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Capital Increase Report Form
M Pictures Entertainment Public Company Limited
 10 May 2013

We, M Pictures Entertainment Public Company Limited (The "Company"), hereby report the resolution of the Board of Directors Meeting No. 3/2013, held on 10 May 2013 at 1.30 p.m. in respect of capital increase/share allotment as follow:

1. Capital Increase

The Board Meeting passed a resolution approving the increase of the Company's registered capital from Baht 647,662,500 to Baht 675,902,500 by issuing 28,240,000 ordinary shares with a par value of Baht 1 each, totaling Baht 28,240,000. Details of type of capital increase are:

Type of Capital Increase	Type of Shares	Number of Shares	Par value (Baht/share)	Total (THB million)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary	28,240,000	1	28,240,000
<input type="checkbox"/> General mandate	-Nil-	-Nil-	-Nil-	-Nil-

2. Allotment of New Shares

2.1 Details of allotment of new shares by specifying the purpose of utilizing proceeds

Allotted to	Number of Shares	Ratio	Sale Price (Baht/Share)	Subscription and Payment Period
1) Shareholders of Major Kantana Broadcasting Public	21,200,000	5.30 new ordinary share of the	2.71 Baht	The Subscription and Payment period will be specified by the

Allotted to	Number of Shares	Ratio	Sale Price (Baht/Share)	Subscription and Payment Period
Company Limited (M Channel) and; 2) Shareholders of Major Cineplex Group Public Company Limited (MAJOR) as a shareholder of Talent One Company Limited (T1)	7,040,000	Company : 1 ordinary share of M Channel and 22.0 new ordinary share of the Company : 1 ordinary share of T1		Board of Directors or the person designated by the Board of Directors of the Company.

Remark

- A) Issuance and allotment of 21,200,000 newly issued ordinary shares to the shareholder of M Channel in acquiring ordinary share of M Channel of 4,000,000 shares, equivalent to 100%, which details presented as follow
- a. MAJOR has 1,799,996 ordinary shares of M Channel, equivalent to 45% of ownership of interest. As at 10 May 2013, MAJOR was the major shareholder of the Company with 74.36% ownership of interest.
 - b. Mr. Vicha Poolvaraluck has 4 ordinary shares of M Channel, equivalent to 0% of ownership of interest. As at 5 March 2013, Mr. Vicha is a director and major shareholder of MAJOR with 39.35% ownership of interest. (including ownership interest of connected persons)
 - c. Major Kantana Broadcasting Public Company Limited (Kantana) has 899,998 ordinary shares of M Channel, equivalent to 22.50% of ownership of interest. Kantana does not have any relationship with the Company
 - d. Total of 4 individuals have 1,300,002 ordinary shares of M Channel, equivalent to 32.50% of ownership of interest. The individuals do not have any relationship with the Company
- B) Issuance and allotment of 7,040,000 newly issued ordinary shares to the shareholder of MAJOR in acquiring ordinary share of T1 of 320,000 shares, equivalent to 80% ownership of interest.
- C) The Company calculated value of the consideration using various valuation methodologies, which information based on financial statements as 31 March 2013 of M Channel and T1. The calculated value is based on the followings

- a. Book value and
- b. Average of historical closing price of the Company for 15 working days prior to the date of the Board of Directors Meeting No. 3/2013 on 10 May 2013.
- D) MAJOR engages in theatre operations, bowling, karaoke, advertising and media services, retails space, rental services. As at 31 Mar 2013, MAJOR has issued and paid up capital of THB [887.58] million. The top ten major shareholders presented below

Shareholders' Name as of 5 March 2013	No. of shares	%
Mr. Vicha and Mrs. Paradee Poolvaraluck	349,310,536	39.35
State Street Bank Europe Limited	62,886,497	7.09
State Street Bank and Trust Company for Australia	60,513,800	6.82
Thai NVDR Co.,Ltd	59,687,377	6.72
State Street Bank and Trust Company	25,862,700	2.91
HSBC (Singapore) Nominees Pte Ltd	17,481,600	1.97
The Bank of New York (Nominees) Limited	16,151,415	1.82
The Bank of New York Mellon-CGT Taxable	15,000,000	1.69
TFB for MFC-Thai Fund Investment Plan	9,327,250	1.05
Pershing LLC	8,389,550	0.95

