Registration No: 199105392H

USE OF PROCEEDS FROM RIGHTS ISSUE

Unless otherwise defined, all terms used herein shall bear the same meanings as in the Company's announcement dated 14 November 2016 and the Offer Information Statement dated 17 January 2017.

The Board of Directors of Tat Hong Holdings Ltd (the "**Company**") refers to the its announcement on the Rights Issue dated 14 November 2016 (the "**Rights Issue Announcement**") and the Offer Information Statement dated 17 January 2017.

The Board wishes to advise that out of the net proceeds of approximately S$41.0 million from the Rights Issue (the "**Net Proceeds**"), the Company has utilised S$16.4 million, representing approximately 40% of the Net Proceeds, for debt repayment.

The above debt repayment and the percentage of the Net Proceeds used for this purpose are in accordance with the intended use of the Net Proceeds as stated in the Rights Issue Announcement and Offer Information Statement.

The Company will make periodic announcements on the utilisation of the remaining S$24.6 million of the Net Proceeds as and when such proceeds are materially disbursed and will provide a status report on the use of the Net Proceeds in the Company's annual report.

By Order of the Board
Tat Hong Holdings Ltd

Jennie Hong Chok Hane
Group CFO / Company Secretary
20 March 2017