TAT HONG HOLDINGS LTD
(UEN/Company Registration No. 199105392H)
(incorporated with limited liability in the Republic of Singapore)

COMMENCEMENT OF CONSENT SOLICITATION EXERCISE BY TAT HONG HOLDINGS LTD (THE "COMPANY") IN CONNECTION WITH THE S$100,000,000 4.50 PER CENT. NOTES DUE 2018 (ISIN: SG57B7995131) COMPRISED IN SERIES 001 (THE "NOTES") ISSUED BY THE COMPANY PURSUANT TO ITS S$500,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "PROGRAMME") ESTABLISHED ON 19 JUNE 2013

Reference is made to:

(a) the Notes; and

(b) the trust deed dated 19 June 2013 (the "**Trust Deed**") made between (1) the Company, as issuer, and (2) Citicorp International Limited, as trustee (the "**Trustee**") relating to the Programme and constituting the Notes.

Capitalised terms used but not defined in this announcement shall, unless the context otherwise requires, have the meanings set out in the consent solicitation statement dated 30 November 2015 (the "**Consent Solicitation Statement**") issued by the Company.

The Company wishes to announce that it has today commenced a consent solicitation exercise (the "**Consent Solicitation**") to seek the approval of the holders of the Notes (the "**Noteholders**"), by Extraordinary Resolution to, *inter alia*, only in respect of the Notes:

(a) an amendment of Clause 8 of the Trust Deed and Condition 4 of the Notes such that:

(i) an additional carve-out is inserted into Clause 8.1 of the Trust Deed and Condition 4.1 of the Notes permitting any security created pursuant to any account charge executed by the Issuer to secure the Notes (as defined in the Trust Deed) of any Series (as defined in the Trust Deed);

(ii) the ratio of the Consolidated EBITDA to Consolidated Interest Expense (the "**Interest Coverage Ratio**") will not in respect of any Test Period be less than 3.0:1, provided that it shall not be a breach of Clause 8.2(b) of the Trust Deed and Condition 4.2(f) of the Notes if the Interest Coverage Ratio is less than 3.0:1 in respect of any Test Period and the Company shall have deposited into the Series 001 Interest Service Reserve Account an amount not less than the Interest Reserve Balance in accordance with Clause 6.2 of the Trust Deed. The Company may withdraw amounts standing to the credit of the Series 001 Interest Service Reserve Account in accordance with Clause 6.2 of the Trust Deed;

(iii) "**Fixed Rate Interest Period**" shall be defined to mean the period beginning on (and including) the Interest Commencement Date (as defined in the Conditions) and ending on (but excluding) the first Interest Payment Date (as defined in the Conditions) and each successive period beginning on (and including) an Interest

Payment Date and ending on (but excluding) the next succeeding Interest Payment Date";

(iv) **"Interest Reserve Balance**" shall be defined to mean:

(1) in the case where the Interest Coverage Ratio is less than 3.0:1 but is not lower than 1.0:1 in respect of any Test Period, an amount equal to the interest payable on all the outstanding Notes for one Fixed Rate Interest Period (which is approximately equal to S$2,250,000 so long as the entire aggregate principal amount of the Notes remain outstanding); and

(2) in the case where the Interest Coverage Ratio is less than 1.0:1 in respect of any Test Period, an amount equal to the interest payable on all the outstanding Notes for two Fixed Rate Interest Periods (which is approximately equal to S$4,500,000 so long as the entire aggregate principal amount of the Notes remain outstanding); and

(v) **Test Period**" shall be defined to mean each period of 12 months (on a rolling 12-month basis) ending on the last day of each financial quarter of the Group;

(b) an amendment of Clause 6 of the Trust Deed to insert a new Clause 6.2 to state, *inter alia*, that the Issuer may, in respect of any Test Period, and by giving the Trustee not less than five (5) Business Days' notice, effect a withdrawal of:

(i) all amounts standing to the credit of the Series 001 Interest Service Reserve Account in accordance with the provisions set out in the Account Bank Agreement, provided that the compliance certificate referred to in Clause 16(ll) of the Trust Deed in respect of such Test Period confirming that the Interest Coverage Ratio in respect of such Test Period is not less than 3.0:1 has been delivered to the Trustee in accordance with Clause 16(ll) of the Trust Deed and the Trustee has authorised the withdrawal of such amounts by signing the Payment Instruction (as defined in the Account Bank Agreement); or

(ii) an amount such that following such withdrawal in accordance with the provisions set out in the Account Bank Agreement, there shall remain credited to the Series 001 Interest Service Reserve Account an amount at least equal to the interest payable on all the outstanding Notes for one Fixed Rate Interest Period (which is approximately equal to S$2,250,000 so long as the entire principal amount of the Notes remain outstanding), provided that the compliance certificate referred to in Clause 16(ll) of the Trust Deed in respect of such Test Period confirming that the Interest Coverage Ratio in respect of such Test Period is not less than 1.0:1 and not more than or equal to 3.0:1 has been delivered to the Trustee in accordance with Clause 16(ll) of the Trust Deed and the Trustee has authorised the withdrawal of such amounts by signing the Payment Instruction.

