



Reference: AGM 2019

**M Pictures Entertainment Public Company Limited**

March 26, 2019

- Subject** : Invitation to the 2019 Annual General Meeting of Shareholders
- Attention** : All Shareholders
- Enclosures** :
1. Guidelines for Proxy Appointment, Registration, Identification documents required for attending and voting in the Annual General Meeting of Shareholders;
  2. A copy of Minutes of the Extraordinary General Meeting of Shareholders No.1/2019
  3. Annual Report for the year 2018 in the form of QR Code
  4. Preliminary information and profile of each retired director from the expiry of director's term who obtains the nomination for re-election as a director in another term, and the definition of independent director;
  5. Proxy Form (Form B);
  6. Summarized information of the independent directors proposed by the Company to be proxies on behalf of the shareholders who cannot attend the meeting in person;
  7. The Company's Articles of Association with regard to the shareholder's meeting;
  8. Map of the place held the 2019 Annual General Meeting of Shareholders.

The Board of Directors Meeting No. 1/2019 of M Pictures Entertainment Public Company Limited (the "Company") has issued a resolution to organize the 2019 Annual General Meeting of Shareholders on April 10, 2019 at 10.00 a.m. at Major Cineplex Ratchayothin, 5<sup>th</sup> Floor, Cinema 5, 1839, Phaholyothin Road, Ladyao Sub-district, Jatuchak District, Bangkok; to consider the agendas as follows;

**Agenda 1**

**The matter to be informed by the Chairman.**

**Agenda 2**

To consider and adopt the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2019 held on January 9, 2019

**Facts and Reasons**

The Extraordinary General Meeting of Shareholders No.1/2019 was held on January 9, 2019 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 publicized on the Company's website ([www.mpictures.co.th](http://www.mpictures.co.th)). The details are as shown in a copy of the said minutes which enclosed hereto (Enclosure No.2).

**Opinion of the Board**

The Board of Directors considered and opined that the minutes of the Extraordinary General Meeting of Shareholders No.1/2019 had been properly and completely recorded. The Board of Directors deems appropriate to propose to the shareholders' meeting to approve the minutes of the Extraordinary General Meeting of Shareholders No.1/2019 held on January 9, 2019 as attached herewith (Enclosure No.2).

**Vote required**

Majority votes of the total votes of the shareholders who attend the meeting and cast their votes.

**Agenda 3**

To acknowledge the result of business operation in 2018

**Facts and Reasons**

Reporting the result of business operation in 2018 as provided in the Annual Report attached herewith and sent to the shareholders together with the invitation letter of this meeting (Enclosure No.3).

**Opinion of the Board**

The Board of Director considered and deemed appropriate to propose the 2018 result of business operation to the shareholders' meeting for its acknowledgement.

**Vote required**

This agenda is for the shareholders' acknowledgement; therefore, a vote is not required.

**Agenda 4**

To consider and approve the Financial Statements of the Company in the fiscal year 2018 ended on December 31, 2018

**Facts and Reasons**

Pursuant to Section 112 of the Public Limited Companies Act B.E. 2535 (as amended) and Article 35 of the Company's Articles of Association, the Board of Directors has arrange preparation of the Company's Financial Statements for the fiscal year 2018 ended on December 31, 2018 to be proposed the Annual General Meeting of Shareholders for approval. Whereas, the balance sheet and the profit and loss statements for the fiscal year 2018 ended on December 31, 2018 have been considered by the Audit Committee and audited by the Certified Public Accountant. The

details of which are as appeared in the Annual Report for the year 2018 (Enclosure No. 3).

Audit Committee's opinion

The Audit Committee concluded that the procedures of preparing accounting and financial reports has a sufficient internal control to be adequately confident that the Company's financial status and operating results are in accordance with the general and accepted accounting principles altogether with adequately and timely disclosed for the benefits 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 and agreed that the shareholders' meeting should approve the Financial Statements, for the fiscal year 2018 ended December 31, 2018, which was audited by the Auditor. The details of which are as appeared in the Annual Report for the year 2018 (Enclosure 3).

Vote required

Majority votes of the total votes of the shareholders who attend the meeting and cast their votes.

Agenda 5

**To consider and approve non-declaration of dividend distribution and non-declaration of the appropriation of net profit as legal reserve**

Dividend Policy

Approximately 50% of net profit after tax (with additional conditions)

Facts and Reasons

Since the 2018 business operation of the Company is deficit, the dividend distribution and appropriation of net profit as legal reserve according to Section 115 and 116 of the Public Limited Companies Act B.E. 2535 (as amended) cannot be declared.

Opinion of the Board

The Board of Directors has considered and opined that, with the aforementioned reasons, the Company is not able to declare the dividend distribution and the appropriation of net profit as legal reserve. The shareholder' meeting should approve non-declaration of dividend distribution and non-declaration of the appropriation of net profit as legal reserve.

