PROPOSED SPIN-OFF AND LISTING OF PART OR ALL OF THE GROUP'S BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

Tat Hong Holdings Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company is exploring a possible spin-off of part or all of its tower crane rental business in The People's Republic of China ("**Tower Crane Rental business**") via a listing on a reputable Stock Exchange (the "**Proposed Listing**").

The Directors believe that the Proposed Listing would, *inter alia*, provide access to additional source of funding to capitalise on growth opportunities for the capital-intensive Tower Crane Rental business in the People's Republic of China and at the same time, increase the overall financial capacity and flexibility of the Group to strengthen the growth of its other strategic business units in ASEAN and Australia and unlock shareholder value for the Group. This is consistent with the Group's approach of reinforcing on its strength and rebalancing its focus and strategies.

The Company will announce any material developments on the Proposed Listing as and when appropriate.

The Company would like to highlight that the Proposed Listing is in its preliminary stages and is dependent on, *inter alia*, the results of preparatory work to be undertaken, the requisite approvals from the relevant regulatory authorities and the then-prevailing market conditions. Further, the Directors may, notwithstanding that all requisite regulatory approvals have been obtained, decide not to proceed with the Proposed Listing if, having regard to investors' interests and response at the material time and any other relevant factors, the Directors deem it not in the interests of the Company to proceed with the same. Accordingly, there is no assurance that the Proposed Listing will materialise in due course. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board
Tat Hong Holdings Ltd

Lional Tseng
Joint Company Secretary
7 October 2014