

TOTAL MEDIA SOLUTIONS

Annual Report 2015

GMM Grammy Public Company Limited



GMM
GRAMMY



VISION

To be the leader in fully integrated entertainment media and platform by creating the most engaged contents for all screens

MUSIC

MUSIC & DISTRIBUTION
DIGITAL BUSINESS
CONCERTS & SHOWBIZ
MUSIC PUBLISHING
ARTIST MANAGEMENT

GMM
CHANNEL
DIGITAL TV

GMM CHANNEL DIGITAL TV

- GMM 25
- TV PRODUCTION & COPYRIGHTS
- RADIO
- A-TIME SHOWBIZ

GMM
ONE
DIGITAL TV

GMM ONE DIGITAL TV

- ONE 31
- TV PRODUCTION & COPYRIGHTS
- ACTS STUDIO

MOVIE
&
OTHER

MOVIE
HOME SHOPPING
SATELLITE BROADCASTING
CALL CENTER SERVICE

The background of the entire page is a photograph of two hands, palms facing each other, forming a heart shape. The hands are silhouetted against a bright, out-of-focus background of light and greenery. In the center of the heart, there is a white square containing a smaller blue square with the word 'MISSION' in white capital letters.

MISSION

— • —

To create added value for all businesses and society

— • —

To foresee new business potential and seize new opportunities to initiate
new trends and form industry phenomena

— • —

To be one step ahead of competitors in content creation, investment, and development

— • —

To beneficially synergize and integrate the work of all sectors

— • —

To set a clear business goal with a proven data in order to develop
the endless possibility creative works

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Please see more of the Company's information from the Annual Registration Statement (Form 56-1) as presented in the www.sec.or.th or the Company's website



LARGEST CONTENT LIBRARY



TOTAL MEDIA
SOLUTIONS



LARGEST CONTENT LIBRARY

MORE THAN THREE DECADES
OF CONTENT CREATION WITH
TOP-QUALITY CONTENTS IN
OUR MASSIVE & EVER-
EXPANDING LIBRARY

Over 3 decades of the improvement of content quality
to pursue endless creativity without the sacrifice of
high quality.



MUSIC

30,000+

SONG & MASTER RECORDS

5,000+ & 17,000+

MVs

KARAOKE RECORDS

CO-OWN

100%

OF COPYRIGHTS WITH ARTIST



MOVIE

50+

BOX OFFICE TOPPING FILMS
WITH

2-3

NEW RELEASES PER YEAR



DRAMA

39,000+

EPISODES OF DRAMA, SERIES, VARIETY
MUSIC SHOW & OTHERS



INTEGRATED
MEDIA
MANAGEMENT

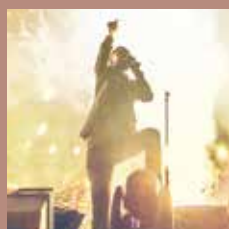
FIRST CLASS
TALENTS

IN-HOUSE
PRODUCTION
TAILORED

CUSTOMER
PRODUCTS
& SERVICES



TOTAL MEDIA
SOLUTIONS



GMM GRAMMY CONTENT PROVIDER, No.1
of the most popular digital platform and social media



F A C E B O O K
THE LARGEST FAN BASE
COMMUNITY IN THAILAND

The numbers of Likes of all
Fanpages under GMM
GRAMMY total more than

38 million

The number of Facebook users in Thailand is

3 5 million

considering that every Thai
Facebook user has liked at least
1 Fanpage run by GMM GRAMMY



L I N E T V
THE MOST VIEWED VIDEO
CONTENTS IN THAILAND

GMM GRAMMY has topped
the number of views with

1,390 million views

Thailand's No.1 for the
number of views in 2015



**178
million views**

HORMONE 3 : No.2 for the number
of views in 2015 with 173 million views



Y O U T U B E
THE MOST VIEWED CHANNEL
AND VIDEO OF ALL TIME
IN THAILAND

Channels under GMM GRAMMY
have the total views

17,349 million

(Total views from 100 Youtuber)

GMM GRAMMY Official Channel

No.1 for the number of
views of Thailand

and **No.1 5** in the World

Total views from 2014 - 2015
has 114% growth

Total viewing time from 2014 - 2015
has 153% growth

Age range of viewers
is from 18-34 years old



I N S T R A G R A M
THE LARGEST FAN BASE
COMMUNITY IN THAILAND

67 million is the

number of INTRAGRAM followers
of artists of GMM GRAMMY



G O O G L E
TOP SEARCHING IN VARIOUS
CATEGORIES IN 2015

R a n k No.
in the 'First Four
Searches' Category

1

- 1 "Cheuak Wiset" (Magic Rope)
- 2 "Ugly Duckling"
- 3 "ThirTEENTerrors"
- 4 "Ting Wai Glang Thang"
(Leave Me Behind)

R a n k No.

Thai Movie
"M a y W h o?"

1

R a n k No.

T V S H O W
"Ugly Duckling"

1

R a n k No.

Music Category

1

- 1 "Cheuak Wiset" (Magic Rope)
- 2 "Ting Wai Glang Thang"
(Leave Me Behind)

GMM
GRAMMY



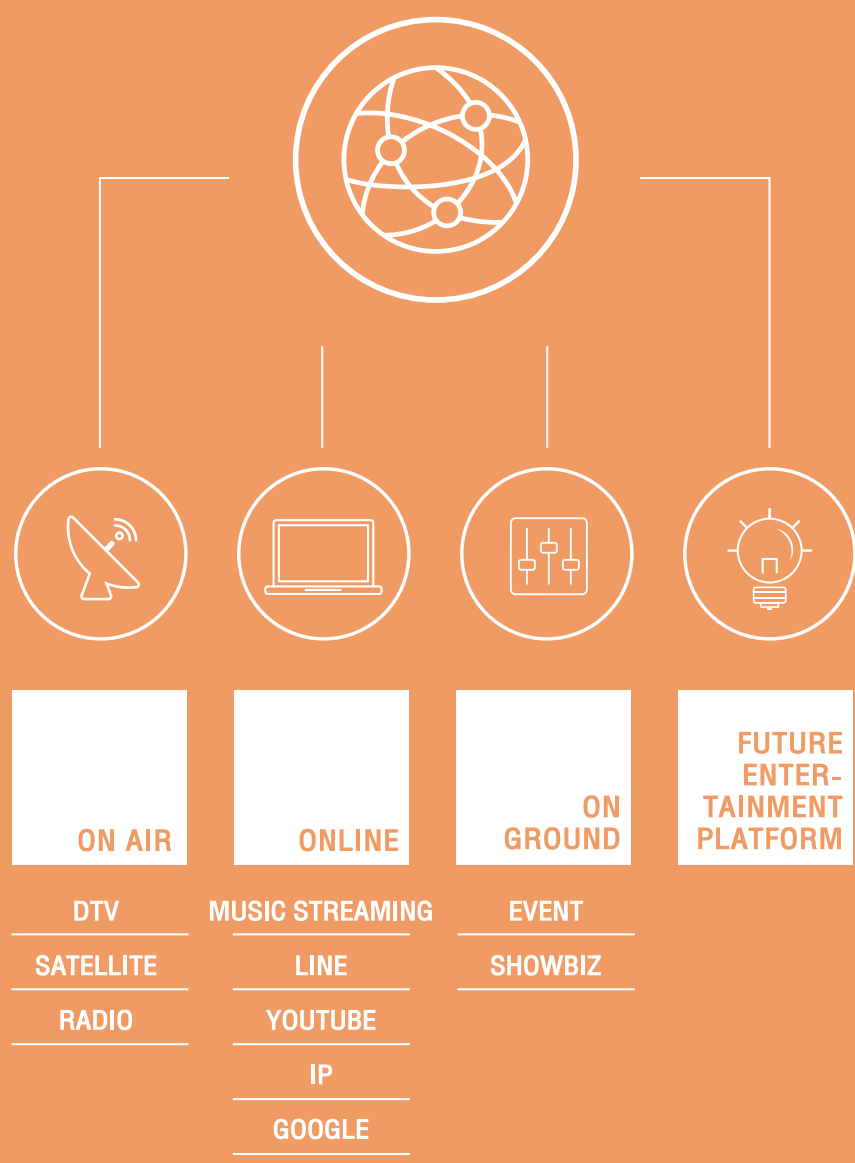


TOTAL MEDIA
SOLUTIONS



TOTAL MEDIA SOLUTIONS

**To be the leading in fully integrated media company
and global quality entertainment content provider**





Message from Chairman and Group Chief Executive Officer

Dear Shareholders,

The year 2015 appeared to be a challenging year for GMM GRAMMY Public Company Limited due to the economic recession and the incomplete transformation of analog terrestrial television into digital terrestrial television. Nevertheless, the Company managed to perform in a satisfactory manner as a result of the business restructuring in order to refocus on the Company's core businesses; music and digital TV. Therefore, the Company divested the non-core businesses which were SE-EDUCATION Public Company Limited, Index Creative Village Public Company Limited and the publishing business so that the Company could focus on the content creation of our core business such as music, dramas, sitcoms, news and variety shows to ensure diversity, entertainment and quality. Under the 'Total Media Solution' strategy through Online platforms such as YouTube, Line TV and iTunes, On-air platforms via radios and televisions and On-ground platforms by way of holding domestic and international events and concerts, the Group is of a leading company with contents that cover all media platforms.