Vote required

Majority votes, of the total votes of the shareholders who attend the meeting and cast their votes.

Agenda 6

**To consider the election of directors to replace the retired directors from the expiry of director's term.**

Facts and Reasons

According to Article 14 of the Company's Articles of Association, on each Annual General Meeting of Shareholders, determines to the retirement as

one-third (or the nearest to one-third) ratio. If the retired directors are unable to divide to 3 proportion, they shall be retired in the amount close to 1:3 ratio by selecting the directors who served the Company longest must be retired; however, the retired directors may be re-elected.

In the 2019 Annual General Meeting of Shareholders, the directors who shall be retired pursuant to the expiry of director's term at 1:3 ratio of all directors can be calculated as 3 persons as follows:

1. Mr. Vicha Poolvaraluk                      Director and the Vice Chairman of the Board of Director
2. Mr. Thanachai Santichaikul              Independent Director and the Chairman of Audit Committee
3. Mr. Apichart Kongchai                  Director

Preliminary information and profile of each retired director who has been nominated for re-election as directors in another term and the definition of independent director have been delivered to the shareholders attached with this invitation letter (Enclosure No.4).

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

The Board of Director considers and nominated the eligible person to be candidate(s) for an election of the Company's director(s).

In addition, to be in line with the principle of good corporate governance, the Company enables the shareholders to nominate qualified candidate(s) for an election of the Company's director(s) in the 2019 Annual General Meeting of Shareholders in advance from November 5, 2018 to January 31, 2019 (by informing the shareholders via website of the Stock Exchange of Thailand) in order for the Board of Directors to consider the eligibility. However, there was no shareholder proposing any lists of qualified candidate(s) in such 2019 Annual General Meeting of Shareholders.

**Opinion of the Board**

The Board of Directors has considered and agreed that the shareholders' meeting should re-elect the said 3 directors who retire by the expiry of director's term to resume their positions as the directors of the Company for another term because of their qualifications fit with the business of the Company. Moreover, the nominated independent director could give opinions independently complied with the related rules.

**Vote required**

Majority votes, 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 2019.

## Facts and Reasons

Section 90 of the Public Limited Companies Act B.E. 2535 (as amended) 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”

## Principles and Proposal of the Director’s Remuneration

The Board of Directors has considered the director’s remuneration by taking into account the following matters: conformity with other listed companies within the same industry including the performance, obligations and responsibilities of the directors.

## Opinion of the Board

The Board of the Directors considered the 2019 remuneration of the directors by appropriateness of the remuneration which is compatible with roles and responsibilities and compared with other companies in both the similar industry and size from the Survey on Remuneration of the Listed Companies’ Directors by Thai Institute of Directors Association including business expansion and the growth of business operation. The Board of Directors has issued the resolution to determine the 2019 remuneration of directors at the same amount in the previous year as following details:

Unit : Baht

Categories of Remuneration	Y2017	Y2018	Y2019 (Required Approval)
Meeting allowances per attendance at the meeting	8,000	10,000	10,000
<b>Annual Remuneration</b>			
Chairman of the Board of Director	110,000	140,000	140,000
Vice Chairman of the Board of Director	90,000	110,000	110,000
Chairman of Audit Committee	90,000	110,000	110,000
Directors	60,000	85,000	85,000
<b>Total Limit</b>	<b>2,000,000</b>	<b>2,200,000</b>	<b>2,200,000</b>

Non-monetary benefits: None (Year 2018: None)

The Board of Directors deemed appropriate to propose to the shareholders' meeting to approve and determine the 2019 remuneration of directors.

**Vote required:**

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

**Agenda 8**

**To consider the appointment of the Company's auditors and the determination of auditing fee for the year 2019.**

**Facts and Reasons**

Pursuant to Section 120 of the Public Limited Companies Act B.E.2535 (as amended) and Article 32 of the Company's Articles of Association which determine that the General Meeting of Shareholders to appoint auditor and determine the auditing fee in every year based on consideration and recommendation from the Audit Committee. The Board of Directors considered to propose to the General Meeting of Shareholders to appoint the auditors from PricewaterhouseCoopers ABAS Limited as the Auditors of the Company and the subsidiaries/ Group Companies by determining either auditor as below to audit and opine on the Company's 2019 financial statements and consolidated financial statements.

1. Ms. Sakuna Yamsakul, a certified public accountant no. 4906 or;
2. Mr. Chanchai Chaiprasit, a certified public accountant no. 3760 or;
3. Mr. Boonlert Kamolchanokkul, a certified public accountant no. 5339 or;
4. Mr. Kajornkiet Aroonpirodkul, a certified public accountant no. 3445.

