

Summary of detail of the issue and offer for sale of warrants to purchase new ordinary shares of M Pictures Entertainment Public Company Limited to executive directors, managements and employees
(ESOP # 1)

1. Objectives and necessities of the issuance and the offering for sale of warrants

The issuance and offer for sale of warrants by the Company is intended to enhance morale of its executive directors, managements, and employees who have taken part in the Company's past achievement and to motivate and reward the key personnel in order to retain them to work with the Company in the long term. This will be favorable to business and future performance of the Company and create the highest returns to the shareholders of the Company in the future.

2. Indicative features of the warrants

Issuer	:	M Pictures Entertainment Public Company Limited
Title	:	Warrants to purchase ordinary shares of M Pictures Entertainment Public Company Limited, offering to executive directors, managements, and employees of the Company and/or its subsidiaries.
Type	:	Registered and non-transferable warrant unless in the case as stipulated in Terms and Conditions of Warrant
Offering method	:	Offer to executive directors, managements, and employees of the Company and/or its subsidiaries. The warrants will not be offered through brokers.
Term of warrants	:	5 years from the date of issue
Number of warrants offered for sale	:	6,412,500 units, representing 1.0% of all shares which have voting rights on the Shareholders Annual General Meeting of Year 2012
Offering Price	:	THB 0

- Exercise Price : THB 1.59
- Exercise Price compared to Market Price, and the determination of the Exercise Price : The exercise price is not considered a discount from a market price because the price is determined based on the average price of 15 consecutive trading days prior to Board of Director Meeting. (from Jan 23, 2012 to Feb 10, 2012 with an average price of THB 1.59) However, the exercise price may be subjected to change as stated in the adjustment of rights and conditions provision under the Terms and Conditions of The Warrant.
- Rationale behind the determination of the Exercise Price : Market price is determined by finding the average price of the Company's share of 15 consecutive trading days prior to Board of Director's Meeting, The board believes that, during the aforementioned period, the share price (market price), to a certain degree, accurately reflects the value of the Company.
- An Exercise Price equals to Market Price will motivate its executive directors, managements and employees who receive the warrant to increase the value of the Company in the future, aligning the executive directors', managements' and employees' benefits with the Company performance.
- Exercise Ratio : 1 unit of warrant has the rights to purchase 1 new ordinary share. However, the exercise ratio may be subjected to change as stated in the adjustment of rights and conditions provision under the Terms and Conditions of The Warrant

Issue Date : Will be issued within 1 year after approval from shareholders in the Shareholder Annual General Meeting. The board of directors and/or the designated person will later determine the issue date.

Number of shares reserved for exercise of warrant : 6,412,500 shares at par value of THB 1 per share or 1.0% of total 641,250,000 paid-up shares of the Company

The Company will offer these reserved shares to warrant holders in accordance with the term of the warrant.

Reasons for issuing new ordinary shares to reserve the right adjustment : In case there is the adjustment of the exercise price and ratio according to the adjustment of rights and conditions provision under the Terms and Conditions of The Warrant

Secondary market for warrant : None

Exercise period and conditions : For all 6,412,500 units of warrants issued under this ESOP, warrant holders are entitled to exercise the warrant to purchase ordinary shares 12 times. The first exercise date ("the first exercise date") shall be 2 years from the date of issue of warrants. The following exercise date ("the exercise date") shall be on the last business day of March, June, September, and December. The 12th exercise date ("the last exercise date") shall be on the maturity date of warrants.

The warrant holders can exercise their allotted warrants according to the following conditions:

The first exercise date: exercisable amount of 40% of the total number of warrants allotted to each warrant holder.

The 2nd exercise date: exercisable amount of 40% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the first exercise date)

The 3rd exercise date: exercisable amount of 40% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 2nd exercise date)

The 4th exercise date: exercisable amount of 40% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 3rd exercise date)

The 5th exercise date: exercisable amount of 70% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 4th exercise date)

The 6th exercise date: exercisable amount of 70% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 5th exercise date)

The 7th exercise date: exercisable amount of 70% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 6th exercise date)

The 8th exercise date: exercisable amount of 70% of the total number of warrants allotted to each

warrant holder. (inclusive of the exercisable amount from the 1st to the 7th exercise date)

The 9th exercise date: exercisable amount of 100% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 8th exercise date)

The 10th exercise date: exercisable amount of 100% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 9th exercise date)

The 11th exercise date: exercisable amount of 100% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 10th exercise date)

The last exercise date: exercisable amount of 100% of the total number of warrants allotted to each warrant holder. (inclusive of the exercisable amount from the 1st to the 11th exercise date)

Secondary market for ordinary shares : The Company will registered and listed the ordinary shares (as a result of the exercise of warrant) to The Stock Exchange of Thailand

Other benefits : - None -

3. Allotment method of the warrants

Allotment criteria

The Company will allot the warrants to executive directors, managements, and employees of the Company and/or its subsidiaries provided that the person must be an executive director, management, and employee of the Company and/or its subsidiaries on the date that the warrants are issued. The Company's Board of Directors shall compile the list of executive directors, managements, and employees eligible for allotment as well as amount of the

allotted warrants for each person. The amount of warrants allotted to each executive director, management, and employee may vary depending on the position and year of service.