Directors of MAJOR as at 3 May 2013 presented below

- D.1. Mr. Somchainuk Engtrakul Chairman of Director and Independent Director
- D.2. Mr. Vicha Poolvaraluck Director and Chief Executive Officer
- D.3. Mr. Verawat Ongvasith Director
- D.4. Mrs. Paradee Poolvaraluck Director
- D.5. Mr. Thanakorn Puliwekin Director
- D.6. Mr. Wichai Poolvoraluck Director
- D.7. Mr. Satian Pooprasert Director
- D.8. Mr. Chai Jroongtanapibarn Independent Director and Chairman of Audit Committee
- D.9. Mr. Wallop Tangtrongchitr Independent Director and Audit Committee
- D.10. Mr. Nareunart Ratanakanok Independent Director and Audit Committee
- D.11. Pol.Sub.Lt. Kriengsak Lohachala Independent Director

E) Kantana sell advertising time and manage the rights of TV program and other services. As at 31 December 2012, Kanata has issued and paid up capital of THB 600 million. List of major shareholders is presented below

Shareholders' Name as of 19 July 2011	No. of shares	%
Kanjaruek Holding Co.,Ltd	514,319,115	85.72
Mr. Eksun Binhasun	27,063,925	4.51
Mr. Sasikorn Chanthaset	12,413,300	2.07
Mr. Jaruek Kallayacharuek	9,438,750	1.57
Mr. Wing Wong Kwong	21,875	0.00
Others	36,743,035	6.12

Directors of Kantana as at 3 May 2013 presented below

- E.1. Mr. Somchart Intaratood
- E.2. Mr. Jaruek Kallayacharuek
- E.3. Mrs. Panadda Thanasathit
- E.4. Mrs. Chitlada Disayanan
- E.5. Mrs. Sasikorn Chanthaset
- E.6. Gen. Pang Malakul Na Ayudhaya
- E.7. Mr. Anant Komutsakunee
- E.8. Mr. Prasert Virasathienpornkul
- E.9. Mr. Surachet Assawaruanganant

2.2 Action to be taken by the Company when there are fractions of shares

Fractions shall be rounded down.

2.3 The Excess of Share Allotment

-None-

3. Schedule for a Shareholders Meeting to approve the capital increase and the allocation of shares:

The Extraordinary Shareholders Meeting (EGM) No. 1/2013 is scheduled to be held on July 30, 2013 at 10.00 a.m. time at Major Cineplex Ratchayothin, 5th Floor, Cinema 5, 1839, Phaholyothin Road, Ladyao Sub-district, Jatujak District, Bangkok. The Company has arranged to specify the names of shareholders entitled to attend the meeting ("Record Date") on 25 June 2013. The list of shareholders shall be compiled pursuant to Section

225 of the Securities and Exchange Act B.E. 2535 (1992) by closing the share register book ("Closing Date") on 26 June 2013.

4. **Approvals of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any):**

-None-

5. **Objectives of the capital increase and plans for utilizing proceeds received from the capital increase:**

To support payment of the common shares of M Channel and T1. After execution of transaction, the Company will have 100% ownership of interest in M Channel and 80% ownership of interest in T1.

6. **Benefits which the Company will receive from the capital increase/share allotment:**

The capital increase by mean of issuance of new shares for the exchange of ordinary shares of M Channel and T1 will increase business capability and growth potential of the Company. M Channel sell advertising time through cable TV and T1 produces Thai film and manage film rights.

7. **Benefits which the shareholder will receive from the capital increase/share allotment:**

7.1 Dividend Policy

The Company has a policy to pay dividends of approximated 50% of net profits after taxes.

7.2 Subscribers' right to receive dividends

Subscribers of new shares issued will be entitled to receive dividends from the Company's business operations starting from the period that the new shares are traded in the stock exchange onward.

7.3 Others

-None-

8. **Other details necessary for shareholders to approve the capital increase/share allotment:**

-None-

9. **Schedule of action if the Board of Directors of the Company passes the resolution approving the capital increase or allotment of new shares:**

Procedures of the Capital Increase	Date
The Board of Directors approved the capital increase and shares allotment	10 May 2013
Resolution of the Meeting of Board of Directors reported to the SET	10 May 2013
The date to determine shareholders entitled to attend EGM	25 June 2013
The date of share register book-closing to collect a list of shareholders	26 June 2013
Extraordinary General Meeting of Shareholders (EGM)	30 July 2013
Resolutions of the EGM reported to the SET	30 July 2013

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

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(Mr.Thitakorn Ussayaporn)

Position _____ Director _____

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(Ms.Thitapat Issarapornpat)

Position _____ Director _____

*To be signed by the directors who are authorized to sign on behalf of the Company,
with the Company's seal affixed.*