

February 12, 2016

Subject: Notification of the resolution of the Board Meeting no.105 for additional investment as loan to AV Terrace Bay Inc., Canada

To: President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited (“the Company”) held its Board of Directors Meeting No.105 on 12 February 2016 passed the resolution to approve additional investment as loan to AV Terrace Bay Inc. (AVTB), a joint venture company in Canada for working capital requirements. The Company will provide loan to AVTB of USD 2.25 Million (approximately of Baht 81 Million), being 60% shareholding of the Company and balance 40% shall be provided by another shareholder – Grasm Industries Limited in proportion to equity holding. The tenor of loan shall be for a period of 1 year with interest payable semi-annually @ 6 months Libor plus 1% p.a and repayment shall be subject to mutual discussion.

The total value of this transaction is approximate of Baht 81 Million, equals to 0.38% of total value of consideration criteria. The size of transaction by each basis is calculated from the Company’s financial statement as of 31 December 2015 as follows:

$$\begin{aligned} \text{Total value of consideration} &= \frac{\text{Total Value of Consideration Paid} * 100}{\text{The Company's Total Assets}} \\ \text{Total consideration is USD 2.25 Million at 1USD} &= 36\text{Baht} \\ &= \frac{81 * 100}{21,249} = 0.38\% \end{aligned}$$

This transaction is not the connected transaction and the size of transaction is exempted from being disclosed under the rule, procedures and disclosure on information concerning the acquisition and disposition of assets of listed companies but is in accordance to the disclosure of an investment of more than 10 percent in the joint venture company’s paid-up capital.

Please be informed accordingly.

Yours faithfully,
For Thai Rayon Public Company Limited

Mr. Pramod Khandelwal
VP (Finance & Commercial)

**CC: Listed Company Department
The Securities and Exchange Commission**