

**McDonald's Increases Stake in its China Business
CITIC Capital Maintains Controlling Ownership Stake**

McDonald's Corporation (NYSE: MCD) and global investment firm Carlyle (NASDAQ: CG) announced on 20 November, 2023 that McDonald's has agreed to acquire Carlyle's minority ownership stake in the strategic partnership that operates and manages McDonald's business in mainland China, Hong Kong and Macau.

The CITIC Consortium, mainly through its equity affiliate CITIC Capital, will maintain its controlling ownership stake. Upon completion of the transaction, the CITIC Consortium will continue to own 52%, and McDonald's will remain a minority partner while increasing its stake from 20% to 48% ownership.

"Our strategic partnership with CITIC and Carlyle has been extremely successful in growing McDonald's presence in the region since it began. China is now our second largest market; we've doubled our restaurants to more than 5,500 since 2017," said Chris Kempczinski, McDonald's President and Chief Executive Officer. "We believe there is no better time to simplify our structure, given the tremendous opportunity to capture increased demand and further benefit from our fastest growing market's long-term potential."

The business has generated Systemwide sales growth of more than 30% in the market year-to-date since September 2019. Going forward, the partners will continue working together as the brand executes on its Accelerating the Arches growth strategy in the market, working to deliver on a commitment to develop and open new restaurants and foster deeper engagement with customers.

"We very much appreciate the strong partnership we have had with CITIC Capital and McDonald's Corporation. Together, we transformed the business, accelerating its growth profile and revolutionizing its digital marketing and operational capabilities," said X.D. Yang, Chairman of Carlyle Asia. "The business has always delivered outstanding results and we wish them every success on their next phase of growth."

"As McDonald's China's controlling shareholder, we are thrilled by McDonald's Corporation's continued commitment to our long-term partnership and the China market," said Yichen Zhang, Chairman and CEO of CITIC Capital and Chairman of McDonald's China." As we reach towards our goal of 10,000+ restaurants by 2028, we are more confident than ever in our ability to serve the Chinese consumer with McDonald's iconic taste."

The deal is contingent upon customary regulatory approvals and is expected to close in the first quarter of 2024.

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