the SEC and any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of Directors; and

(iii) with respect to each Stockholder Nominee who consents to stand for election, an irrevocable resignation of such Stockholder Nominee in advance of the meeting for the election of Directors, providing that such resignation shall become effective upon a determination by the Board of Directors or any committee thereof that (A) the information provided to the Corporation by such individual pursuant to this Section 10 was untrue in any material respect or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading or (B) such individual, or the Eligible Stockholder who nominated such individual, failed to comply with any obligation owed or breached any representation made under or pursuant to these Bylaws.

(h) In the event that any information or communication provided by the Eligible Stockholder or the Stockholder Nominee to the Corporation or its Stockholders ceases to be true and correct in any material respect or omits a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, such Eligible Stockholder or Stockholder Nominee, as the case may be, shall promptly notify the Secretary of the Corporation of such defect in such previously provided information or communication and of the information that is required to correct any such defect.

(i) The Corporation shall not be required to include, pursuant to this Section 10, a Stockholder Nominee in its proxy materials for any meeting of the Stockholders (i) for which the Secretary of the Corporation receives a notice that a Stockholder has nominated such Stockholder Nominee for election to the Board of Directors pursuant to the advance notice requirements for Stockholder nominees for Director set forth in Section 9 of this Article 2, (ii) who is not independent under the listing standards of each exchange upon which the Common Stock of the Corporation is listed, any applicable rules of the SEC and any publicly disclosed standards used by the Board of Directors in determining and disclosing independence of Directors, in each case as determined by the Board of Directors, (iii) whose election as a member of the Board of Directors would cause the Corporation to be in violation of these Bylaws, the Certificate, the

rules and listing standards of any exchange upon which the Common Stock of the Corporation is listed, or any applicable state or federal law, rule or regulation, (iv) who is or has been, within the past three (3) years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, (v) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past ten (10) years or (vi) if such Stockholder Nominee or the Eligible Stockholder (or any member of any group of Stockholders that together is such Eligible Stockholder) nominating such Stockholder Nominee fails to comply with any of its obligations or breaches any of its representations made under or pursuant to these Bylaws.

(j) Notwithstanding anything to the contrary set forth herein, the Board of Directors or the presiding officer of the annual meeting of the Stockholders shall declare a nomination of a Stockholder Nominee by an Eligible Stockholder to be invalid, and such nomination shall be disregarded notwithstanding that proxies in respect of the vote of Stockholders of such annual meeting may have been received by the Corporation, if (i) the Stockholder Nominee and/or the nominating Eligible Stockholder (or any member of any group of Stockholders that together is such Eligible Stockholder) shall have failed to comply with any of its or their obligations or breached any of its or their representations under or pursuant to these Bylaws, as determined by the Board of Directors or the presiding officer of the meeting; or (ii) the nominating Eligible Stockholder (or a qualified representative thereof) does not appear at the meeting of the Stockholders to present the nomination of such Stockholder Nominee pursuant to this Section 10.

(k) Any Stockholder Nominee who is included in the Corporation's proxy materials for a particular annual meeting of the Stockholders but either (i) withdraws from or becomes ineligible or unavailable for election at such annual meeting, or (ii) does not receive votes cast in favor of such Stockholder Nominee's election equal to at least 25% of the number of shares of Common Stock voted in such election, will be ineligible to be a Stockholder Nominee pursuant to this Section 10 for the next two (2) annual meetings. For the avoidance of doubt, this Section 10 shall not prevent any Stockholder from nominating any person to the Board of Directors pursuant to and in accordance with Section 9 of this Article 2.

Section 11. Questionnaire, Representation and Agreement. To be eligible to be a nominee of any Stockholder for election or reelection as a Director, such proposed nominee must deliver (in accordance with the time periods prescribed for delivery of notice under this Article 2) to the Secretary at the principal executive offices of the Corporation a completed written questionnaire with respect to the background and qualification of such individual and the background of any other person on whose behalf, directly or indirectly, the nomination is being made (which questionnaire shall be provided by the Secretary upon written request), and a written representation and agreement (in the form provided by the Secretary upon written request) that such individual (a) is not and will not become a party to (i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person as to how such person, if elected as a Director, will act or vote on any issue or question (a "**Voting Commitment**") that has not been disclosed to the Corporation, and (ii) any Voting Commitment that could limit or interfere with such individual's ability to comply, if elected as a Director, with such individual's fiduciary duties under applicable law, (b) in connection with such nominee's candidacy for or services as Director, is not and will not become a party to any compensatory, payment or other financial agreement, arrangement or

understanding with any person other than the Corporation, and has not and will not receive any such compensation or other payment from any person other than the Corporation, (c) in such individual's personal capacity and on behalf of any person on whose behalf, directly or indirectly, the nomination is being made, would be in compliance, if elected as a Director, and will comply, with all applicable corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation publicly disclosed from time to time, (d) consents to being named as a nominee and agrees to serve if elected as a Director, and (e) will abide by the requirements of Section 8 of Article 4.