In the music business, there was a major reorganization structure in order to capture our consumers' behavior so that they would be able to access our contents in all channels and lead to the higher revenue growth. By expanding the music platforms, the Company is able to create interesting phenomenon for example on-line channels which the Company had the highest views on YouTube. Furthermore, there was also the collaboration with Line Music in order to expand music listening platforms to be more approachable and reiterate a leading role in music industry where we are part of everyone's life everywhere every time and every day.

In the digital TV business, our digital TV business comprises two channels: 'One 31' (Channel Number 31) a high definition (HD) channel and 'GMM 25' (Channel Number 25) a standard-definition (SD) channel which aired their first broadcasts in April 2014 using the existing content in the library and started applying new contents since late 2014. We are considered to be in an early stage of the digital TV business due to the incomplete transformation into digital terrestrial television system and the implementation of the must carry rule concerning the rearrangement of digital TV channel numbers which was just enforced early 2016. Despite these challenges, the popularity of One 31 and GMM 25 have been continuously growing making them as one of the most popular channels for audiences which resulted from the remarkable uniqueness and quality of contents such as drama series; Sue Rissaya, Club Friday The Series, Hormones season 3 and singing contest ;The Star. The Company's contents are therefore very famous as seen in many platforms such as Line TV and YouTube. These performances represent the Company's potential to grow further outstandingly.

For the other businesses, O Shopping, home-based shopping service, performed quite well in terms of revenue growth. It attracted huge customer base due to distinctive products, free domestic delivery and the broadcasting format. Besides, there was a major change in the movie business. However, the Company still aims to continue creating qualified productions to entertain movie lovers under the company's name "GDH 559 Company Limited".

Apart from the business operations, the Company was committed to good corporate governance and also recognized that the social responsibility would develop economy, society which impact better environment. There was the great pleasure that the Company received the 'Five Stars' rating which represents the 'highest rank of excellence' from the Thai Institute of Directors (IOD) for the fifth consecutive year regarding 2015 corporate governance of listed companies. The Company had been classified into the Top Quartile category of listed companies with market capitalization above 10,000 million baht out of the total 588 companies.

For over 32 years, the Company has cautiously conducted its business as well as searching for sustainable growth in order to create shareholders' value continuously in the long term.

On behalf of the Board of Directors, we would like to express our gratitude to our stakeholders including shareholders, customers, business partners, financial institutions, government agencies, media agencies, artists, executives and all employees for all support and great trust in the Company. There was the major motivation to move us forward effectively. We would very much appreciate your continued support as always.



Mr. Paiboon Damrongchaitham

Chairman



Miss Boosaba Daorueng

Group Chief Executive Officer

Securities and Shareholders Information

1. The Company's Security

As of December 31, 2015, the Company has registered capital of 819,949,729 baht, consisting of 819,949,729 common shares with a par value of 1 baht per share. The Company paid-up capital is 819,949,729 baht.

2 Major Shareholders

2.1) Top shareholders according to the share registration book closing on March 19, 2015 are as follows:

Rank	Shareholders	No. of Shares	Holding (%)
1	Mr. Paiboon Damrongchaitham*	392,646,499	47.887
2	Mr. Thaveechat Jurangkool	132,082,123	16.109
3	Mr. Nuttapol Jurangkool	62,397,500	7.610
4	Bualuang Long-Term Equity Fund	24,437,800	2.980
5	CREDIT SUISSE AG, SINGAPORE BRANCH	23,052,520	2.811
6	Mr. Komol Juangroongruangkit	22,720,000	2.771
7	Geurtfah Co.,Ltd.*	15,939,745	1.944
8	Bangkok Bank Public Co.,Ltd.	12,278,693	1.497
9	Mr. Fahmai Damrongchaitham*	9,000,000	1.098
10	Mr. Rafha Damrongchaitham*	9,000,000	1.098
Total		703,554,880	85.805

* Mr. Paiboon Damrongchaitham Group consists of Mr. Paiboon Damrongchaitham; holding 392,646,499 shares (equivalent to 47.887%), Geurtfah Co., Ltd.; holding 15,939,745 shares (equivalent to 1.944%), Mr. Fahmai Damrongchaitham; holding 9,000,000 shares (equivalent to 1.098%) and Mr. Rafha Damrongchaitham, holding 9,000,000 shares (equivalent to 1.098%).

The free float of minority shareholders on March 19, 2015 (the day of the registration book closing by the Company for reporting the "Distribution of Ordinary Shares Report Form" to the SET) amounted to 2,822 shareholders, equivalent to 22.74% of the Company's paid-up capital.

Distribution of Shareholders by Nationality

The distribution of shareholders according to the nationality, as of the latest book registration closing date on March 19, 2015, is as follows:

The distribution of shareholders separated by nationality and person type

Shareholders	Grand Total			Juristic Person			Ordinary Person		
	*No. of Shareholders	Number of Shares	%	*No. of Shareholders	Number of Shares	%	*No. of Shareholders	Number of Shares	%
Thai Shareholders	3,079	778,938,548	95.00	59	81,645,734	9.96	3,020	697,292,814	85.04
Foreign shareholders	35	41,011,181	5.00	21	40,748,581	4.97	14	262,600	0.03
Total	3,114	819,949,729	100.00	80	122,394,315	14.93	3,034	697,555,414	85.07