In the case that the auditors whose names appear above cannot carry out their duty, PricewaterhouseCoopers ABAS Limited is authorized to appoint another auditor of PricewaterhouseCoopers ABAS Limited to perform the work.

None of the above four-nominated auditors has reviewed or audited and given their opinion on the Company's financial statements and consolidated financial statements for 7 consecutive fiscal years.

Moreover, PricewaterhouseCoopers ABAS Limited and the four auditors mentioned above are completely independent from the Company and have no relation/interest with the Company, its subsidiaries/ group companies, executives, major shareholders or connected persons of such auditors in a manner which may affect the independency of auditor.

In the section of auditor's fee, the Audit Committee of the Company considered and determined based on the auditors' role and responsibilities in examining and auditing of the Company and its subsidiaries/ group

companies' financial statements and consolidated financial statements, therefore, agrees to propose the shareholders' meeting by determining the audit fee of the Company for the year 2019 at Baht 2,350,000 (the audit fee for auditing the subsidiaries/ group companies of the Company is Baht 1,895,000).

The audit fee of the Company and the Subsidiaries/ Group Companies for the year 2019 comparing with the 2018 is as follows;

Unit: Baht

Company	Year 2016	Year 2017 (Required Approval)
Review the interim financial statements and audit the annual financial statement of M Pictures Entertainment Plc.	2,350,000	2,350,000

- Non Audit Services: None (Year 2018: None)

*Remark;*

- Ms. Sakuna Yamsakul had been appointed as the auditor of the Company for the year 2017-2018 (signed in the financial statement of the Company for the fiscal year 2017-2018).
- Mr. Chanchai Chaiprasit had been appointed as the auditor of the Company for the year 2017-2018 (not ever signed in the financial statements of the Company).
- Mr. Boonlert Kamolchanokkul had been appointed as the auditor of the Company for the year 2017-2018 (not ever signed in the financial statements of the Company).
- Mr. Kajornkiet Aroonpirodkul had been appointed as the auditor of the Company for the year 2008-2017 (signed in the financial statement of the Company for the fiscal year 2008-2011).

Unit: Baht

The audit fee of the Subsidiaries/Group Companies	Year 2018	Year 2019
M Pictures Co., Ltd.	580,000	680,000
M V D Co., Ltd.	250,000	180,000
Pacific Media Sales Co., Ltd.	70,000	-

The audit fee of the Subsidiaries/Group Companies	Year 2018	Year 2019
M Thirty Nine Co., Ltd.	525,000	550,000
M Talent Co.,Ltd (Previous name; Talent One Co., Ltd.)	180,000	150,000
Major Kantana Broadcasting Co., Ltd.	275,000	275,000
Metacognitions Co., Ltd.*	60,000	60,000
<b>Total</b>	<b>1,940,000</b>	<b>1,895,000</b>

\*Supachai Auditing Co., Ltd. shall provide the financial statements audit service to Metacognitions Co., Ltd. and the Board of the Directors could control aforesaid auditor submitting timely financial statements to the Company.

**Opinion of the Board**

By approval of the Audit Committee, the Board of Directors has considered and deemed appropriate to propose the shareholders' meeting to approve the appointment of the auditors from PricewaterhouseCoopers ABAS Limited to be the Company's auditors and opines on the Company's 2019 financial statements and consolidated financial statements and determine the 2019 audit fee of the Company for the year 2019 at Baht 2,350,000 and acknowledge the audit fee of the subsidiaries/ groups companies for the year 2019 is Baht 1,895,000 as aforesaid.

**Vote required**

Majority votes, of the total votes of by the shareholders who attend the meeting and cast their votes.

**Agenda 9**

**Other business (if any)**

The Company has set the Record Date on February 28, 2019 to determine the shareholders who have the right to attend the 2019 Annual General Meeting of Shareholders.

In addition, the invitation letter of the 2019 Annual General Meeting of Shareholders of the Company together with all of its enclosures are available at the Company's website ([https://mpic.listedcompany.com/shareholder\\_meeting.html](https://mpic.listedcompany.com/shareholder_meeting.html)), 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 [orawant@mpictures.co.th](mailto:orawant@mpictures.co.th)

Please be invited to attend the meeting at the date, time and place as mentioned. The Company will allow the shareholders to register from 08.30 a.m. The shareholders can either attend the meeting themselves or appoint representatives who are of legal age to attend and to be entitled to vote on their behalf in order to register conveniently and quickly, the shareholders or the Proxy attending the meeting on behalf of the shareholders are requested to bring evidence(s) as stated in the Enclosure No. 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 Enclosure No. 1 and 5 and a proxy to the Company in order to further proceed your intention.

Yours sincerely,



(Mr. Tirachai Vutithum)

Chairman of the Board of Directors

M Pictures Entertainment Plc.