Registration No: 199105392H

ACQUISITION OF SHARES IN THE CAPITAL OF CHINA NUCLEAR HUAXING TAT HONG MACHINERY CONSTRUCTION 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 84.6% indirectly-owned subsidiary, Tat Hong Zhaomao Investment Co., Ltd ("**THZMI**"), has acquired 23,000 shares in the capital of China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd ("**HXTH**") ("**HXTH Shares**") from Mr Gao Song, the minority shareholder, for a cash consideration of RMB 26,580 or approximately S$5,400 (the "**Transaction**").

HXTH was incorporated in the People's Republic of China ("**China**") and conducts the principal activities of the rental of construction machinery and heavy lifting equipment (primarily tower cranes), equipment installation as well as the provision of related engineering services and supplies in China.

As HXTH is a profitable company and as the prospects for the tower crane rental business in China remain healthy in the near to medium term, THZMI agreed to acquire Mr Gao's entire interest comprising 23,000 HXTH Shares upon Mr Gao's request.

The Transaction was conducted at arm's length on a willing buyer, willing seller basis and the consideration took into account HXTH's net asset value as at 31 March 2016. The acquisition of the HXTH Shares brought THZMI's effective interest in HXTH from 99.99% to 100% and the Company's effective interest from 84.6% to 84.61%.

The Transaction is not expected to have any material impact on the Group's earnings per share or net tangible assets 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 THZMI.

By Order of the Board
Tat Hong Holdings Ltd

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