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Yum! Brands, Inc.

(Incorporated in North Carolina with limited liability)

WANDLE INVESTMENTS LIMITED

(Incorporated in Hong Kong with limited liability)



Little Sheep Group Limited

小肥羊集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 968)

JOINT ANNOUNCEMENT

**PROPOSED PRIVATISATION OF LITTLE SHEEP GROUP LIMITED BY
WANDLE INVESTMENTS LIMITED,
AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF YUM! BRANDS, INC.
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)
AND
CONDITIONAL OFFER TO CANCEL
ALL OUTSTANDING SHARE OPTIONS OF
LITTLE SHEEP GROUP LIMITED**

**EFFECTIVE DATE OF THE SCHEME AND
WITHDRAWAL OF LISTING OF LITTLE SHEEP SHARES**

Financial Adviser to the Offeror

**Goldman
Sachs**

Goldman Sachs (Asia) L.L.C.

Financial Adviser to the Company

BofA Merrill Lynch

Merrill Lynch (Asia Pacific) Limited

THE SCHEME BECOMES EFFECTIVE

The Scheme was sanctioned without modification and the reduction of issued share capital of the Company involved in the Scheme was confirmed by the Grand Court on Friday, 20 January 2012 (Cayman Islands time). An official copy of the Order of the Grand Court sanctioning the Scheme was delivered to the Registrar of Companies in the Cayman Islands for registration on Tuesday, 31 January 2012 (Cayman Islands time) and the registration became effective on Wednesday, 1 February 2012 (Cayman Islands time). All the conditions of the Scheme as set out in the Scheme Document were fulfilled and the Scheme became effective on Wednesday, 1 February 2012 (Cayman Islands time).

As at 4:30 p.m. on 1 February 2012, valid acceptances of the Option Offer had been received in respect of 13,113,030 Outstanding Little Sheep Share Options, which represent all the Outstanding Little Sheep Share Options of the Company. The Option Offer became unconditional on Wednesday, 1 February 2012 (Cayman Islands time).

WITHDRAWAL OF LISTING

The withdrawal of listing of Little Sheep Shares on the Main Board of the Stock Exchange is expected to become effective at 4:00 p.m. on Thursday, 2 February 2012 (Hong Kong time).

PAYMENT UNDER THE PROPOSAL AND THE OPTION OFFER

Payment (by cheque or bank transfer) under the Proposal and the Option Offer (in respect of Optionholders who have returned a validly completed Option Forms of Acceptance on or before the Option Record Date) will be despatched on or before Friday, 3 February 2012.

INTRODUCTION

References are made to (i) the scheme document jointly issued by Wandle Investments Limited (the “**Offeror**”), Yum! Brands, Inc. (“**Yum!**”), and Little Sheep Group Limited (the “**Company**”) to Scheme Shareholders and Optionholders on 13 December 2011 in relation to the proposed privatisation of Little Sheep by way of a scheme of arrangement under Section 86 of the Companies Law (the “**Scheme Document**”); (ii) the announcement jointly issued by the Offeror, Yum! and the Company on 6 January 2012 in relation to the results of Court Meeting and EGM; and (iii) the announcement jointly issued by the Offeror, Yum! and the Company on 26 January 2012 in relation to the sanction of the Scheme by the Grand Court. Terms defined in the Scheme Document have the same meanings when used in this announcement.

EFFECTIVE DATE OF THE SCHEME

The Scheme was sanctioned without modification and the reduction of issued share capital of the Company involved in the Scheme was confirmed by the Grand Court on Friday, 20 January 2012 (Cayman Islands time). An official copy of the Order of the Grand Court sanctioning the Scheme was delivered to the Registrar of Companies in the Cayman Islands for registration on Tuesday, 31 January 2012 (Cayman Islands time) and the registration became effective on Wednesday, 1 February 2012 (Cayman Islands time). All the conditions of the Scheme as set out in the Scheme Document were fulfilled and the Scheme became effective on Wednesday, 1 February 2012 (Cayman Islands time).

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PAYMENT UNDER THE PROPOSAL AND THE OPTION OFFER

Payment (by cheque or bank transfer) under the Proposal and the Option Offer (in respect of Optionholders who have returned a validly completed Option Forms of Acceptance on or before the Option Record Date) will be despatched as soon as possible but in any event on or before Friday, 3 February 2012.

By Order of the Board of
Wandle Investments Limited
Alan Kohn
Director

By Order of the Board of
Yum! Brands, Inc.
Su Jing Shyh Samuel
Director

By Order of the Board of
Little Sheep Group Limited
Zhang Gang
Chairman

Hong Kong, 1 February 2012

As at the date of this announcement, the directors of the Offeror are Ms. Donna Marie Heatherly and Mr. Alan Jay Kohn.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Little Sheep Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Little Sheep Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to the Little Sheep Group) misleading.

As at the date of this announcement, the directors of Yum! are:

*Executive Directors:
David C. Novak
Su Jing Shyh Samuel*

*Independent non-executive Directors:
David W. Dorman
Massino Ferragamo
Mirian Graddick-Weir
J. David Grissom
Bonnie G. Hill
Robert Holland, Jr.
Kenneth G. Langone
Jonathan S. Linen
Thomas C. Nelson
Thomas M. Ryan
Robert D. Walter*

The directors of Yum! jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Little Sheep Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Little Sheep Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to the Little Sheep Group) misleading.

As at the date of this announcement, the directors of the Company are:

*Executive Directors:
Zhang Gang
Lu Wenbing
Zhang Zhanhai
Li Baofang
Wang Jianhai*

*Non-executive Directors:
Chen Hongkai
Su Jing Shyh Samuel
Koo Benjamin Henry Ho Chung
Hsieh Hui-yun Lily*

*Independent non-executive Directors:
Xiang Bing
Yeung Ka Keung
Shin Yick, Fabian*

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Yum! Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Yum! Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to the Yum! Group) misleading.