ARTICLE 3 — BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities by these Bylaws expressly conferred upon it, the Board of Directors may exercise all such powers and do all such lawful acts and things as are not by statute or by the Certificate or by these Bylaws required to be exclusively exercised or done by the Stockholders.

Section 2. Number, Term and Qualification. The number, term and qualification of Directors of the Corporation shall be as provided in the Certificate.

Section 3. Resignation and Removal. Directors may be removed from office only for the reasons, if any, specified in the Certificate. Any Director may resign at any time by giving notice in writing or by electronic transmission to the Chairman of the board, the Chief Executive Officer or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event, and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. Vacancies occurring in the Board of Directors shall be filled only as provided in the Certificate.

ARTICLE 4 — MEETINGS OF DIRECTORS

Section 1. Annual and Regular Meetings. All annual and regular meetings of the Board of Directors shall be held at such places and times as determined by the Board of Directors in its discretion.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held at such places and times as determined by the Board of Directors in its discretion.

Section 3. Notice of Meetings. Unless the Board of Directors by resolution determines otherwise in accordance with authority set forth in the Certificate, notice of any meeting of the Board of Directors shall be given to each Director at such person's business or residence in writing by hand delivery, first-class or overnight mail or courier service, email or facsimile transmission, or orally by telephone. If mailed by first-class mail, such notice shall be deemed adequately delivered when deposited in the United States mails so addressed, with postage thereon prepaid, at least five (5) days before such meeting. If by overnight mail or courier service, such notice shall be deemed adequately delivered when delivered to the overnight mail or courier service company at least forty-

eight (48) hours before such meeting. If by email, facsimile transmission, telephone or by hand, such notice shall be deemed adequately delivered when the notice is transmitted at least twenty-four (24) hours before such meeting. The Secretary shall give such notice of any meetings called by the Board of Directors by such means of communication as may be specified by the Board of Directors.

Section 4. Quorum. A majority of the Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 5. Manner of Acting. A majority of Directors who are present at a meeting at which a quorum is present will constitute the required vote to effect any action taken by the Board of Directors.

Section 6. Action Without Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board of Directors. The action must be evidenced by one or more written consents signed by each Director, or an electronic transmission given by each Director, describing the action taken, and included in the minutes or filed with the corporate records. Action taken without a meeting is effective when the last Director signs the consent or gives an electronic transmission, unless the consent specifies a subsequent effective date.

Section 7. Meeting by Communications Device. The Board of Directors may permit Directors to participate in any meeting of the Board of Directors by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 8. Required Vote for Directors.

(a) Except as set forth below, election of Directors at all meetings of the Stockholders at which Directors are to be elected shall be by ballot, and, subject to the rights of the holders of any series of preferred shares to elect Directors under specified circumstances, a majority of the votes cast at any meeting for the election of Directors at which a quorum is present shall elect Directors. For purposes of these Bylaws, a majority of votes cast shall mean that the number of shares voted "for" a Director's election exceeds 50% of the number of votes cast with respect to that Director's election. Votes cast shall include direction to withhold authority in each case and exclude abstentions with respect to that Director's election. Notwithstanding the foregoing, in the event of a contested election of Directors, Directors shall be elected by the vote of a plurality of the votes cast at any meeting for the election of Directors at which a quorum is present. For purposes of these Bylaws, a "contested election" shall mean any election of Directors in which the number of candidates for election as Directors exceeds the number of Directors to be elected, with the determination thereof being made by the Secretary as of the close of the applicable notice of nomination period set forth in Article 2, Section 9 of these Bylaws or under applicable law, based on whether one or more notice(s) of nomination were timely filed in accordance with Article 2, Section 9 of these Bylaws; provided, however, that the determination that an election is a contested election shall be determinative only as to the timeliness of a notice of nomination and not otherwise as to its validity. If, prior to the time the Corporation mails its initial proxy statement in connection with such election of Directors, one

or more notices of nomination are withdrawn such that the number of candidates for election as Director no longer exceeds the number of Directors to be elected, the election shall not be considered a contested election, but in all other cases, once an election is determined to be a contested election, Directors shall be elected by the vote of a plurality of the votes cast at any meeting for the election of Directors at which a quorum is present.

