TAT HONG HOLDINGS LTD

**Registration No: 199105392H**

## DIVESTMENT OF WHOLLY-OWNED SUBSIDIARY – TAT HONG (V. N.) PTE LTD

The Board of Directors of Tat Hong Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcement of 3 May 2017 and wishes to inform that its wholly-owned subsidiary Tat Hong International Pte Ltd ("**THI**") has divested its entire 100% interest in the capital of Tat Hong (V. N.) Pte Ltd ("**THVN**") for a consideration of US$0.48 million or approximately S$0.67 million (the "**Transaction**").

The Purchaser is Tat Hong Investments Pte Ltd ("**TH Investments**"), a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd ("**CCSPL**"), the controlling shareholder of the Company which has approximately 40.7% interest in the issued capital of the Company. Hence, the Transaction is considered an Interested Person Transaction. As the consideration represents 0.12% of the Group's latest audited NTA of S$578.1 million, this announcement is made pursuant to Rule 704(18) of the SGX-ST Listing Manual.

THVN is the holding company of Tat Hong Vietnam Co., Ltd which conducts the principal activities of distribution of heavy equipment, namely excavators, in Vietnam. The divestment of THVN is part of the Company's on-going efforts to concentrate on its core business of crane rental in its key markets.

The Transaction is conducted on a willing buyer, willing seller basis. The aggregate consideration of US$0.48 million (approximately S$0.67 million) was based on the NAV of THVN as at 31 May 2017. The Audit Committee and the Board have approved the sale of THVN to TH Investments and are of the opinion that the Transaction is conducted at arm's length basis and on commercial terms, and is not prejudicial to the interests of the Company and the shareholders.

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 2018.

Mr Ng San Tiong Roland, Managing Director and Group CEO of the Company is a joint trustee of Chwee Cheng Trust which owns approximately 43.6% of CCSPL and is deemed to be interested in CCSPL's shareholdings in the Company. Mr Ng Sang Kuey Michael and Mr Ng Chen Wei, both executive directors of the Company, are associates of CCSPL. Save as disclosed, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction except through their shareholding and/or directorship in the Company.

By Order of the Board
**Tat Hong Holdings Ltd**

Jennie Hong Chok Hane
Group CFO / Company Secretary
21 June 2017