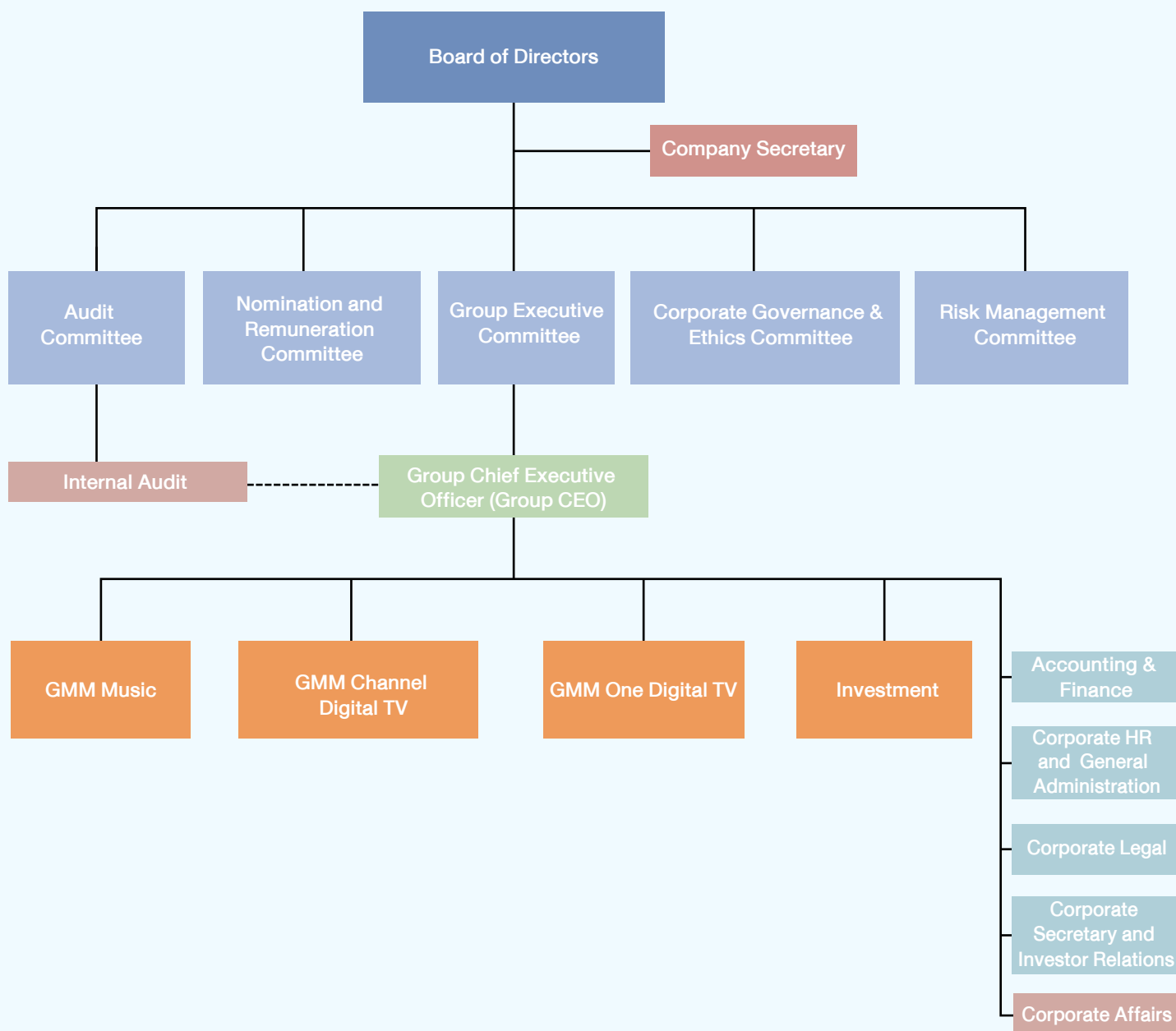
* Information provided by Thailand Securities Depository Co., Ltd., the number of shareholders will be counted based upon different accounts or addresses.

2.2) The major shareholder that has a significant influence on the management policies or the operation of the Company is Mr. Paiboon Damrongchaitham's Group.

3. Dividend Policy

The Company and its affiliates have a policy of paying dividends to shareholders at a rate not less than 40% of the net profit after corporate income tax and regulatory reserve each year, based upon the Company separate financial statements, subject to the economic conditions and future operations.

Management Structure



The Company's management structure as of December 31, 2015 comprises Board of Directors and other 4 sub-committees were appointed by the Board of Directors in order to support and facilitate maximized efficiency and performance of the Board of Directors, namely (1) Audit Committee, (2) Nomination and Remuneration Committee, (3) Risk Management Committee and (4) Corporate Governance and Ethics Committee. Moreover, the Board of Directors also appointed Group Executive Committee of which the structure comprising top executives by positions, as shown by the above organization chart.

Board of Directors

Pursuant to the Company's Articles of Association, it is stipulated that the Board of Directors shall comprise of not less than 5 directors, provided that at least half (1/2) of the directors shall reside within the Kingdom of Thailand.

As of December 31, 2015, the Board of Directors consisted of 11 directors who are qualified with extensive skills, knowledge and experiences that are beneficial to the Company's strategy implementation and future success as follows:

- (1) 5 members were executive directors.
- (2) 6 members were non-executive directors, consisted of:
 - 4 independent directors, equivalent to 1/3 of the total number of directors.
 - 2 non-executive directors, who did not involve in daily operations of the Company.

Each year, 1/3 of total numbers of directors due to retire by rotation (according to the Company's Articles of Association). In 2015, the Board of Directors held 6 meetings. The meeting schedules were set in advance.

Names of the Company's directors, terms of the positions and their meeting attendance throughout the year are shown below:

Name	Title	Appointment Date at AGM	Meeting Attendance (times)	No. of Years for Directorship
1. Mr. Paiboon Damrongchaitham	Chairman	2014 Annual General Meeting (AGM)	6/6	21 years 9 months
2. Miss Boosaba Daorueng	Director / Vice-Chairman	2015 Annual General Meeting (AGM)	6/6	21 years 9 months
3. Dr. Naris Chaiyasoot	Independent Director	2013 Annual General Meeting (AGM)	6/6	2 year 9 months
4. Mr. Suvit Mapaisansin ¹	Independent Director	2015 Annual General Meeting (AGM)	4/5	8 months
5. Mrs. Veeranuch Thammavaranucup ²	Independent Director	2013 Annual General Meeting (AGM)	3/3	6 months
6. Mr. Chanitr Charnchainarong ³	Independent Director	2013 Annual General Meeting (AGM)	1/1	1 month
7. Mrs. Saithip Montrikul na Audhaya	Director	2015 Annual General Meeting (AGM)	5/6	13 years 5 months

Name	Title	Appointment Date at AGM	Meeting Attendance (times)	No. of Years for Directorship
8. Mr. Krij Thomas	Director	2014 Annual General Meeting (AGM)	6/6	7 years 8 months
9. Mr. Sataporn Panichraksapong	Director	2014 Annual General Meeting (AGM)	6/6	6 years 8 months
10. Miss Suwimon Chungjotikapisit	Director	2015 Annual General Meeting (AGM)	6/6	5 years 1 month
11. Dr. Lackana Leelayouthayotin ¹⁴	Director	2014 Annual General Meeting (AGM)	3/3	6 months
Miss Suvabha Charoenying	Independent Director	Completed Term April 29, 2015	1/1	4 years 8 months
Mr. Kudun Sukhumananda	Independent Director	Resigned effective April 30, 2015	1/1	8 months
Mr. Kriengkarn Kanjanapokin	Director	Resigned, effective June 23, 2015	2/2	6 years 2 months
Mr. Dej Bulsuk	Independent Director	Resigned, effective September 1, 2015	3/4	13 years 2 months

Note: Additional information and changes during the year 2015

- ¹¹ Mr. Suvit Mapaisansin was appointed the independent director, according to the 2015 Annual General Meeting effective on April 29, 2015 to replace the director who would retire by rotation Ms. Suvabha Charoenying.
- ¹² Mrs. Veeranuch Thammavaranucupt was appointed the independent director, according to resolution passed at the Board of Directors' Meeting No.3/2015 effective on June 24, 2015 to replace the resigned director, Mr. Kudun Sukhumananda.
- ¹³ Mr. Chanitr Chamchainarong was appointed the independent director, according to resolution passed at the Board of Directors' Meeting No.5/2015 effective on November 13, 2015 to replace the resigned director, Mr. Dej Bulsuk.
- ¹⁴ Dr. Lackana Leelayouthayotin was appointed the director according to resolution passed at the Board of Directors' Meeting No.3/2015 effective on June 24, 2015 to replace the resigned director, Mr. Kriengkarn Kanjanapokin.

For each of the Board of Directors' Meeting, the Company Secretary was responsible to send out the meeting notice including all agendas to the directors 7 days prior to the meeting date. All matters discussed in the meetings had been duly recorded in detail and minutes of the meetings were adopted by the Board of Directors in readiness for inspection by any directors and related parties.

Directors with signing authority on behalf of the Company

Miss Boosaba Daorueng or Miss Suwimon Chungjotikapisit has to co-sign with one of the following Directors: Mrs. Saithip Montrikul Na Audhaya or Mr. Krij Thomas or Mr. Sataporn Panichraksapong, on the document with a Company's seal.

Duties and Responsibilities of the Board of Directors

The Board of Directors is accountable to shareholders and also plays an important role in supervision of executives team to operate the business according to the Company's objective and Articles of Association, related laws and resolution of the Shareholders' Meeting, as well as to perform their duties in good faith, with due diligence and care and fairly treatment, for the best interest of the Company and all shareholders.

