

VOLUNTARY CONDITIONAL CASH OFFER FOR COURTS ASIA LIMITED

1. INTRODUCTION

The board of directors (the "**Board**") of Courts Asia Limited (the "**Company**") wishes to inform its shareholders (the "**Shareholders**") that PricewaterhouseCoopers Corporate Finance Pte Ltd ("**PwCCF**"), for and on behalf of Nojima Asia Pacific Pte. Ltd. (the "**Offeror**"), a wholly-owned subsidiary of Nojima Corporation, has on 18 January 2019 released an announcement (the "**Offer Announcement**") that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the issued and outstanding ordinary shares (the "**Shares**") in the capital of the Company in accordance with Section 139 of the Securities and Futures Act (Chapter 289 of Singapore) and Rule 15 of the Singapore Code on Take-overs and Mergers.

2. THE OFFER

The Offer Announcement states, *inter alia*, that subject to the terms and conditions set out in the formal offer document (the "**Offer Document**") to be issued by PwCCF, for and on behalf of the Offeror, the Offeror will make the Offer on the following basis:

- (a) the offer price for each Offer Share (as defined below) will be **S\$0.205 in cash** (the "**Offer Price**");
- (b) the Offer, when made, will be extended to:
 - (i) all issued and outstanding Shares; and
 - (ii) all new or treasury shares unconditionally issued or to be issued, or delivered or to be delivered, pursuant to the valid vesting and release of any outstanding share awards (the "**Awards**") granted under the Courts Performance Share Plan and the Courts Share Appreciation Rights Plan prior to the final closing date of the Offer,(collectively, the "**Offer Shares**");
- (c) the Offer Shares will be acquired (i) fully paid, (ii) free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing, and (iii) together with all rights, benefits and entitlements attached thereto as at the date of the Offer Announcement (the "**Offer Announcement Date**") and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, "**Distributions**") on or after the Offer Announcement Date;

- (d) without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Offer Announcement Date. Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer ("**Accepting Shareholder**") shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such Accepting Shareholder falls, as follows:
- (i) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the "**Books Closure Date**") and the Offeror is registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price shall not be reduced for each such Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and
 - (ii) if such settlement date falls after the Books Closure Date, or if such settlement date falls on or before the Books Closure Date but the Offeror is not registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price for each such Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Shares from the Company; and
- (e) the Offer will be subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Shares which will result in the Offeror and parties acting or deemed to be acting in concert with it holding more than 50 per cent. of the Shares in issue and outstanding as at the close of the Offer (including any Shares which may be unconditionally issued or delivered pursuant to the valid vesting and release of the Awards prior to the close of the Offer).

The Offer Announcement further states that as at the Offer Announcement Date, the Offeror has received an undertaking from Singapore Retail Group Limited ("**SRG**") pursuant to which SRG has, amongst other things, unconditionally and irrevocably undertaken to the Offeror (i) to tender all of its 382,000,000 Shares (representing approximately 73.8 per cent. of the Shares) in acceptance of the Offer, and (ii) not to accept (or permit the acceptance of) any competing offer.

Upon SRG's acceptance of the Offer, the Offeror shall have received acceptances in respect of such number of Shares which will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of Shares amounting to more than 50 per cent. of the maximum potential issued share capital of the Company and the Offer shall become unconditional as to acceptances. For this purpose, the "maximum potential issued share capital of the Company" means the total number of Shares which would be in issue and be outstanding had all the Shares under Awards been issued or delivered as at the date of such declaration.

A copy of the Offer Announcement is attached herewith to this announcement (the "**Announcement**") and is also available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. Shareholders are advised to refer to the full text of the Offer Announcement.

3. **DESPATCH OF THE OFFER DOCUMENT**

The Offer Document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance will be despatched to holders of Offer Shares not earlier than 14 days and not later than 21 days from the date of the Offer Announcement.

4. **INDEPENDENT FINANCIAL ADVISER AND OFFEREE CIRCULAR**

The Board will, in due course, appoint an independent financial adviser ("**IFA**") in connection with the Offer. A circular containing, *inter alia*, the advice of the IFA and the recommendation of the directors of the Company who are considered independent for the purposes of the Offer will be sent to Shareholders within 14 days from the date of despatch of the Offer Document to be issued by or on behalf of the Offeror.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests. The Company will release further announcements at the appropriate junctures.

5. **RESPONSIBILITY STATEMENT**

The directors of the Company (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Offeror) are fair and accurate, and that there are no material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Company jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD
COURTS ASIA LIMITED

Dr Terence Donald O'Connor
Executive Director and Group Chief Executive Officer
18 January 2019