(b) If a nominee for Director who is an incumbent Director is not elected and no successor has been elected at such meeting, the Director shall promptly tender his or her resignation to the Board of Directors. The Nominating and Governance Committee shall make a recommendation to the Board of Directors as to whether to accept or reject the tendered resignation, or whether other action should be taken. The Board of Directors shall act on the tendered resignation, taking into account the Nominating and Governance Committee's recommendation, and publicly disclose (by a press release, a filing with the SEC or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within ninety (90) days from the date of the certification of the election results. The Nominating and Governance Committee in making its recommendation, and the Board of Directors in making its decision, may each consider any factors or other information that it considers appropriate and relevant. The Director who tenders his or her resignation shall not participate in the recommendation of the Nominating and Governance Committee or the decision of the Board of Directors with respect to his or her resignation. If such incumbent Director's resignation is not accepted by the Board of Directors, such Director shall continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier death, resignation or removal. If a Director's resignation is accepted by the Board of Directors pursuant to these Bylaws, or if a nominee for Director is not elected and the nominee is not an incumbent Director, then the Board of Directors, in its sole discretion, may fill any resulting vacancy pursuant to the provisions of Article 3, Section 4 of these Bylaws or may decrease the size of the Board of Directors pursuant to the provisions of Article 3, Section 2 of these Bylaws.

ARTICLE 5 — COMMITTEES

Section 1. Election and Powers. The Board of Directors may appoint such committees with such members who shall have such powers and authority as may be determined by the Board of Directors as provided in the Certificate. To the extent specified by the Board of Directors or in the Certificate, each committee shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation.

Section 2. Removal; Vacancies. Unless the Board of Directors by resolution determines otherwise in accordance with authority specified in the Certificate, any member of a committee may be removed at any time exclusively by the Board of Directors with or without cause, and vacancies in the membership of a committee as a result of death, resignation, disqualification or removal shall be filled by a majority of the whole Board of Directors. Unless the Board of Directors by resolution determines otherwise in accordance with authority specified in the Certificate, the Board of Directors may discharge any committee, either with or without cause, at any time.

Section 3. Meetings. The provisions of Article 4 governing meetings of the Board of Directors, action without meeting, notice, waiver of notice and quorum and voting requirements shall apply to the committees of the Board of Directors and its members to the extent not otherwise prescribed by the Board of Directors in the resolution authorizing the establishment of the committee.

Section 4. Minutes. Each committee shall keep minutes of its proceedings and shall report thereon to the Board of Directors at or before the next meeting of the Board of Directors.

Section 5. Chairman. The Chairman shall preside at meetings of the Board of Directors and the Stockholders and shall have such powers and perform such other duties as the Board of Directors may prescribe or as may be prescribed in these Bylaws. The Board of Directors may, in its discretion, designate a Chairman as "Executive Chairman." Such Executive Chairman shall have such powers and perform such other duties as the Board of Directors may prescribe or as may be prescribed for the Chairman in these Bylaws.

Section 6. Vice Chairman. The Vice Chairman shall have such powers and perform such duties as the Board of Directors or the Chairman (to the extent he or she is authorized by the Board of Directors to prescribe the authority and duties of other officers) may from time to time prescribe or as may be prescribed by these Bylaws.

ARTICLE 6 — OFFICERS

Section 1. Titles. The Board of Directors shall have the power and authority to elect from time to time such officers of the Corporation, including a President, a Chief Executive Officer, one or more Executive Vice Presidents, one or more Senior Vice Presidents, one or more Vice Presidents, a Chief Financial Officer, a General Counsel, a Controller, a Treasurer, a Secretary, one or more Assistant Controllers, one or more Assistant Treasurers, and one or more Assistant Secretaries, and such other officers as shall be deemed necessary or desirable from time to time. The officers shall have the authority and perform the duties set forth herein or as from time to time may be prescribed by the Board of Directors. Any two or more offices may be held by the same individual, but no officer may act in more than one capacity where action of two or more officers is required.