Those of which could be summarized as follows:

1. To perform all duties using their knowledge, abilities and experience for the best benefit of the Company in accordance with the law, the Company's objectives and Articles of Association, Corporate Governance and Business Ethics Manual and resolution of the Shareholders' Meeting with honesty, integrity and prudence, to protect the Company's interests.
2. To set the corporate vision, mission, long term goal and Corporate Governance and Business Ethics Manual and to approve strategies, policies, business plans and budgets and to supervise the executives to make sure that they follow the established policies effectively and efficiently to increase economic value of the Company and maximize shareholders' wealth.
3. To clearly delineate and set forth the duties, responsibilities and authority of the Board of Directors, Sub-committees and executives team as specified in the Company's Corporate Authorization Index (CAI).
4. To approve or give consent to submit significant transactions to the Shareholders Meeting for approval such as new investments, acquiring or disposing assets, in accordance with the SEC and the SET rules and regulations and the Company's Corporate Authorization Index.
5. To approve or give consent to submit to the Shareholders Meeting for approval any connected transactions and transactions which may lead to potential conflicts of interest of the Company and subsidiaries, so as to be in compliance with the SEC and SET rules and regulations and the Company's Corporate Authorization Index.
6. To ensure that the Company has reliable accounting systems, financial reports and accounting audits.
7. To ensure that the Company has sufficient and effective internal controls and risk management systems, monitored by an internal audit department that collaborates with the Audit Committee on significant risks.
8. To be honest and loyal and to possess integrity and ethics in running the business; having a genuine interest in the Company and focusing on sustainable business operation.
9. To constantly aware of responsibility to shareholders and operate the business in the interest of shareholders and transparently disclose accurate and complete information to investors under high standard.
10. To be responsible for the executives team's performance and operations by ensuring that the team is well dedicated and cautious in operating the business.
11. To be responsible for financial reports by preparing a report of the Board of Directors' financial accountability in the annual report, together with the auditor's report.

According to the Corporate Authorization Index of the Company and its subsidiary companies, the Board of Directors has the authority to approve the following matters:

1. Policy and business operations of the Group.
2. Determination of the Corporate Authorization Index with exception to the matters which require the shareholders' approval such as, capital increase, capital decrease, debenture issuing.
3. Defining the organizational structure of the business line.
4. Approval of annual budget and manpower of the Group.
5. Employment, appointment, transfer and dismissal of the Chief Executive Officer.
6. Defining or changing of employee's provident fund.
7. Legal transaction with value equal to or greater than 100 million baht.
8. Loan, Bank Guarantee and Forward Exchange Contract with value greater than 1,000 million baht.
9. Short term investment with value greater than 50 million baht.
10. Long term investment with value greater than 20 million baht.
11. Debt restructuring and write off with value greater than 500 million baht per debtor.
12. New budget or new project on production of new program, or any project which is not included in the annual budget.
13. Legal transaction with respect to the transfer of intellectual property.
14. Legal transaction with respect to the grant of exploitation of Exclusive intellectual property right.
15. Write off fixed assets with value greater than 50 million baht.
16. Rules for the connected transactions with general commercial term and condition.

Roles and Responsibilities of the Chairman

Roles and Responsibilities towards the Company

To establish holistic and long term stability for the company and its subsidiary companies within the frame of corporate's vision and mission statement by encouraging good ethics for business operation and management such that it follows principles of Good Corporate Governance.

Roles and Responsibilities towards the Board of Directors

To direct and oversee the Board of Directors, ensuring that it has the appropriate structure and qualifications to operate in a fashion that yields maximum benefit for shareholders and all involved parties and in addition, to promote and ensure that the Board of Directors takes its part and responsibilities with dedication, honesty and integrity whilst prioritizing the Company's benefits.

Roles and Responsibilities towards the Executives

To encourage the executives to operate and manage the business with transparency and utmost efficacy, as well as smoothly, within bounds of the law and regulatory agencies so as to achieve the Company's business plan goals and objectives, along with promoting continuous advancement of skills and expertise of the executives.

Roles and Responsibilities towards Employees, Shareholders and Stakeholders

To strengthen employees, shareholders and stakeholders' confidence and trust in the Company by stressing ethical business operation and consideration for all involved parties, community and environment.

Group Executive Committee

The Group Executive Committee's structure comprises of top executives with the following positions (1) Group Chief Executive Officer (2) Chief Executive Officer - GMM Music (3) Chief Executive Officer - GMM Channel Digital TV (4) Chief Executive Officer - GMM One Digital TV (5) Chief Financial Officer and (6) Chief Investment Officer.

As of December 31, 2015, the Group Executive Committee comprised 6 members who were knowledgeable and experienced in various business lines and met a total of 11 times. The names and meeting attendance of each member in 2015 were noted as follows:

Name	Title	Meeting Attendance (times)
1. Miss Boosaba Daorueng	Chairman	11/11
2. Mrs. Saithip Montrikul Na Audhaya	Member	10/11
3. Mr. Krij Thomas	Member	10/11
4. Mr. Takonkiet Viravan	Member	6/11
5. Mr. Premon Pinskiul ¹	Member	8/11
6. Mrs. Jiraporn Rungsrithong	Member	11/11

Note: Additional information and changes during the year 2015

- ¹ Mrs. Karnsuda Sansuthi was appointed the Chief Financial Officer and member of The Group Executive Committee, according to resolution passed at the Group Executive Committee' Meeting No.10/2015 effective on December 3rd, 2015 to replace the resigned member, Mr. Premon Pinskiul.

For each of the Group Executive Committee Meeting, Secretary of the Group Executive Committee was responsible to send out the meeting notice including all agendas to the committee members 7 days prior to the meeting date. All matters discussed in the meetings had been duly recorded in detail and minutes of the meetings were endorsed by the Executive Committee in readiness for inspection by any committee members and related parties.

Roles and Responsibilities of the Group Executive Committee

- Setting and preparation of the Company's business strategies, policies, business plans and budgets to the Board of Directors for approval.
- Performing through decision making, instruction relay and assignment execution determined by the Board of Directors, in accordance with the Company's Authorization and Procedure Manual as being approved by the Board of Directors.
- Operating and managing business according to the policies and directions issued by the Board of Directors.
- Monitoring of the executives under supervision of the Group Chief Executive Officer and carry out duties as determined by the Board of Directors.
- Being responsible for other assignments periodically delegated by the Board of Directors.
- Carrying out the Shareholders' and the Board of Directors' resolutions, abiding by laws with honesty and integrity for the benefits of the Company and in accordance with related laws and the Company's objectives and Articles of Association.

The above duties and responsibilities do not give the Group Executive Committee the authority to approve transactions in which they or any related persons that may have any potential conflicts of interest (as defined by the SEC) with the Company or subsidiaries. All transactions must comply with the SET announcement regarding related matters.

Executives Team ('Executives' as defined by the SEC)

As of December 31, 2015, the Company's executives team ('Executives' in this instance refers to the top four most senior members of the management team ranked below the Group Chief Executive Officer or Group CEO, irrespective of their positions, including the position equivalent to the fourth rank and senior executives in the Accounts and Finance Departments, or the position equivalent to the Chief Finance Officer or CFO), comprised 7 qualified members as follows:

Name	Title
1. Miss Boosaba Daorueng	Group Chief Executive Officer
2. Mrs. Saithip Montrikul Na Audhaya	Chief Executive Officer - GMM Channel Digital
3. Mr. Krij Thomas	Chief Executive Officer - GMM Music
4. Mr. Takonkiet Viravan	Chief Executive Officer - GMM One Digital TV
5. Mr. Premon Pinskiul ¹	Chief Financial Officer
6. Mrs. Jiraporn Rungsritthong	Chief Investment Officer
7. Miss Chitralada Hengyotmark ²	Chief Legal Officer

Note: Additional information and changes during the year 2015

- ¹ Mrs. Karnsuda Sansuthi was appointed the Chief Financial Officer and member of The Group Executive Committee, according to resolution passed at the Group Executive Committee' Meeting No.10/2015 effective on December 3rd, 2015 to replace the resigned member, Mr. Premon Pinskiul.
- ² Miss Chitralada Hengyotmark was appointed Chief Legal Officer by the Group Chief Executive Officers' Meeting No.7/2015, effective on July 1, 2015.