(c) the inclusion of consequential provisions in the Trust Deed as the Trustee may, in its absolute discretion, deem necessary or expedient to give effect to the Extraordinary Resolution (including, without limitation, consequential provisions relating to the Series 001 Interest Service Reserve Account, the Trustee's power of enforcement of the security

created by the Series 001 Account Charge, the application of moneys received by the Trustee pursuant to an enforcement of the security created by the Series 001 Account Charge, the circumstances under which moneys deposited into the Series 001 Interest Service Reserve Account by the Issuer shall be applied by the Trustee and the rights and duties of, and the protections afforded to, the Trustee for all actions taken by it in respect of the Series 001 Interest Service Reserve Account);

(d) the approval of and authorisation to the Trustee to hold the security to be created by the Series 001 Account Charge on trust for the Secured Parties (as defined in the Series 001 Account Charge);

(e) the sanction of any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer resulting from the amendments referred to in paragraphs (a) to (d) above, whether such rights shall arise under the Trust Deed, any of the Transaction Documents (as defined in the Trust Deed), the Notes or otherwise; and

(f) the authorisation to and request for the Trustee to concur in the modifications referred to in paragraphs (a) to (e) above and execute all documents, notices, forms, instruments, consents or agreements (including, without limitation, the Supplemental Trust Deed, the Account Bank Agreement and the Series 001 Account Charge in the forms of the drafts produced to this Meeting and for the purposes of identification signed by the chairman of this Meeting with such amendments (if any) as the Trustee may approve and/or require) to give effect to this Extraordinary Resolution on such terms and conditions as the Trustee may in its absolute discretion decide and to concur in and do all acts and things as the Trustee may consider necessary or expedient to give effect to this Extraordinary Resolution.

Oversea-Chinese Banking Corporation Limited has been appointed as the solicitation agent in connection with the Consent Solicitation. Further details of the Consent Solicitation can be found in the notice of meeting published in *The Business Times* and announced via SGXNET on 30 November 2015.

A copy of the Consent Solicitation Statement will be mailed to the Noteholders with an address in Singapore. In order to avoid any violation of laws applicable to countries other than Singapore, the Consent Solicitation Statement has not been and will not be mailed to the Noteholders who do not presently have an address in Singapore ("**Foreign Noteholders**"). Foreign Noteholders who wish to obtain a copy of the Consent Solicitation Statement should provide an address in Singapore to Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services), in its capacity as Meeting Agent in connection with the Consent Solicitation not later than seven (7) days before the Expiration Time.

In addition, Noteholders may collect copies of the Consent Solicitation Statement, the Voting Instruction Form and the Tax Residency Declaration Form from the office of Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services), in its capacity as Meeting Agent in connection with the Consent Solicitation, at 80 Robinson Road, #11-02, Singapore 068898 from 30 November 2015, between 9.00 a.m. to 1.00 p.m. and 2.00 p.m. to 5.00 p.m. from Mondays to Fridays (excluding public holidays) up to 10.00 a.m. (Singapore time) on 21 December 2015.

Questions and requests for further information and assistance in relation to either the Consent Solicitation or the Consent Solicitation Statement may be directed to Oversea-Chinese Banking Corporation Limited, in its capacity as solicitation agent, at its address and telephone number set forth at the back cover of the

Consent Solicitation Statement. Questions or requests for assistance in connection with the submission or delivery of Voting Instruction Forms (as defined herein) may be directed to Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services), in its capacity as Meeting Agent (as defined herein) for the Notes (as defined herein), at the address and telephone number set forth at the back cover of the Consent Solicitation Statement between 9.00 a.m. to 1.00 p.m. and 2.00 p.m. to 5.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays).

Shareholders of the Company who are not otherwise holders of the Notes will not be eligible to attend or vote at the meeting of the Noteholders either in person or proxy.

By Order of the Board
Tat Hong Holdings Ltd

Lional Tseng
Group CFO/ Company Secretary
30 November 2015

NOTE: This announcement does not constitute an invitation to participate in the Consent Solicitation. No offer or invitation to issue or redeem any securities is being made pursuant to this release. This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or any other entity.