The officers of the Corporation may appoint one or more individuals to hold a title which includes Assistant or Deputy together with one of the officer titles indicated above. An individual holding such title by virtue of being so appointed rather than by virtue of being elected to such position by the Board of Directors shall not be an officer of the Corporation for purposes of the Certificate or these Bylaws.

Section 2. Election; Removal. The officers of the Corporation may be elected by the Board of Directors and shall serve at the pleasure of the Board of Directors as specified at the time of their election, until their successors are elected and qualify, or until the earlier of their death, resignation or removal. Any officer may be removed by the Board of Directors at any time with or without cause.

Section 3. Compensation. The compensation of the officers may be fixed by the Board of Directors or any duly authorized committee thereof.

Section 4. General Powers of Officers. Except as may be otherwise provided in these Bylaws or in the DGCL or by resolution of the Board of Directors, the Chief Executive Officer, the President, any Executive Vice President, any Senior Vice President, any Vice President, the Chief Financial Officer, the General Counsel, the Controller, the Treasurer, the Secretary, or any one of them, may (i) execute and deliver in the name of the Corporation, in the name of any division of the Corporation, or in both names, any agreement, contract, deed, instrument, power of attorney or other document pertaining to the business or affairs of the Corporation or any division of the Corporation, and (ii) delegate to any employee or agent the power to execute and deliver any such agreement, contract, deed, instrument, power of attorney or other document.

Section 5. Chief Executive Officer. The Chief Executive Officer of the Corporation shall report directly to the Board of Directors. Except in such instances as the Board of Directors may confer powers in particular transactions upon any other officer, and subject to the control and direction of the Board of Directors, the Chief Executive Officer shall manage the business and affairs of the Corporation and shall communicate to the Board of Directors and any committee thereof reports, proposals and recommendations for their respective consideration or action. He or she may do and perform all acts on behalf of the Corporation.

Section 6. President. The President shall have such powers and perform such duties as the Board of Directors and the Chief Executive Officer (to the extent he or she is authorized by the Board of Directors to prescribe the authority and duties of other officers) may from time to time prescribe or as may be prescribed by these Bylaws.

Section 7. Executive Vice Presidents, Senior Vice Presidents and Vice Presidents. The Executive Vice Presidents, Senior Vice Presidents and Vice Presidents shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer (to the extent he or she is authorized by the Board of Directors to prescribe the authority and duties of other officers) may from time to time prescribe or as may be prescribed by these Bylaws.

Section 8. Chief Financial Officer. The Chief Financial Officer shall have powers and perform such duties as the Board of Directors or the Chief Executive Officer (to the extent he or she is authorized by the Board of Directors to prescribe the authority and duties of other officers) may from time to time prescribe or as may be prescribed in these Bylaws. The Chief Financial Officer shall present to the Board of Directors such balance sheets, income statements, budgets and other financial statements and reports as the Board of Directors or the Chief Executive Officer (to the extent he or she is authorized by the Board of Directors to prescribe the authority and duties of other officers) may require and shall perform such other duties as may be prescribed or assigned pursuant to these Bylaws and all other acts incident to the position of Chief Financial Officer.

Section 9. Controller. The Controller shall be responsible for the maintenance of adequate accounting records of all assets, liabilities, capital and transactions of the Corporation. The Controller shall prepare such balance sheets, income statements, budgets and other financial statements and reports as the Board of Directors or the Chief Executive Officer or the Chief Financial Officer (to the extent they are authorized by the Board of Directors to prescribe the authority and duties of other officers) may require, and shall perform such other duties as may be prescribed or assigned pursuant to these Bylaws and all other acts incident to the position of Controller.

Section 10. Treasurer.

(a) The Treasurer shall have the care and custody of all funds and securities of the Corporation except as may be otherwise ordered by the Board of Directors, and shall cause such funds (i) to be invested or reinvested from time to time for the benefit of the Corporation as may be designated by the Board of Directors or by the Chairman, the Chief Executive Officer, the Vice Chairman, the President, the Chief Financial Officer or the Treasurer (to the extent they are authorized by the Board of Directors to make such designations), or (ii) to be deposited to the credit of the Corporation in such banks or depositories as may be designated by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer (to the extent they are authorized by the Board of Directors to make such designations), and shall cause such securities to be placed in safekeeping in such manner as may be designated by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer (to the extent they are authorized by the Board of Directors to make such designations).