Roles, Responsibilities and Operational Authority of Group Chief Executive Officer (Group CEO)

Group Chief Executive Officer (Group CEO) has the authority and responsibilities to manage the Company and all the companies in the Group in strict adherence to plans or budgets approved by the Board of Directors. The Group CEO is expected to perform the roles with loyalty, integrity, prudence, while maintaining the interests of the Company and all stakeholders. The Group CEO's scope of authority extends to various matters or businesses as follows:

- Implementing vision and mission of the Company and its subsidiaries through specific strategies to achieve maximum benefit.
- Managing the business of the Group under appropriate cooperation and mutual support in music business, media business, satellite TV business and related business lines.
- Managing and supervising overall business operation of the Company according to purposes, policies, rules, regulations, Article of Association, Corporate Governance and Business Ethics Manual and Authorization and Procedure Manual of the Group by reporting to the Board of Directors regularly.
- Setting policy on personnel management and supporting operations in all departments for sustainable development with full potential.
- Providing advice, recommendation, or working experience, guidelines for business strategies to the executives team and employees for the best benefit of the GRAMMY Group.
- Being responsible for effective financial and budgetary management.
- Performing other duties as assigned by the Board of Directors, and/or Shareholders Meeting, according to the purposes, Articles of Association of the Company and related laws.

The authority of the Group CEO as outlined above shall be in compliance with the business lines under control and cannot be wielded in circumstances where the Group CEO has any conflicts of interest or vested interest in any way with the Company or its subsidiaries, unless it has been approved at a Board of Directors Meeting in the presence of Independent Directors.

Changes to GRAMMY Shares Held by Directors and Executives

As of December 31, 2015, the figures of individual shares holding (directly and indirectly) compared to 2014, were as follows:

No.	Director/Executive	Position	Number of Shares Holding As of December 31, 2015	Percentage (%)*	Number of Shares Holding As of December 31, 2014	Percentage (%)**	Number of Share Change Increase/ (Decrease) During the Year
1	Mr. Paiboon Damrongchaitham	Chairman	392,834,599	47.91	392,646,499	47.89	188,100
	Spouse/Immature Children	-	-	-	-	-	-
	Concert Party	-	23,000,000	2.81	-	-	23,000,000
	Related Juristic Person (Geurtfah)	-	10,939,745	1.33	26,639,745	3.25	-15,700,000
2	Miss Boosaba Daorueng	Vice Chairman	1,150,120	0.14	1,150,120	0.14	-
	Spouse/Immature Children	Group CEO	600,120	0.07	600,120	0.07	-
	Related Juristic Person		-	-	-	-	-
3	Dr. Naris Chaiyasoot	Independent Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
4	Mr. Chanitr Charnchainarong	Independent Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
5	Mrs. Veeranuch Thammavaranucupt	Independent Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
6	Mr. Suvit Mapaisansin	Independent Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
7	Dr. Lackana Leelayouthayotin	Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-

No.	Director/Executive	Position	Number of Shares Holding As of December 31, 2015	Percentage (%)*	Number of Shares Holding As of December 31, 2014	Percentage (%)**	Number of Share Change Increase/ (Decrease) During the Year
8	Mrs. Saithip Montrikul Na Audhaya	Director	120	0.00	120	0.00	-
	Spouse/Immature Children	CEO - GMM Channel DTV	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
9	Mr. Krij Thomas	Director	1,742,960	0.21	1,742,960	0.21	-
	Spouse/Immature Children	CEO - GMM Music	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
10	Miss Suwimon Chungjotikapisit	Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
11	Mr. Sataporn Panichraksapong	Director	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
12	Mr. Takonkiet Viravan	Chief Executive Officer	6,930,856	0.85	6,930,840	0.85	16
	Spouse/Immature Children	CEO - GMM One DTV	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
13	Mr. Premon Pinskiul	Chief Financial Officer	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
14	Mrs. Jiraporn Rungsritthong	Chief Investment Officer	14,520	0.00	14,520	0.00	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-
15	Miss Chitralada Hengyotmark	Chief legal Officer	-	-	-	-	-
	Spouse/Immature Children	-	-	-	-	-	-
	Related Juristic Person	-	-	-	-	-	-

Company Secretary

Mrs. Somsuda Ruampumsuk, Head of Office of Corporate Secretary, as the Company Secretary, effective as of May 13, 2015. This person is considered well qualified with great capabilities, possesses many years of useful experience, successfully participated in training seminars and related courses required and being able to carry out the duties of the Company Secretary so that the Company adheres to related laws and Good Corporate Governance regulations.

Duties and Responsibilities of the Company Secretary

1. Being a Secretary to the Board of Directors by coordinating with all parties in organizing Board of Directors Meetings and Shareholders Meetings so that they adhere to principles of Good Corporate Governance and related regulations, the Company's Articles of Associations and best practices and related laws such as the Securities and Exchange Act and the Public Limited Company Act B.E. 2535.
2. Being responsible for disclosing the Company's information in line with the SET's and SEC's regulations and other regulatory bodies.
3. Providing basic advice to the Board of Directors and executives who have to follow the Company's Articles of Association, rules of the SEC and SET and any new regulations that may be relevant to the Company.
4. Preparing and storing important documents such as the registration of the Company's directors, the invitation letter and minutes of the Board of Directors Meeting, the invitation letter and minutes of the Shareholders Meeting, the Annual Report, shares holding report of directors and executives team and reports of conflicts of interest filed by directors and executives.
5. Supervising various activities and events performed by the Board of Directors to ensure the efficiency and effectiveness of their works and the greatest benefits to the Company.
6. Coordinating with related parties to ensure that the resolutions from the Board of Directors Meetings and the Shareholders Meetings are carried out.
7. Executing additional duties as assigned by the Board of Directors.

Remuneration of Directors and Executives

1. Remuneration of Directors and Sub-committee

1.1 Remuneration of Directors

The Board of Directors has clearly and transparently set the policy on director's remuneration by assigning the Nomination and Remuneration Committee to determine guidelines and policies on the remuneration of the Board of Directors and sub-committees, both monetary and non-monetary in each year and presented to the Board of Directors and / or shareholders meeting for approval. The director's remuneration has been considered under appropriateness for duties and responsibilities, comparing with other companies in similar businesses, as well as the benefits to the Company. The Director's Remuneration Survey Report which conducted by the IOD (latest data), the information on remuneration of director and executive of listed companies by the SET was also taken into consideration.

Remuneration of Directors in 2015 was in accordance with the resolution from the shareholders' meeting at the amount of 6,000,000 baht which comprises:

1.1.1 Meeting Allowance (paid for only directors who attended the meeting)

Unit: Baht/Person/Time

Position	Meeting Allowance
Chairman	13,000
Independent Director	13,000
Director	3,000

1.1.2 Annual Bonus (1 time per year) The allocation was as same as those in 2014, according to the shareholders' meeting as follows:

- Total annual bonus in 2015 for the Board was being paid from the amount approved by the shareholders as mentioned above, deducted by total meeting allowances paid during the year. The remaining amount was then allocated to each director upon individual meeting attendance.
- Total annual bonus (after deducting meeting allowance) was allocated according to individual attendance records by consideration of Chairman of the Nomination and Remuneration Committee, with the Chairman of the Board of Directors is apportioned twice of his meeting attendance.

1.1.3 Non-monetary/Other benefits

None

1.2) Remuneration of Sub-committees

1.2.1 Remuneration for the Audit Committee

Remuneration for the Audit Committee was in accordance with the resolution from the shareholders' meeting at the amount of 650,000 baht as follows:

Unit: Baht/Person/Year

Position	Remuneration for the Audit Committee
Chairman of Audit Committee	200,000
Audit Committee (per person)	150,000

1.2.2 Remuneration of other Sub-committees

Other Sub-committees (Group Executive Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance and Ethics Committee) have not received any non-monetary or other benefits.

1.2.3 Remuneration of directors as directors of the subsidiaries

No compensation or any other benefits paid to directors of the subsidiaries.

