



**Facts and Reasons**

The 2012 Annual General Meeting of Shareholders of the Company was held on April 18, 2012 and the minutes of said Meeting had been sent to The Stock Exchange of Thailand and Ministry of Commerce within the period prescribed by law including its publication in the Company website ([www.mpictures.co.th](http://www.mpictures.co.th)). The details are as shown in a copy of minutes of Meeting which enclosed hereto (Enclosure No.2).

**Opinion of the Board**

It is considered appropriate for the Meeting of Shareholders to approve the minutes of the 2012 Annual General Meeting of Shareholders held on April 18, 2012 which the Board of Directors has deemed it properly recorded (Enclosure No.2).

**Vote required**

A majority vote, of the total votes present by the shareholders attending in the meeting and casting their votes.

**Agenda 3**

**To acknowledge the report of the Board of Directors regarding the results of operations of the Company for the Year 2012.**

**Facts and Reasons**

The report of the Board of Directors regarding the results of operations of the Company for the Year 2012 is provided in the Annual Report which has been delivered to the Shareholders together with the invitation letter to this Meeting (Enclosure No.3).

**Opinion of the Board**

It is considered appropriate to report the operations of year 2012 to the Meeting of Shareholders for its acknowledgement.

**Vote required**

As this agenda is for information to shareholders; therefore, a vote is not required.

**Agenda 4**

**To consider and approve the Balance Sheet, and the Profit and Loss Statements of the Company for the fiscal year ended December 31, 2012.**

**Facts and Reasons**

Pursuant to Section 112 of the Public Limited Companies Act B.E. 2535 and Article 35 of the Company's Articles of Association, which stipulate that the Board of Directors shall arrange for preparation of the Balance Sheet and the Profit and Loss Statements as of the end of the accounting period of the Company, and shall submit the same to the Shareholders Meeting at the

Annual General Meeting to consider approving, the Balance Sheet and the Profit and Loss Statements for the year ended December 31, 2012 as shown in the 2012 Annual Report, which have been considered by the Audit Committee and audited by the Certified Public Accountant. (Enclosure No.3)

Audit Committee's opinion

The Audit Committee concluded that the financial statements accurately depicted the Company's financial status and operating results. Furthermore, it was determined that the financial statements were in accordance with generally accepted accounting principles and were adequately and timely disclosed for the benefit of shareholders, investors, and users of such statements for the purposes of making investment decisions.

Opinion of the Board

The Board of Directors has considered the matter and is of the opinion that the Shareholders should approve the Balance Sheet, and the Profit and Loss Statements, for the fiscal year ended December 31 2012, which was audited by the Auditor. The details of which are as appeared in the Annual Report.

Vote required

A majority vote, of the total vote present by the shareholders attending the meeting and casting their votes.

Agenda 5

To consider and approve non-declaration of dividend distribution and non-declaration of the appropriation of profit from the business operation.

Dividend Policy

Not less than 50% of earnings after tax (with additional conditions)

Facts and Reasons

Since the 2012 business operation of the Company generates loss, the dividend distribution and appropriation of profit as legal reserve cannot be declared.

Opinion of the Board

The Board of Directors has considered the matter and is of the opinion that, with the foregoing reasons, the Shareholders should approve non-declaration of dividend payment for the year 2012 and also approve non-declaration of appropriation of profits as legal reserve.

Vote required

A majority vote, of the total votes present by the shareholders attending in the meeting and casting their votes.

Agenda 6

To consider the election of directors to replace those retiring by rotation.

Facts and Reasons

According to Article 14 of the Company's Articles of Association, on each Annual General Meeting of shareholders, one-third (or the nearest to one-third) of the directors who served the Company longest must be retired by rotation; however, the retired directors may be re-elected.

In this year 2013, the name lists of the three directors who retired by rotation are as follows:

1. Mr. Vicha Poolvaraluck                      Director and Vice chairman of the BOD
2. Mr. Thitakorn Ussayaporn                Director and Chief Executive Officer
3. Mr. Padet Hongfa                            Director

Preliminary information and profile of each retired director who has been nominated for re-election as a director for another term has been delivered to the Shareholders together with the invitation letter to this Meeting (Enclosure No.4).

Principles of an election of the Company's director(s)

Approved by the Nomination and Remuneration Committee. In addition, the Company enables the shareholders to propose agenda for the Annual General Meeting of Shareholders for the year 2013 and nominate qualified candidate(s) for an election of the Company's director(s). However, there was no shareholder proposing such agenda and any lists of qualified candidate(s) in the said Annual General Meeting.

Opinion of the Board

The Board of Directors as per the proposal of the Nomination and Remuneration Committee has considered the matter and is of the opinion that the Shareholders Meeting should re-elect the said 3 directors who retire by rotation to resume their positions as the directors of the Company for another term.

Vote required

A majority vote, as stipulated in Article 13 of the Company's Articles of Association.

Agenda 7

To consider and approve the payment of the remuneration and the meeting allowance of the directors of the Company for the Year 2013.

Facts and Reasons

Section 90 of the Public Limited Company Act indicated that "the remuneration payment for directors requires approval from the shareholders and the resolution shall be supported by a vote of not less than two-third of the total number of shareholders present at the meeting and entitled to vote"

Principles and Proposal of  
the Director's  
Remuneration

The Nomination and Remuneration Committee has considered the director's remuneration by taking into account the following matters: conformity with other listed companies within the same industry of similar size, the performance, obligations and responsibilities of the directors.

