

1 April 2016

Subject: Notification of the merger in related companies in Canada

To: President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") hereby pleased to inform with reference to the AV Cell Inc., Canada and AV Nackawic Inc., Canada ("related company") where in Company's shareholding is 19% in each of these companies. Both Companies are manufacturing dissolving grade pulp in Canada.

On 15 March 2016, the Meeting of Board of Directors and the shareholders of these two related companies have passed the resolution to approve the merger of these two companies and thereby setting up a new company called "AV Group NB Inc." Both companies will continue to operate the same way as it were operating before the merger. The merger of both these related companies can enhance the effectiveness of management, economies of scale saving, benefits of sharing resources in research and development & marketing. The new company will be effective from 1 April 2016 subject to regulatory approvals.

The Company's shareholding remains at same level of 19 percent and this merger is not going to have any change in existing shareholding structure.

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