In 2015, remuneration for 15 directors of the Board, was amounting to 6,650,000 baht in total, with details as follows:

Name	Title	Director's Meeting Allowance (Baht)	Director's Annual Gratuity (Baht)	Remuneration for the Audit Committee (Baht)	Non-Monetary	Total Remuneration (Baht)
1. Mr. Paiboon Damrongchaitham	Chairman	78,000	1,028,862	-	None	1,106,862
2. Dr. Naris Chaiyasoot	Independent Director	78,000	514,431	200,000	None	792,431
3. Mr. Dej Bulsuk ¹	Independent Director	39,000	257,215	100,274	None	396,489
4. Mr. Chanitr Charnchainarong ²	Independent Director	13,000	85,738	20,137	None	118,875
5. Miss Suvabha Charoenying ³	Independent Director	13,000	85,738	48,904	None	147,643
6. Mr. Suvit Mapaisansin ⁴	Independent Director	52,000	342,954	95,753	None	490,707
7. Mr. Kudun Sukhumananda ⁵	Independent Director	13,000	85,738	49,315	None	148,054
8. Mrs. Veeranuch Thammavaranucupt ⁶	Independent	39,000	257,215	78,493	None	374,709
9. Miss Boosaba Daorueng	Director	18,000	514,431	-	None	532,431
10. Mr. Krij Thomas	Director	18,000	514,431	-	None	532,431
11. Mrs. Saithip Montrikul Na Audhaya	Director	15,000	428,692	-	None	443,692
12. Miss Suwimon Chungjotikapisit	Director	18,000	514,431	-	None	532,431
13. Mr. Sataporn Panichraksapong	Director	18,000	514,431	-	None	532,431
14. Mr. Kreingkarn Kanjanapokin ⁷	Director	6,000	171,477	-	None	177,477
15. Dr. Lackana Leelayouthayotin ⁸	Director	9,000	257,215	-	None	266,215
Total (Baht)		427,000	5,573,000	592,877	None	6,592,877

Note :

- \1 Mr. Dej Bulsuk resigned from the Company's director, effective on September 1, 2015.
- \2 Mr. Chanitr Charnchainarong was appointed the independent director, effective on November 13, 2015 to replace Mr. Dej Bulsuk.
- \3 Miss Suvabha Charoenying resigned from the Company's director, effective on April 29, 2015.
- \4 Mr. Suvit Mapaisansin was appointed the independent director, effective on April 29, 2015 to replace Ms. Suvabha Charoenying.
- \5 Mr. Kudun Sukhumananda resigned from the Company's director, effective on April 30, 2015.
- \6 Mrs. Veeranuch Thammavaranucupt was appointed the independent director, effective on June 24, 2015 to replace Mr. Kudun Sukhumananda.
- \7 Mr. Kreingkarn Kanjanapokin resigned from the Company's director, effective on June 23, 2015.
- \8 Dr. Lackana Leelayouthayotin was appointed the director, effective on June 24, 2015 to replace Mr. Kriengkarn Kanjanapokin.

2. Remuneration of Group Executive Committee Members and Top Executives

In 2015, the Company has evaluated the performance of top executives. (and all employees) in terms of Key Performance Index (KPI). Each employee must set their KPIs together with action plans and submit to the Group Chief Executive Officer and/or Group Executive Committee and/or Board of Directors which will be in conjunction with compensation, salary adjustment and bonus. The performance evaluation with KPI is performed together with performance evaluation set by the Human Resources Department.

The Board of Directors has established a policy on the remuneration of the Group Chief Executive Officer (Top executive) for short-term by considering KPI and the success of the action plan, together with the performance evaluated by the Nomination and Remuneration Committee before submitting to the Board of Directors for approval. The long-term compensation will be in form of the provident fund based on period of employment.

Monetary remuneration for the Group Executive Committee and Top Executives ('Executives' in this instance refers the SEC's definition including Group Chief Executive Officer or Group CEO, the top four most senior members of the management team ranked below the Group CEO irrespective of their positions, including the position equivalent to the fourth rank and Chief Finance Officer) is in the form of salary, bonus, provident fund and other benefits such as company cars, car allowances in lieu of company cars and mobile phones usage fee.

In 2015, the total monetary remuneration for Group Executive Committee member and top executives in total 7 persons amounted to 68,009,400 baht.

Remuneration Description	Amount (Baht)
Salary and Bonus	54,369,000
Other Benefits:	
• Provident Fund (Depend on the period of employment)	1,721,400
• Others	11,919,000
Total	68,009,400

Human Resources

The Group's total numbers of workforce, both full-time and part-time employees (with a definite contract term), as of December 31, 2015 were 3,479.

Company	2015		(Unit : Person)
	Full-time	Part-time	Total
GMM Grammy Plc.	776	127	903
Subsidiaries	2,167	409	2,576
Total	2,943	536	3,479

Note : Full-time employees are employees whose employment contracts do not indicate the date of their employment termination.

: Part-time employees are employees whose employment contracts clearly indicate the date when their employment with the Company ends, such as contractual employees and freelancers.

The Group places great importance on human resources as they are key drivers of the Company's optimum operational efficiency and effectiveness, as well as achievement of targets and success guided by the Company's vision. Therefore, the Board of Directors has established a **Human Resources Management Policy**, as follows:

1. The Company believes in the value of human beings by treating employees as the most important resource that the Company would promote its policy on employee's development for the utmost working efficiency.
2. The Company regards each employee as a respected and honored colleague who should be well cared for.
3. The Company will ensure fair employment and offer fair career advancement opportunities.
4. The Company will operate under the basis of teamwork, where everyone works together as a single unit and will work to build excellent morale among employees at every level.
5. The Company will develop all employees in terms of their knowledge, ability, expertise, operational and management skills as appropriate so that they can continue to advance and grow.
6. The Company will promote and retain all talented employees to ensure that they work with the Company as long as possible.
7. The Company will promote and support employees to ensure stability in their profession, with promotions being granted to employees who have suitable quality before seeking to recruit externally sourced candidates to fill the positions.
8. The Company will review benefits and other remuneration to remain on par with other companies in the same industry and commensurate with the position, experience, qualifications and quality of each employee. The pay will also be based on the Company's performance, as well as the country's socio-economic environment.
9. The Company considers that human resources management is a duty to be directly handled by immediate supervisor and that the human resources department serves as a consulting unit. Therefore, it is the supervisor's responsibility to closely monitor and ensure the well-being of their staff.
10. Employees should consult with their supervisor in order to discuss any suggestions or assistance to resolve the problems or may obtain advice and assistance from the Human Resources Department as well.

The Company has publicized the Company Employment Regulations and Welfare Manual through the Group's Intranet so that all employees can study, understand and use as a reference. The Company constantly revises and updates the content so that it remains appropriate for the Company's business operations, based on fairness and/or changes in rules, regulations and laws of concerned authorities.

Significant changes in the number of employees in the past 3 years

- None-

Major labor disputes in the past 3 years

- None-

Employee Remuneration and Benefits

The Board of Directors has prescribed a set of policies and guidelines on employee remuneration and benefits, as follows:

1. Salary and bonus

The Group's policy in remunerating its employees is on the basis of reasonableness, fairness, knowledge, capability, performance and compatibility with the industry's average pay scale, as well as growth of the business and the Company.

The employee's compensation will be in conjunction with KPI and action plan which proposed to supervisor under the line of command. The salary adjustment and bonus payment will be based on KPI and performance evaluation set by the Human Resources Department.

2. Other benefits

Other benefits such as the provident fund which is a post-retirement benefit, the percentage of employees' and employer's contribution rate is equivalent. The rate of contribution is dependent upon the period of employment, namely:

- Less than 5 years, contribution rate of 3%
- 5 years or more, contribution rate of 5%

In 2015, total salaries, bonuses and employer's contributions paid for the entire Group were amounting to 1,822.81 million baht, details are as follows:

Company	2015			(Unit: Million Baht)
	Salaries	Bonuses	Employer's contributions	Total
GMM Grammy Plc.	539.26	79.97	19.39	638.62
Subsidiaries	1,043.99	106.99	33.21	1,184.19
Total	1,583.25	186.96	52.60	1,822.81

3. Employee Welfare

Improving the quality of work life requires more than offering various benefits for staff according to the law. Therefore, the Company has adjusted and increased its welfare and fringe benefit offering to better match the Company's businesses. Some of these benefits are, for example, healthcare payments (in-patients, out-patients, dental and eye care), in-house medical care, group life and accident insurance and annual check-up for employees and other types of financial and non-financial assistance (such as funds for funeral arrangements of employees, their parents, children or legal spouse, monk ordinations, preparing reliable sources providing loan with special interest rate for house purchasing, special discount for some company's activities. These measures are aimed to provide moral support and enhance confidence in working with the Company. Moreover, these benefits help to alleviate employees' financial burdens and provide some stability for employees and their families, taking into account the maximum benefits to employees. Therefore, the Company has documented these measures into a Welfare Manual for the employee.