Opinion of the Board

The Board of the Directors by screening of the Nomination and Remuneration Committee reviewed the remuneration for the Company's directors in the year 2013, took into account the remuneration's appropriateness which is compatible with roles and responsibilities and compared with other companies in both the similar industry and size as stated in Survey on Remuneration of the Listed Companies' Directors by Thai Institute of Directors Association including business broaden and the performance growth of the Company. The Nomination and Remuneration Committee thus agreed to propose to the remuneration for directors for the year 2013 as following details:

Categories of Remuneration	Y2011	Y2012	Y2013 (Required Approval)
Meeting allowances per attendance at the meeting	8,000.00	8,000.00	8,000.00
<b>Yearly Remuneration</b>			
Chairman of the Board	110,000.00	110,000.00	110,000.00
Vice Chairman of the Board	90,000.00	90,000.00	90,000.00
Chairman of Audit Committee	90,000.00	90,000.00	90,000.00
Directors	60,000.00	60,000.00	60,000.00
<b>Total Limit</b>	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>

Based on the Nomination and Remuneration Committee's opinion, the Board of Directors agreed to propose to the shareholders to approve the determination of Directors' Remuneration for the year 2013 according to the Nomination and Remuneration Committee's proposal.

**Vote required:**

An affirmative vote of not less than two-thirds of the total number of shareholders attending the meeting.

**Agenda 8**

To consider and approve the appointment of the Company's auditors for the year 2013 and fixing of the remuneration of said auditors.

**Facts and Reasons**

Pursuant to Section 120 of the Public Limited Companies Act B.E.2535 and Article 32 of the Company's Articles of Association which state that the General Meeting of Shareholders shall appoint auditor and fix the remuneration of the auditor every year. The Board of Directors, based on the Audit Committee's opinion, to propose to the General Meeting of Shareholders to appoint one of the following auditors from PricewaterhouseCooper ABAS as the Company and Subsidiaries' Auditors for the year 2013.

1. Mr. Paiboon Tunkoon, a certified public accountant no. 4298 or;
2. Mr. Kajornkiet Aroonpirodkul, a certified public accountant no. 3445 or;
3. Mr. Pisit Thangtanagul, a certified public accountant no. 4095.

PricewaterhouseCooper ABAS and the three auditors mentioned above are completely independent from the Company and have no relation/interest with the Company, its subsidiaries, executives, major shareholders or connected persons in a manners which may affect the independency of auditor.

The Audit Committee of the Company considered and determined the remuneration of the auditors base on the auditors' role and responsibilities in examining and auditing of the Company and subsidiaries' financial reports, therefore, agrees to propose the Shareholders' Meeting the determination of auditors' remuneration for the year 2013 by comparison with the year 2012 as follow;

Unit: Baht

company	Year 2012 Audit Fee	Year 2013 Audit Fee (Required Approval)
Review the interim financial statements of M Pictures Entertainment Plc for the quarter 1-3	1,275,000.00	1,275,000.00
M Pictures Entertainment Plc.	880,000.00	880,000.00
<b>Total</b>	<b><u>2,155,000.00</u></b>	<b><u>2,155,000.00</u></b>
M Pictures Co., Ltd.	455,000.00	455,000.00
M V D Co., Ltd.	535,000.00	535,000.00
M Thirty Nine Co., Ltd.	425,000.00	425,000.00
Pacific Media Sales Co., Ltd.	100,000.00	100,000.00
TV Forum Co., Ltd.	50,000.00	50,000.00
<b>Total</b>	<b><u>3,720,000.00</u></b>	<b><u>3,720,000.00</u></b>

Non Audit Services: No (Year 2012: No)

Years of PWC being the auditors of the Company: Since 2008.

**Opinion of the Board**

By approval of the Audit Committee, the Board of Directors has considered and approved to propose the Shareholders' Meeting approve the appointment of the auditors from PricewaterhouseCooper ABAS Co., Ltd. to

be the Company's auditors and give opinions on the Company's financial statements for the year 2013 and determine the auditing remuneration of the Company and subsidiaries for the year 2013 as aforesaid.

**Vote required**

A majority vote, of the total votes present by the shareholders attending in the meeting and casting their votes.

**Agenda 9**

**Other business (if any)**

The Company has set the record date on February 27, 2013 to determine the shareholders who have the right to attend the Annual General Meeting of Shareholders 2013, to vote, and the shareholder register book closing date on February 28, 2013 to compile the shareholder list pursuant to Section 225 of the Securities and Exchange Act B.E.2535.

In addition, Notice of the Annual General Meeting of Shareholders 2013 of the Company and Attachments are available at [www.mpictures.co.th/mpic/investors](http://www.mpictures.co.th/mpic/investors), for any questions concerning the proposed agendas, the Company welcomes opportunity to clarify these matters in the Meeting. Please forward your questions in advance to [ir@mpictures.co.th](mailto:ir@mpictures.co.th)

Please be invited to attend the meeting at the time and place as mentioned. The Company will allow the shareholders to register from 09.00 am. Shareholders can either attend the Meeting themselves or appoint representatives who are of juristic age to attend and cast vote on their behalf. In order to register conveniently and quickly, Shareholders or the Proxy attending the Meeting on behalf of the Shareholders are requested to bring evidence (s) as stated in the Attachment 1 and 5 and show it for the rights to attend the Meeting. In case the Shareholders appoint the independent director of the Company, the Shareholders are requested to send the reply envelope enclosed documents evidence(s) as stated in the Attachment 1 and 5 and a proxy to the Company in order to precede your further intention.

Yours sincerely,



(Mr. Tirachai Vutithum)

Chairman

By order of the Board of Directors

M Pictures Entertainment Plc.