



- Translation -

MPIC 002/2018

February 14, 2018

Subject: Submit the Year End Financial Statement ended December 31, 2017 and clarification for the change of operating result more than 20%

Attention: The President of The Stock Exchange of Thailand

M Pictures Entertainment Public Company Limited (the Company) would like to submit the Year End Financial Statement ended December 31, 2016 which was audited by the authorized auditor of PricewaterhouseCooper ABAS Co.,Ltd. and approved by the Board of Directors of the Company on meeting No.1/2018 held on February 14, 2018 and also clarify the change of operating performance of the company more than 20% as follow:

Revenue

Total Revenue of the Company and subsidiaries for Year ended December 31, 2017 when comparing with the year 2016 decreased from THB 485.21 million to THB 363.59 million or decreased THB 121.62 million or 25.07 % due to decreasing in revenues from the sale of VCDs and DVDs.

Cost of Production and Service

Cost of Production and Service of the Company and subsidiaries for the Year End 2016 ended December 31, 2017 when comparing with the year 2016 decreased from THB 278.33 million to THB 228.52 million or decreased THB 49.81 million or 17.89% mainly due to the cost producing VCDs and DVDs decreased as revenue fell.

Net Loss of Company's operation

Net Loss of the group of the Company's operation for the Year End 2017 ended December 31, 2017 when comparing with the year 2016 increased from THB 87.98 million to THB 155.63 million or increased THB 72.65 million or 87.55% due to writing off the account receivable from the Management expenses Bad debt and Doubtful account in amount of THB 78.10 million.

Please be informed accordingly,

Yours sincerely,

-Thitapat Issarapornpat-

(Ms. Thitapat Issarapornpat)

Director and on behalf of Company Secretary