Moreover, the Employee Self Service (ESS) system was developed to allow employees to easily and promptly view information about themselves such as personal information, employment terms, income, education, work experience, information about their parents, children and spouse, tax deductible, salary slips and summary of their annual income. Employees are allowed to make changes to information pertaining to themselves and tax deduction at all times, while data security is adequately and properly in place.

In 2015, the Company reviewed and ensured that the Human Resources Management Policies, Company Employment Regulations and Welfare Manual were fully and constantly being complied.

Board of Directors



◀
Mr. Paiboon Damrongchaitham
Chairman

TOTAL MEDIA
SOLUTIONS

As of December 31, 2015

▶
Miss Boosaba Daorueng
Vice Chairman



◀
Dr. Naris Chaiyasoot
Independent Director



▲
Mrs. Veeranuch
Thammavaranucupt
Independent Director

▶
Mr. Suvit Mapaisansin
Independent Director





▲
Mr. Chanitr Charnchainarong
Independent Director



◀
**Mrs. Saithip
Montrikul Na Audhaya**
Director



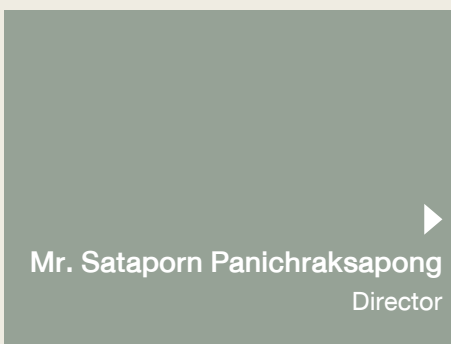
▶
Mr. Krij Thomas
Director



◀
**Miss Suwimon
Chungjotikapisit**
Director



▲
**Dr. Lackana
Leelayouthayotin**
Director



▶
Mr. Sataporn Panichraksapong
Director



Executive Team

TOTAL MEDIA SOLUTIONS



▲
Miss Boosaba Daorueng
Group Chief Executive Officer



▶
**Mrs. Saithip
Montrikul Na Audhaya**
CEO-GMM Channel Digital TV



◀
Mr. Krij Thomas
CEO-GMM Music



◀
Mr. Takonkiet Viravan
CEO-GMM ONE Digital TV



▶
Mr. Premon Pinskiul
Chief Financial Officer



▲
Mrs. Jiraporn Rungsrihong
Chief Investment Officer

Board of Directors and Management Team

Mr. Paiboon Damrongchaitham (66 Years)

Chairman of the Board

Chairman of the Company Advisory Board

Date of Directorship

March 25, 1994

Education Background

- Bachelor of Arts (Mass Communications) (Honors), Chulalongkorn University
- Doctoral of Business Administration (Honorary), Christian University

Seminar Accomplishment

The National Broadcasting and Telecommunications Commission

- Broadcasting Executive Forum (BCF), Class 1/2013

Number of Share Holding (%) as of 31/12/2015

392,834,599 shares (47.91%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

2008 - Present	Chairman of the Company Advisory Board, GMM Grammy Plc.
1998 - Present	Chairman of the Board, GMM Grammy Plc.
Jul 2011 - 13 Jul 2014	Member of the Nomination and Remuneration Committee, GMM Grammy Plc.
2005 - 2011	Chairman of the Nomination and Remuneration Committee, GMM Grammy Plc.
1998 - 2008	Advisor to the Executive Committee, GMM Grammy Plc.

Other Companies

Apr 2015 - Present	Director, Judtangton Co., Ltd.
Nov 2011 - Present	Chairman of the Board, GMM CJ O Shopping Co., Ltd.
2009 - Present	Director, Ruamfah Deawkan Co., Ltd.
2009 - Present	Vice Chairman, Family Know-how Co., Ltd.
2008 - Present	Chairman of the Company Advisory Board, GMM Media Plc.
2005 - Present	Director, Hou Yuu Central World Co., Ltd.
2005 - Present	Director, Trinaga Co., Ltd.
2002 - Present	Director, Hou Yuu Co., Ltd.
2001 - Present	Director, Geurtfah Co., Ltd.
1998 - Present	Chairman/Founder, Damrongchaitham Foundation
1987 - Present	Director, Ruamfah Co., Ltd.
Mar 2012 - Sep 2012	Director, GMM Z Co., Ltd.
2005 - 2009	Chairman of the Nomination and Remuneration Committee, GMM Media Plc.
2002 - 2009	Chairman of the Board, GMM Media Plc.
2007 - 2008	Advisor to the Executive Committee, GMM Media Plc.
2005 - 2007	Chairman of the Risk Management Committee, GMM Media Plc.
2002 - 2007	Chairman of the Executive Director, GMM Media Plc.

Miss Boosaba Daorueng (63 Years)

Vice Chairman (Authorized Director)

Chairman of the Risk Management Committee

Chairman of the Group Executive Committee

Group Chief Executive Officer

Date of Directorship

March 25, 1994

Education Background

- Bachelor of Liberal Arts, Thammasat University

Number of Share Holding (%) as of 31/12/2015

1,750,240 shares (0.21%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

May 2012 - Present	Chairman of the Group Executive Committee, GMM Grammy Plc.
Feb 2012 - Present	Group Chief Executive Officer, GMM Grammy Plc.
2008 - Present	Vice Chairman, GMM Grammy Plc.
2005 - Present	Chairman of the Risk Management Committee, GMM Grammy Plc.
Mar 1994 - Present	Director (Authorized Director), GMM Grammy Plc.
2009 - May 2012	Co-Chief Executive Director, GMM Grammy Plc.
2009 - Feb 2012	Co-Chief Executive Officer, GMM Grammy Plc.

Other Companies

14 Dec 2015 - Present	Director, GDH 559 Co., Ltd.
Sep 2015 - Present	Director, Exact Co., Ltd.
Sep 2015 - Present	Director, Memiti Co., Ltd.
Aug 2015 - Present	Director, GMM Channel Trading Co., Ltd.
Aug 2015 - Present	Director, A-Time Media Co., Ltd.
Aug 2015 - Present	Director, GMM TV Co., Ltd.
Jul 2015 - Present	Director, Digistream Co., Ltd.
21 Jul 2015 - Present	Director, The One Enterprise Co., Ltd.

2015 - Present	Director, GMM Media Plc.
Sep 2013 - Present	Director, GMM Channel Co., Ltd.
Sep 2013 - Present	Director, GMM One TV Co., Ltd.
Oct 2012 - Present	Director, GDC Co., Ltd.
Oct 2010 - Present	Director, GR Vocal Studio Co., Ltd.
May 2010 - Present	Director, Acts Studio Co., Ltd.
Feb 2006 - Present	Director, GMM Fitness Club Co., Ltd.
Jul 2005 - Present	Director, Fan TV Co., Ltd.
2004 - Present	Director, Deetalk Co., Ltd.
Apr 2004 - Present	Director, Scenario Co., Ltd.
Apr 2004 - Present	Director, GMM Tai Hub Co., Ltd.
Jul 2003 - Present	Director, Digital Arms Co., Ltd.
May 2000 - Present	Director, GMM Holding Co., Ltd.
Aug 1999 - Present	Director, Mifah Co., Ltd.
Dec 1998 - Present	Director, GMM Digital Domain Co., Ltd.
Nov 1998 - Present	Director, MGA Co., Ltd.
Nov 1998 - Present	Director, Digital gen Co., Ltd.
Nov 1998 - Present	Director, Grammy Publishing House Co., Ltd.
Aug 1998 - Present	Director, GMM Music Publishing International Co., Ltd.
Jan 1997 - Present	Director, GMM Studio Co., Ltd.
Aug 1996 - Present	Director, Magic Film Co., Ltd.
Nov 1995 - Present	Director, More Music Co., Ltd.
Sep 1994 - Present	Director, Extraorganizer Co., Ltd.
Sep 2004 - Liquidation completed	Director, Luckdee Thaweessuk Co., Ltd.
Nov 1998 - Liquidation completed	Director, GTH On-air Co., Ltd.
Jul 2005 - 1 Jul 2015	Director, Index Creative Village Plc. (Former Index Event Agency Plc.)
2003 - 2008	Advisor, GMM Media Plc.

