

*(Translation)*

24 May 2018

Subject: Notification on the resolutions of the Board of Directors' Meeting no.1/2018 regarding Annual General Meeting of Shareholders for the year 2018 and dividend payment

To: President, The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to inform the Stock Exchange of Thailand for the resolutions passed by the Board of Directors' Meeting no.1/2018 which was held on 24 May 2018 from 10.30-12.00hrs at Head Office as follows:

1. To propose to the Annual General Meeting of Shareholders to consider and approve the dividend payment at the rate of Baht 1.15 per share for the year ended 31 March 2018. The dividend payment is scheduled on 7 August 2018 and shall be paid out from operation period from 1 April 2017 - 31 March 2018 derived from tax exemption profit under BOI privilege. The Record Date to determine the right of shareholders who are entitled to receive dividend will be on 8 June 2018.  
The right to receive dividend, as the case may be, is uncertain as it has not been approved by the shareholders' meeting.
2. Approved to fix the date of the Annual General Meeting of Shareholders for the year 2018 to be held on Wednesday, 18 July 2018 at 14.00 hrs. at Ballroom 1, 2<sup>nd</sup> Floor, Sheraton Grande Sukhumvit, A Luxury Collection Hotel, Bangkok, No. 250 Sukhumvit Road, Klongtoey, Klongtoey, Bangkok 10110. The Record Date to determine the right of shareholders who are entitled to attend in the Annual General Meeting for the year 2018 will be on 8 June 2018.
3. The agendas of the Annual General Meeting of shareholders for the year 2018 were determined as follows:
  - Agenda 1 To approve the minutes of the annual general meeting of shareholders for the year 2017 held on 21 July 2017.
  - Agenda 2 To acknowledge the performance of the Company for the year ended 31 March 2018.
  - Agenda 3 To approve the audited statement of financial position as on 31 March 2018 and the audited income statements for the year ended 31 March 2018.
  - Agenda 4 To consider and approve the dividend payment for the year ended 31 March 2018.
  - Agenda 5 To consider and approve the appointment of directors in place of those who retire by rotation and director's remuneration.

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Agenda 6 To consider and appoint the Company's auditors and fix their remuneration.

Agenda 7 Other business (if any)

4. Approved the disposal of investment in Birla Lao Pulp & Plantations Co.,Ltd. (BLPP), an associated company in Lao PDR., representing 30% shareholding by Thai Rayon Public Co.,Ltd. at USD 4.068 Million as per the terms of share purchase agreement (SPA). The Company along with other shareholders i.e. Grasim Industries Limited (40%) and PT Indo Bharat Rayon (30%) have entered into the Share Purchase Agreement (SPA) dated 28 April 2018 with Sunpaper Holding Lao Co.,Ltd. to divest 100% shareholding in BLPP at USD 15,200,000.- (US Dollars: Fifteen Million Two Hundred Thousand only) after repayment of existing loan and share application money.

The details of information disclosure for disposal of investment in BLPP is enclosed as per Annexure 1.

Please be informed accordingly.

Yours faithfully,

Pramod Khandelwal

VP (Finance & Commercial)

## Annexure 1

### Information Memorandum on Disposal of Assets by Thai Rayon Public Company Limited

- 1. Transaction Completion**

The transaction is estimated to be completed within 30 August 2018 as per Share Purchase Agreement dated 28 April 2018 subject to receipt of the relevant approvals.
  
- 2. Parties Involved**
  - Buyer Sunpaper Holding Lao Co.,Ltd., Lao PDR
  - Seller (1) Grasim Industries Co.,Ltd., India (40% stake)  
(2) Thai Rayon Public Co.,Ltd., Thailand (30% stake)  
(3) PT Indo Bharat Rayon, Indonesia, (30% stake)
  - Relationship between the parties -None-
  
- 3. General Characteristics of Transaction and size of Transaction**
  - Type of transaction Sunpaper Holding Lao Co.,Ltd. (the “Buyer”) is to purchase 100% of the ordinary equity shares of Birla Lao Pulp & Plantations Co.,Ltd. (BLPP) at USD 15,200,000.- (US Dollars: Fifteen Million Two Hundred Thousand only) from Seller
  - Size of transaction The transaction is considered as a disposition of assets, but the transaction is lower than 15%. Consequently, it is not categorized as a class transaction as prescribed in the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand Re: Rule, Procedure and Disclosure of Information Concerning the Acquisition and Disposal of Assets of Listed Company. The Buyer is also not classified as a connected person as prescribed in the Capital Market Supervisory Board and the Stock Exchange of Thailand re: Rule, Procedure and Disclosure of Information Concerning the Connected Transaction of Listed Company

- The size of transaction by each basis is as follows:

Particulars	Thai Rayon Plc.	BLPP
Audited FS as of 31 March 2018	Baht Million	Baht Million
Total Assets	25,093	1,343
Intangible Assets	-	1
Total Liabilities	1,903	42
Minority Interest	-	-
Net Tangible Assets (NTA)	23,190	1,300
Net Profit	2,128	(12)

Remark: - Proportion of Disposition of the Company is 30%

1. Net tangible assets criteria =  $\frac{\text{BLPP's NTA} * \text{Proportion of Disposition}}{\text{The Company's NTA}}$   
=  $\frac{1,300 * 30\%}{23,190}$   
= 1.68%

2. Net income criteria =  $\frac{\text{BLPP's Net Profit} * \text{Proportion of Disposition}}{\text{The Company's Net Profit}}$   
=  $\frac{-12 * 30\%}{2,128}$   
= -0.17%

3. Total value of consideration =  $\frac{\text{Total Value of Consideration Paid} * 100}{\text{The Company's TA}}$   
=  $\frac{(\$4.068 * 32) * 100}{25,093}$   
= 0.52%

4. Value of securities issued as consideration for asset disposition =  $\frac{\text{Value of Securities Issued by the Company}}{\text{Value of Securities Sold by the Company}}$   
-None-

**4. Details of Assets Disposed**

- Type of securities	Ordinary shares
- Name of company	Birla Lao Pulp & Plantations Co.,Ltd. (BLPP)
- Nature of business of BLPP	Plantations & manufacture of dissolving grade wood pulp
- Pre-disposition shareholding proportion	30%
- Post- disposition shareholding proportion	0%

**5. Total Value of Consideration**

- Value of consideration	Transaction value of USD 4.068 Million (the Company's share in proportion to 30% shareholding against total consideration of USD 15.20 Million after repayment of existing loan and share application money)
- Term of payment	Each existing shareholder of BLPP to get the sale proceeds as per the terms of share purchase agreement (SPA)

**6. Criteria Applied to Determine Value of Consideration**

Bilateral negotiation between Buyer and Seller, based on land, area planted wood and agreement with authority

**7. Reasons for the disposal of assets**

To mitigate losses resulting from investment in BLPP

**8. Utilization of the Proceeds from Sales**

Not Applicable

**9. Category and details of securities issued**

Not Applicable

**10. Condition Precedent**

Not Applicable

**11. Clarification in case of there is any connected person of the Company who hold the shares more than 10%**

-None-

**12. Opinion of the Board of Directors**

The Board of Directors in their meeting held on 24 May 2018 unanimously approved the disposition of assets for divestment in BLPP which is as per the terms of Share Purchase Agreement.

**13. Opinion of the Board Members and/or the Audit Committee which is different from opinion of the Board of Directors**

-None-

The Company hereby certifies that the above mentioned transaction has been reasonably considered with the view to the best interest of the shareholders, and that the information contained herein is true and correct in all respects.