Registration No: 199105392H

ACQUISITION OF SHARES IN THE CAPITAL OF TAT HONG EQUIPMENT SERVICE CO., LTD.

The Board of Directors of Tat Hong Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to inform that its 88.4% indirectly-owned subsidiary, Tat Hong Equipment (China) Pte Ltd ("**THEC**"), has acquired 2,128,250 shares in the capital of Tat Hong Equipment Service Co., Ltd ("**THES**") ("**THES Shares**") from Joyful Shine Holdings Limited ("**JSH**") for a cash consideration of NTD128.8 million or approximately S$5.9 million (the "**Transaction**").

THES was incorporated in the Cayman Islands and is the investment holding company of several of the Group's tower crane rental subsidiaries in the People's Republic of China ("**China**").

As THES is a profitable company and as the prospects for the tower crane rental business in China remain healthy in the near to medium term, THEC agreed to acquire JSH's entire interest comprising 2,128,250 THES Shares when JSH decided to exit its investment.

The Transaction was conducted at arm's length on a willing buyer, willing seller basis and the consideration was based on the net asset value of THES as at 31 March 2016. The acquisition of the THES Shares brought THEC's effective interest in THES from 92.7% to 95.8% and the Company's effective interest in THES from 81.9% to 84.6%.

The Transaction is not expected to have any material impact on the Group's earnings per share and NTA per share for the financial year ending 31 March 2017.

None of the directors or controlling shareholders has any interest in the Transaction except through their respective shareholdings in the Company and/or through their directorships in the Company and/or THEC.

By Order of the Board
Tat Hong Holdings Ltd

Jennie Hong Chok Hane
Group Chief Financial Officer / Company Secretary
27 February 2017