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 "**Board**") (the "**Company**") refers to its announcement on the Rights Issue dated 14 November 2016 (the "**Rights Issue Announcement**"), the Offer Information Statement dated 17 January 2017 and its announcement dated 20 March 2017.

The Board wishes to advise that a further S$10.5 million of the net proceeds of approximately S$41.0 million from the Rights Issue (the "**Net Proceeds**") has been utilised as follows:

Use of Proceeds	**S$'million**
Debt repayment	4.1
Working capital (inventory purchases)	3.7
Working capital (professional fees)	2.7
Total	10.5

Together with the S$16.4 million utilised for debt repayment announced on 20 March 2017, the Company has utilised S$26.9 million of the Net Proceeds.

The above utilisation of the Net Proceeds 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 further announcements on the utilisation of the remaining S$14.1 million as and when such proceeds are materially disbursed.

By Order of the Board
Tat Hong Holdings Ltd

Jennie Hong Chok Hane
Group CFO / Company Secretary
14 August 2017