



Minutes of Extraordinary General Shareholders Meeting No.1/2013

M Pictures Entertainment Public Company Limited

The Meeting was held on Tuesday July 30, 2013 at Major Cineplex Ratchayothin, 5<sup>th</sup> Floor, Cinema 5, 1839, Phahonyotin Road, Lad Yao Sub-district, Jatuchak District, Bangkok.

The Meeting Commenced at 10.00 a.m.

Mr. Tirachai Vutithum, Chairman of The Board of Director was the Chairman of the Meeting. Mrs. Kulkanist Khamsirivatchara was the secretary of meeting, informed the Meeting that Shareholders attended the Meeting by 116 persons and proxies in total shareholding 524,526,152 shares or 81.80 % of the total sold shares of the Company [641,250,000 shares] which constitutes a quorum as required by the Articles of Association of the Company. The Chairman introduced the Directors and Executives of the Company including of Legal and Financial Consultant who are attended the Meeting as namely below;

Directors attended the Meeting:

- |                               |                                                  |
|-------------------------------|--------------------------------------------------|
| 1. Mr. Tirachai Vutithum      | Chairman of the Board of Director                |
| 2. Mr. Vicha Poolvaraluck     | Vice Chairman of the Board of Director           |
| 3. Mr. Thitakorn Ussayaporn   | Director, Chief Executive Officer                |
| 4. Mr. Thanachai Santichaikul | Independent Director/Chairman of Audit Committee |
| 5. Mr. Attapon Chodchay       | Independent Director/ Audit Committee            |
| 6. Mr. Vichate Tantivanich    | Independent Director/ Audit Committee            |
| 7. Mr. Padet Hongfa           | Director                                         |
| 8. Ms. Thitapat Issarapornpat | Director                                         |

Task leave the Meeting:

- |                           |          |
|---------------------------|----------|
| 1. Mr. Chate Mungklalodom | Director |
|---------------------------|----------|

Financial Advisor

- |                            |                             |
|----------------------------|-----------------------------|
| 1. Mr. Lec Sivoravit       | Asia Plus Advisory Co.,Ltd. |
| 2. Ms. Suwimol Srisophajit | Asia Plus Advisory Co.,Ltd. |

#### Independent Financial Advisor

1. Mr. Somsak Sirichainarumitr Asset Pro Management Co.,Ltd.
2. Mr. Suphol Kaploydee Asset Pro Management Co.,Ltd.

#### Legal Consultant

1. Mrs. Kulkanist Khamsirivatchara Siam Premier International Law Office Limited.
2. Ms. Araya Sunlakawit Siam Premier International Law Office Limited.

#### Secretary of Meeting:

1. Mrs. Kulkanist Khamsirivatchara

After the Chairman informed the procedure of vote, and then suggested the Meeting to consider the agendas as follows;

#### Agenda 1 Chairman informed the Meeting

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#### Agenda 2 To approve and adopt the Minutes of Annual General Shareholder Meeting of Shareholders 2013 held on April 23, 2013.

The Chairman proposed to the Meeting to approve and adopt the Minutes of Annual General Shareholder Meeting of Shareholders 2013 held on April 23, 2013 which was sent to shareholders together with the Notice of the meeting.

Resolution The Meeting considered the matter and unanimously approved to adopt the Minutes of Annual General Shareholder Meeting of Shareholders 2013 held on April 23, 2013 as the Chairman proposed with the votes as approved 524,677,431 votes (100 % of the total votes of the shareholders attended the Meeting and voted at the meeting), disapproved 0 vote and abstained 100 votes.

#### Agenda 3 To consider and approve of the Company entering into the Acquisition of Assets Transaction and the Connected Transaction deriving from the purchase of the ordinary shares in Major Kantana Broadcasting Co., Ltd. ("M Channel") and Talent One Co., Ltd. ("T1")

The Chairman assigned the secretary informed the meeting.

The secretary informed the meeting as follows:

In order to expand the Company's business and increase potential of the Company's business operation, the Company would like to enter into the Acquisition of Assets Transaction and the Connected Transaction deriving from the purchase of the ordinary shares in Major Kantana Broadcasting Co., Ltd. ("M Channel") and Talent One Co., Ltd. ("T1"). The details are as follows:

(a) To purchase ordinary shares of M Channel in the amount of 4,000,000 shares (equivalent to 100 percent of the total shares of M Channel) at the price of Baht 14.38 per share from Major Cineplex Group Public Company Limited ("Major") which is the major shareholder of the Company in the amount of 1,799,996 shares and from all other 6 shareholders of M Channel (which include Mr. Vicha Poolvoroluck, a director and the major shareholder of Major, whereby Mr. Vicha Poolvoroluck holds 4 shares in M Channel) in the amount of 2,200,004 shares, amounting to Baht 57.50 Million in total. In this regard, the Company will make payment for the shares in M Channel by issuing and offering of 21,200,000 new ordinary shares at the offering price of Baht 2.71 to each of the shareholders of M Channel instead of the payment of the purchase price of M Channel's shares in cash (in other words, Major and all other shareholders of M Channel will pay for the subscription price of the new share of the Company with the shares of M Channel held by them (Share Swap)). The Share Swap ratio will be equal to 5.30 newly issued shares of the Company to 1 M Channel's shares. If in calculation of the Swap Ratio there is a fraction of share, such fraction will be disregarded.