Allotment time period

The Company will complete the allotment of the warrants to executive directors, managements and employees of the Company and/or its subsidiaries within 1 year after receiving shareholders' approval. The board or designated person will later determine the issue date of the warrants.

4. List of executive directors and number of allotted warrants

#	Name	Position	Number of allotted warrants	% of total issue
1	Mr. Padet Hongfa	Chief Executive Officer	320,625	5.0
2	Mr. Rujipant Chuenchitr	Chief Financial Officer	320,625	5.0

All warrants issued to executive directors have the same term and conditions as the ones issued to managements and employees of the Company and/or its subsidiaries

5. Details of executive directors, managements, and employees who will be allotted more than 5 percent of the total warrant issued.

- None -

6. Dilution effects of the issue and offer for sale of warrants on the shareholders

Price Dilution

Incase all 6,412,500 units of warrant are exercised, with an Exercise Price of THB 1.59, there will be no price dilution effect based on the assumed market price of THB 1.59 per share which is calculated from the weighted average of the Company's share price for the period of 15 consecutive trading days prior to the date of the Board of Directors Meeting (February 13, 2012) and the exercise price of THB 1.59. Details of the calculation are as follow:

$$\text{Price Dilution} = \frac{\text{Market price} - \text{Market price after the warrant issue}^*}{\text{Market price}}$$

Market price after the
warrant issue* =

$$\frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{Exercise price} \times \text{Reserved shares})}{(\text{Paid-up shares} + \text{Reserved shares})}$$

$$= \frac{(1.59 \times 641,250,000) + (1.59 \times 6,412,500)}{(641,250,000 + 6,412,500)}$$

$$= 1.59$$

Price Dilution = $\frac{1.59 - 1.59}{1.59} = 0$

Control Dilution

Incase all 6,412,500 units of warrant are exercised, with the Company having a paid-up shares of 641,250,000 shares, the control dilution will be 1%. Details of the calculation are as follow:

Control Dilution = $\frac{\text{Reserved shares}}{\text{Paid-up shares} + \text{Reserved shares}}$

$$= \frac{6,412,500}{641,250,000 + 6,412,500} = 1.0$$

7. Main exercise procedures and conditions

If the warrant holder ceases to be an executive director, a management, or an employee as a result of death, disappearance by the court order, or becomes an incompetent or quasi-incompetent person, his/her rightful heir or guardian on behalf of such warrant holder shall has the right to exercise the warrant throughout the term of the warrant.

If the warrant holder (a) retires according to the Company's Code of Practice or retires from director position by rotation or (b) rotates or transfers his/her position as a result of Board of Directors' decision but he/she is still an executive director, a management, or an employee of the Company and/or its subsidiaries during the term of warrants, the warrant holder still has the right to exercise the warrant throughout the term of warrant.

If the warrant holder ceases to be an executive director, a management or and employee of the Company and/or its subsidiaries for any reason other than those specified in 7.1-7.2 and those specified in The Terms and Conditions of Warrant (if any), such warrant holder will no longer be entitled to exercise the allotted warrant and the remaining warrants held by the holder will be considered void immediately.

If the warrant holder does not use the right to exercise until expiry of the warrant, or does not act in accordance with the conditions stated in the Terms and Conditions of the Warrants, the remaining warrants held by the holder will be considered void immediately and the warrant holder cannot ask for any compensation from the Company.

8. Obligation between the Company and its directors, executives and employees on the allotment of warrants

As stated in the Terms and Conditions of The Warrant

9. Right of shareholders to object the issuance and the offering for sale of warrants

According to Clause 9 of the Notification of the Capital Market Supervisory Board No. Tor. Jor. 32/2551 Re: Offering Newly-issued Shares to the Directors or Employees dated 15 December 2008, this issue and offer for sale of warrants to directors and employees of the Company requires the approval from the shareholders by the vote of not less than three-fourths of the total number of votes held by the shareholders who are presented at the meeting and entitled to vote, provided that no more than 10% of the total number votes held by shareholders who are presented at the meeting and entitled to vote, object the issue and offer for sale of warrants aforesaid.

10. List of independent directors who the shareholders may authorize as the their proxies to attend the meeting and exercise shareholders' right

#	Name	Number of allotted warrants
1	Mr. Suthep Dansirivroj	None
2	Mr. Arun Eamsureya	None