(b) The Treasurer or such other person or persons as may be designated for such purpose by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer (to the extent they are authorized by the Board of Directors to make such designations) may endorse in the name and on behalf of the Corporation all instruments for the payment of money, bills of lading, warehouse receipts, insurance policies and other commercial documents requiring such endorsement.

(c) The Treasurer or such other person or persons as may be designated for such purpose by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer (to the extent they are authorized by the Board of Directors to make such designations), (i) may sign all receipts and vouchers for payments made to the Corporation; (ii) shall provide a statement of the cash account of the Corporation to the Board of Directors as often as it shall require the same; and (iii) shall enter regularly in the books to be kept for that purpose full and accurate account of all moneys received and paid on account of the Corporation and of all securities received and delivered by the Corporation.

(d) The Treasurer shall perform such other duties as may be prescribed or assigned pursuant to these Bylaws and all other acts incident to the position of Treasurer.

Section 11. Secretary. The Secretary shall keep the minutes of all meetings of the Stockholders, the Board of Directors and the committees of the Board of Directors. The Secretary shall cause to be prepared and maintained (i) at the office of the Corporation a share ledger containing the names and addresses of all Stockholders and the number of shares held by each, and (ii) any list of the Stockholders required by law to be prepared for any meeting of the Stockholders. The Secretary shall be responsible for the custody of all share books and of all unissued share certificates. The Secretary shall be the custodian of the seal of the Corporation. The Secretary shall affix or cause to be affixed the seal of the Corporation, and when so affixed may attest the same and shall perform such other duties as may be prescribed or assigned pursuant to these Bylaws and all other acts incident to the position of Secretary.

Section 12. Voting upon Securities. Unless otherwise ordered by the Board of Directors, the Chief Executive Officer, the President, any Executive Vice President, any Senior Vice President or any Vice President shall have full power and authority on behalf of the Corporation to attend, act and vote at meetings of the security holders of any entity in which the Corporation may hold securities, and at such meetings shall possess and may exercise any and all rights and powers incident to the ownership of such securities and which, as the owner, the Corporation might have possessed and exercised if present. The Board of Directors may by resolution from time to time confer such power and authority upon any person or persons.

Section 13. Continuing Determination by Board. All powers and duties of the officers shall be subject to a continuing determination by the Board of Directors.

ARTICLE 7 — CAPITAL STOCK

Section 1. Certificates. The interest of each Stockholder may be evidenced by certificates for shares of stock in such form as the appropriate officers of the Corporation may from time to time prescribe or be uncertificated. The name and address of the persons to whom shares of capital stock of the Corporation are issued, with the number of shares and date of issue, shall be entered on the share transfer records of the Corporation. Certificates for shares of the capital stock of the Corporation shall be in such form not inconsistent with the Certificate as shall be approved by the Board of Directors. Each certificate shall be signed (either manually or by facsimile) by (a) the Chairman, the Chief Executive Officer, the President or any Vice President, and by the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer or (b) any two (2) officers designated by the Board of Directors. Each certificate may be sealed with the seal of the Corporation or facsimile thereof.

Section 2. Transfer of Shares.

(a) The shares of the capital stock of the Corporation shall be transferred on the books of the Corporation, in the case of certificated shares of stock, by the holder thereof in person or by such person's attorney duly authorized in writing, upon surrender for cancellation of certificates for at least the same number of shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the Corporation or its agents may reasonably require; and, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney duly authorized in writing, and upon compliance with appropriate procedures for transferring shares in uncertificated form. No transfer of shares shall be valid as against the Corporation for any purpose until it shall have been entered in the share records of the Corporation by an entry showing from and to whom transferred.

(b) The share certificates shall be signed, countersigned and registered in such manner as the Board of Directors may by resolution prescribe, which resolution may permit all or any of the signatures on such certificates to be in facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

(c) Notwithstanding anything to the contrary in these Bylaws, at all times that the Corporation's shares are listed on a stock exchange, the shares of capital stock of the Corporation shall comply with all direct registration system eligibility requirements established by such exchange, including any requirement that shares of the Corporation's capital stock be eligible for issue in book-entry form. All issuances and transfers of shares of the Corporation's capital stock shall be entered on the books of the Corporation with all information necessary to comply with such direct registration system eligibility requirements, including the name and address of the person to whom the shares are issued, the number of shares issued and the date of issue. The Board of Directors shall have the power and authority to make such rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of shares of stock of the Corporation in both the certificated and uncertificated form.