(b) To purchase ordinary shares of T1 in the amount of 320,000 shares (equivalent to 80 percent of the total shares of T1) at the price of Baht 59.7 per share from Major, amounting to Baht 19.10 Million in total. In this regard, the Company will make payment for the shares in T1. by issuing and offering of 7,040,000 new ordinary shares at the offering price of Baht 2.71 to Major instead of the payment of the purchase price of T1's shares in cash (in other words, Major will pay for the subscription price of the new share of the Company with the shares of T1 held by it (Share Swap)). The Share Swap ratio will be equal to 22 newly issued shares of the Company to 1 T1's share. If in calculation of the Swap Ratio there is a fraction of share, such fraction will be disregarded.

The Company's offering price of the new shares is not regarded as the Company has sold shares below the market price which is calculated by the weighted average trading price of the Company's shares traded on the Stock Exchange 15 consecutive trading days prior to the date that Board of Directors has passed the resolution in the

Board of Directors' Meeting No.3/2013 (calculated from the market price during 17 April – 9 May 2013 at the price of Baht 2.71 per share).

The entering into the above Transactions is regarded as the Asset Acquisition Transaction of a listed company under the Notification of the Capital Market Supervision Board No. Tor Chor. 20/2551 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets, and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Performance of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (the "Acquisition / Disposition Notification"). Having been calculated the size of the Transaction in relation to the acquisition of shares in M Channel and T1 according to the Acquisition/Disposition Notification, the size of the aforementioned Transactions are equal to 110 percent (calculated by comparing the Net Tangible Assets of asset acquired and the total net tangible assets of the Company and its subsidiaries pursuant to the consolidated financial statements of the Company ended 31 March 2013) which is regarded as a Type 1 Transaction under the Acquisition / Disposition Notification.

Furthermore, as Major is a major shareholder of the Company holding 476,830,789 shares in total as of 10 May 2013 (equivalent to 74.36 percent of the total issued shares of the Company) and Mr. Vicha Poolvorluck who is a director and the major shareholder of Major, the purchase of M Channel's and T1's shares from Major and Mr. Vicha Poolvorluck is also regarded as a Connected Transaction pursuant to the Notification of the Capital Market Supervision Board No. Tor Chor. 21/2551 Re: Rules for Connected Transactions, and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Performance of Listed Companies Concerning Connected Transactions B.E. 2546 (the "Connected Transaction Notification"). The size of the Transactions is equal to 111.01 percent of Book Value pursuant to the consolidated financial statements of the Company ended 31 March 2013.

Therefore, the entering into the above Transactions, the Company is required to obtain the approval from the Shareholders' Meeting passing the resolutions approving the Company's Asset Acquisition Transaction and Connected Transaction as aforementioned by votes of not less than 3/4 of the total number of shareholders and/or proxy attending the meeting and having the right to vote, excluding shareholders that have interest in these Transactions according to the Acquisition/Disposition Notification and the Connected Transaction Notification. The list of shareholders having interest in the transaction is Major Cineplex Group Plc.

Nonetheless, the Company will enter into the above Transactions on the conditions that the Shareholders' Meeting of the Company has passed the resolutions approving the Company to enter into the said Transactions and that each relevant party has executed the relevant share purchase agreement including any other related documents and that conditions precedent to the said share purchase agreement have been fulfilled.

In case the Extraordinary General Meeting of Shareholders No. 1/2013 of the Company has not approved the entering into the aforesaid Transactions mentioned in this Agenda item 3, the Company will not consider other matters further mentioned in Agenda items 4-5 below.

The Chairman proposed the matter and approved the Company entering into the Acquisition of Assets Transaction and the Connected Transaction deriving from the purchase of the ordinary shares in Major Kantana Broadcasting Co., Ltd. ("M Channel") and Talent One Co., Ltd. ("T1").

A shareholder asked the company will delist from the Stock Exchange of Thailand. Mr.Thitakorn Ussayaporn, director and CEO, informed the meeting that the company had no policy.

There is a question that the result of operation of T1 generated loss. How does the company manage the T1.

Mr.Thitakorn Ussayaporn, director and CEO, informed the meeting that T1 will change its business from Publisher and Agency to film maker when it becomes the subsidiary of the company. It supports the strength of MPIC group's operation and it can make T1 generate profit.

In addition question, what is the risk if MPIC cannot take 100 percent of M Channel causing the loss of M Channel's control.

Mr. Vicha Poolvaraluck, director and vice chairman of the Board of Director, informed the meeting that there is no risk losing the control because M Channel resort MPIC's content for operating the business.

The Chairman proposed the Meeting to approve the Company entering into the Acquisition of Assets Transaction and the Connected Transaction deriving from the

purchase of the ordinary shares in Major Kantana Broadcasting Co., Ltd. (“M Channel”) and Talent One Co., Ltd. (“T1”).

**Resolution**

The Meeting considered the matter and approved the Company entering into the Acquisition of Assets Transaction and the Connected Transaction deriving from the purchase of the ordinary shares in Major Kantana Broadcasting Co., Ltd. (“M Channel”) and Talent One Co., Ltd. (“T1”) as the Chairman proposed with the votes as approved 52,139,719 votes (99.9981% of the total votes of the shareholders attended the Meeting and voted at the meeting), disapproved 848 votes and abstained 100 votes.

**Agenda 4**

To consider and approve the increase of the Company’s registered capital and the amendment to Clause 4 of the Memorandum of Association of the Company in order to reflect the increase of the Company’s registered capital

The Chairman assigned the secretary informed the meeting.

The secretary informed the meeting as follows:

The Company would like to increase its capital for offering the newly issued shares to Major and other shareholders of M Channel for the purpose of Share Swap instead of making cash payment for the shares in M Channel and T1.. The Company will increase its registered capital in the amount of Baht 28,240,000 by issuing 28,240,000 new ordinary shares at the par value of Baht 1 per share. The registered capital of the Company after capital increase will be Baht 675,902,500 divided into 675,902,500 shares at the par value of Baht 1.

Moreover, to comply with the applicable law, the Company is required to amend Clause 4 of the Memorandum of Association to be in line with the capital increase.

“Clause 4 Registered Capital	Baht 675,902,500 (Baht Six Hundred Seventy Five Million Nine Hundred Two Thousand Five Hundred)
Divided into	675,902,500 shares (Six Hundred Seventy Five Million Nine Hundred Two Thousand Five Hundred shares)
At the par value of	Baht 1 (Baht one)

Categorized as

Ordinary shares	675,902,500 shares (Six Hundred Seventy Five Million Nine Hundred Two Thousand Five Hundred shares)
Preferred shares	None”

The Chairman proposed the Meeting to approve the increase of the Company's registered capital and the amendment to Clause 4 of the Memorandum of Association of the Company in order to reflect the increase of the Company's registered capital.

**Resolution**

The Meeting considered the matter and approved the increase of the Company's registered capital and the amendment to Clause 4 of the Memorandum of Association of the Company in order to reflect the increase of the Company's registered capital as the Chairman proposed with the votes as approved 52,140,567 votes (99.9998 % of the total votes of the shareholders attended the Meeting and voted at the meeting), disapproved 0 vote and abstained 100 votes.

**Agenda 5**

**To consider and approve the allotment of the newly issued ordinary shares**

The Chairman assigned the secretary informed the meeting.

The secretary informed the meeting as follows:

Regarding to the approval on agenda 4 and agenda 5, in order to be in accordance with law, the Board of Directors has considered the matter and is of the opinion that the Shareholders should approve the allotment of 28,240,000 newly issued ordinary shares at the par value of Baht 1 per share to specific persons on the private placement basis according to the Notification of the Capital Market Supervision Board No. Tor Chor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (as amended) at the offering price of Baht 2.71 per share as per the following details:

- (a) 21,200,000 new ordinary shares (total value of Baht 57.50 Million will be allotted to Major Cineplex Group Public Company Limited (“Major”) and other shareholders of Major Kantana Broadcasting Co., Ltd. (“M Channel”) in return for the transfer of their shares in M Channel (having the total value of Baht 57.50 Million) to the Company for the payment of the subscription price of the newly issued shares of the Company instead of payment by cash. (The Swap Ratio is 1 M Channel's share to 5.30 the Company's new ordinary shares. Any fraction of share will be disregarded.)

The offering and sell of the said ordinary shares can be done within one time or from time to time.

(b) New ordinary shares in a number of 7,040,000 in consideration of Major transferring its shares in Talent One Co., Ltd. ("T1") amounting to Baht 19.10 Million in total in order to pay for the newly issued shares of the Company instead of payment by cash. (The Swap Ratio is 1 T1's share to 22 the Company's new ordinary shares. Any fraction of share will be disregarded.)

In addition, the Shareholders should approve the authorization to the Board of Directors and/or the Chief Executive Officer and/or any of authorized directors of the Company to have the powers to proceed with any actions necessary and in connection with the above mentioned share offering in all respects including specifying the details and conditions thereof, date and time for subscription, and appointment of the substitute etc.

Resolution

The Meeting considered the matter and approved the allotment of the newly issued ordinary shares as the Chairman proposed with the votes as approved 52,142,907 votes (100 % of the total votes of the shareholders attended the Meeting and voted at the meeting), disapproved 0 vote and abstained 100 votes.

Agenda 6

To consider other Business (if any)

-No-

The Chairman asked the Meeting that there was any shareholder desires to ask or propose any matter to the Meeting or not. There was no question and proposal, therefore, the Chairman declared the Meeting closed at 11.00 a.m.

*- Mr. Tirachai Vutithum-*

( Mr. Tirachai Vutithum )

Chairman of the Board