Section 3. Transfer Agent and Registrar. The Board of Directors may appoint one or more transfer agents and one or more registrars of transfers and may require all share certificates to be signed or countersigned by the transfer agent and registered by the registrar.

Section 4. Regulations. The Board of Directors may make such rules and regulations as it deems expedient concerning the issue, transfer and registration of shares of capital stock of the Corporation.

Section 5. Fixing Record Date. For the purpose of determining the Stockholders entitled to notice of or to vote at any meeting of the Stockholders, or entitled to receive payment of any dividend, or in order to make a determination of the Stockholders for any other purpose, the Board of Directors may fix in advance a date as the record date for the determination of Stockholders. The record date shall not be more than sixty (60) days before the meeting or action requiring a determination of Stockholders. A determination of the Stockholders entitled to notice of or to vote at a Stockholders' meeting shall be effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting. If no record date is fixed for the determination of Stockholders, the record date shall be the day the notice of the meeting is mailed or the day the action requiring a determination of Stockholders is taken.

Section 6. Lost Certificates. In case of loss, theft, mutilation or destruction of any certificate evidencing shares of the capital stock of the Corporation, another may be issued in its place upon proof of such loss, theft, mutilation or destruction and upon the giving of an indemnity or other undertaking to the Corporation in such form and in such sum as the Board of Directors may direct.

ARTICLE 8 — GENERAL PROVISIONS

Section 1. Dividends and Other Distributions. The Board of Directors may from time to time declare and the Corporation may pay dividends or make other distributions with respect to its outstanding shares in the manner and upon the terms and conditions provided by law.

Section 2. Seal. The seal of the Corporation shall be any form approved from time to time by the Board of Directors.

Section 3. Waiver of Notice. Whenever notice is required to be given to a Stockholder, Director or other person under the provisions of these Bylaws, the Certificate or applicable statute, a waiver in writing signed by, or an electronic transmission given by, the person or persons entitled to the notice, whether before or after the date and time stated in the notice, and delivered to the Corporation, shall be equivalent to giving the notice.

Section 4. Depositaries. The Chairman, the Chief Executive Officer, the President, the Chief Financial Officer and the Treasurer are each authorized to designate depositaries for the funds of the Corporation deposited in its name or that of a division of the Corporation, or both, and the signatories with respect thereto in each case, and from time to time, to change such depositaries and signatories, with the same force and effect as if each such depository and the signatories with respect thereto and changes therein had been specifically designated or authorized by the Board of Directors; and each depositary designated by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer shall be entitled to rely upon the certificate of the Secretary or any Assistant Secretary of the Corporation setting forth the fact of such designation and of the appointment of the officers of the Corporation or of other persons who are to be signatories with respect to the withdrawal of funds deposited with such depositary, or from time to time the fact of any change in any depositary or in the signatories with respect thereto.

Section 5. Signatories. Unless otherwise designated by the Board of Directors or by the Chairman, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer, all notes, drafts, checks, acceptances and orders for the payment of money shall be (a) signed by the Treasurer or any Assistant Treasurer, and (b) countersigned by the Controller or any Assistant Controller, or either signed or countersigned by the Chairman, the Chief Executive Officer, the Vice Chairman, the President, any Executive Vice President, any Senior Vice President or any Vice President in lieu of either the officers designated in (a) or the officers designated in (b) of this Section 5.

Section 6. Proxies. Unless otherwise provided for by a resolution of the Board of Directors, the Chief Executive Officer, or any Vice President or Secretary or Assistant Secretary designated by the Board of Directors, may from time to time appoint an attorney or attorneys or agent or agents of the Corporation to cast, in the name and on behalf of the Corporation, the votes which the Corporation may be entitled to cast as the holder of stock or other securities in any other corporation, any of whose stock or other securities may be held by the Corporation, at meetings of the holders of the stock or other securities of such other corporation or to consent in writing, in the name of the Corporation as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal, or otherwise, all such written proxies or other instruments as he may deem necessary or proper in the premises.

Section 7. Fiscal Year. The fiscal year of the Corporation shall be fixed by the Board of Directors.

Section 8. Amendments. Except as may be otherwise provided in the DGCL, these Bylaws may be amended or repealed by the Board of Directors, including any Bylaw adopted, amended, or repealed by the Stockholders generally. These Bylaws may be amended or repealed by the Stockholders even though the Bylaws may also be amended or repealed by the Board of Directors.