Dr. Naris Chaayasoot (60 Years)

Independent Director

Chairman of the Audit Committee

Chairman of the Nomination and Remuneration Committee

Date of Directorship

March 20, 2013

Education Background

- B.A. Economics (Honors), Thammasat University
- M.A. Economics (English Program), Thammasat University
- Ph. D Economics, University of Hawaii, USA

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Chartered Director Class (CDC), Class 3/2008
- Director Certification Program (DCP), Class 82/2006
- Director Accreditation Program (DAP), Class 32/2005
- Finance for Non-Finance Directors (FND), Class 19/2005

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

13 Nov 2015 - Present	Chairman of the Nomination and Remuneration Committee, GMM Grammy Plc.
Aug 2015 - Present	Chairman of the Board and the Audit Committee, Banpu Power Plc.
Mar 2013 - Present	Chairman of the Audit Committee, Independent Director, GMM Grammy Plc.
Dec 2012 - Present	Director and President of the Audit Committee, Fortune Parts Industry Plc.
Mar 2013 - 13 Nov 2015	Member of the Nomination and Remuneration Committee, GMM Grammy Plc.
2009 - 2012	Director, Thai Oil Plc.
2008 - 2011	Director, PTT Plc.

Other Companies

Oct 2015 - Present	Chairman, RX manufacturing Co., Ltd.
Oct 2015 - Present	Advisor, Organization for Researches in art, culture, urban and leisure development (ORAC), Japan
Jan 2015 - 30 Sep 2015	Deputy Permanent Secretary, Ministry of Finance
Jul 2014 - 30 Sep 2015	Chairman of the Board, Export-Import Bank of Thailand
Apr 2014 - 30 Sep 2015	Director, Bangkok Commercial Asset Management Co., Ltd.
Oct 2011 - 30 Sep 2015	Chairman of the Board, Dhanarak Asset Development Co., Ltd.
2010 - 30 Sep 2015	Chairman, Deposit Protection Agency
2011 - Dec 2014	Director-General, The Treasury Department, Ministry of Finance
2011 - Jun 2014	Chairman, Small and Medium Enterprise Development Bank of Thailand
2010 - 2011	Board Member, Capital Market Supervisory Board The Securities and Exchange Commission
2010 - 2011	Director-General, Fiscal Policy Office, Ministry of Commerce
2009 - 2010	Deputy Permanent Secretary, Ministry of Finance
2006 - 2007	Inspector-General, Ministry of Finance
1998 - 2004	President of Chancellor, Thammasat University

Mr. Suvit Mapaisansin (57 Years)

Independent Director

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

Member of the Corporate Governance and Ethics Committee

Date of Directorship

April 29, 2015

Education Background

- Bachelor of Economics, Chulalongkorn University
- Master of Business Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University

Seminar Accomplishment

Thai Institute of Directors (IOD)

- Course Audit Committee Program Class 37/2011
- Course Director Certification Program Class 12/2001

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

13 Nov 2015 - Present	Member of the Nomination and Remuneration Committee, GMM Grammy Plc.
13 May 2015 - Present	Audit Committee, GMM Grammy Plc.
13 May 2015 - Present	Member of the Corporate Governance and Ethics Committee GMM Grammy Plc.
29 Apr 2015 - Present	Independent Committee, GMM Grammy Plc.
3 Apr 2014 - Present	Independent Committee/Audit Committee, Golden Lime Company Limited
2012 - Present	Director, Kiatnakin Public Company Limited

2009 - Present	Director, Phatra Securities Public Company Limited
2011 - 2012	Chairman of the Audit Committee, Audit Committee, Krungthai Card Public Company Limited
2009 - 2012	Independent Director, Krungthai Card Public Company Limited
2003 - 2009	Chief Executive Officer, Phatra Securities Public Company Limited
Other Companies	
2010 - Present	Director, Phatra Capital Public Company Limited
2012 - 2014	Chairman of the Board of Directors, Phatra Asset Management Company Limited
2011 - 2 Apr 2014	Independent Director / Member of the Audit Committee, Golden Lime Company Limited
2012 - 2014	Chairman of the Board of Directors, KK TRADE Securities Company Limited
26 Jun 2002 - 27 May 2003	Vice Chairman of the Board The Stock Exchange of Thailand
6 Feb 2001 - 25 Jun 2002	Director, The Stock Exchange of Thailand
2000 - 2002	Managing Director, Merrill Lynch Phatra Securities Co., Ltd.

Mrs. Veeranuch Thammavaranucupt (44 Years)

Independent Director

Member of the Audit Committee

Member of the Corporate Governance and Ethics Committee

Date of Directorship

June 24, 2015

Education Background

- LL.B (Honors), Chulalongkorn University
- Barrister-at-Law, Thai Bar Association
- LL.M. (Commercial Law), University of Bristol

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

24 Jun 2015 - Present	Independent Director /Member of the Audit Committee/Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
2008 - 2013	Senior Vice Preseident, Total Access Communication Plc.

Other Companies

Jul 2013 - Present	Partner, Weerawong, Chinnavat & Peangpanor Ltd.
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Mr. Chanitr Charnchainarong (52 Years)

Independent Director

Member of the Audit Committee

Date of Directorship

November 13, 2015

Education Background

- Bachelor of Electrical Engineering, Purdue University, USA
- Master of Electrical Engineering, Purdue University, USA
- Chartered Financial Analyst (CFA), CFA Institute, USA

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 52/2004

Other Institutes

- Senior Executives of Justice Administration, Class 19/2014, Office of the Judicial Training Institute
- Advanced Management Program (AMP), Class 185/2013, Harvard Business School, Harvard University, USA
- Public Economics Management for Executives, Class 9/2011, King Prajadhipok's Institute
- Capital Market Academy Leader Program, Class 2/2006, Capital Market Academy

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

Nov 2015 - Present	Independent Director / Member of the Audit Committee, GMM Grammy Plc.
May 2015 - Present	Independent Director / Chairman of the Audit Committee, UOB (Thailand) Plc.

Other Companies

Oct 2015 - Present	Chairman of the Board, Comanche International Co., Ltd.
May 2015 - Present	Advisor, Vnet Capital Co., Ltd.
May 2015 - Present	Senior Advisor, The Quant Group Co., Ltd.
Apr 2015 - Present	Member of University Council, Kasetsart University
Apr 2011 - Present	Director, CA Infomedia Co., Ltd.
Feb 2014 - Feb 2015	Vice President, The Stock Exchange of Thailand (SET)
Feb 2006 - Feb 2014	President, Market for Alternative Investment (mai)
Feb 2006 - Jun 2011	Senior Vice President, The Stock Exchange of Thailand (SET)
Nov 2004 - Dec 2005	Advisor, Market for Alternative Investment (mai)

Mrs. Saithip Montrikul Na Audhaya (59 Years)

Director (Authorized Director)

Member of the Risk Management Committee

Member of the Group Executive Committee

Chief Executive Officer- GMM Channel Digital TV

Date of Directorship

July 16, 2002

Education Background

- Bachelor of Arts (Mass Communications), Chulalongkorn University
- Honorary Bachelor of Technology (Mass Communication of Technology), Rajamangala University of Technology Rattanakosin

Number of Share Holding (%) as of 31/12/2015

120 shares (0%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

Oct 2014 - Present	Chief Executive Officer-GMM Channel Digital TV, GMM Grammy Plc.
May 2012 - Present	Member of the Group Executive Committee, GMM Grammy Plc.
2009 - Present	Member of the Risk Management Committee, GMM Grammy Plc.
2002 - Present	Director (Authorized Director), GMM Grammy Plc.
Feb 2012 - Jul 2014	Chief Executive Officer-Media Business, GMM Grammy Plc.
2009 - May 2012	Co-Chief Executive Director, GMM Grammy Plc.
2009 - Feb 2012	Co-Chief Executive Officer, GMM Grammy Plc.
1989 - Feb 2009	Executive Director, GMM Grammy Plc.

Other Companies

Aug 2014 - Present	Director, GMM Channel Co., Ltd.
Feb 2009 - Present	Chairman of the Board, GMM Media Plc.
2007 - Present	Director, A-Time Traveler Co., Ltd.
2002 - Present	Director, GMM Media Plc.
1989 - Present	Director, A-Time Media Co., Ltd.
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd.
Jun 2011 - Sep 2015	Director, Memiti Co., Ltd.
May 2010 - Sep 2015	Director, Acts Studio Co., Ltd.
Mar 2009 - Jul 2015	Director, Index Creative Village Plc.
Aug 2014 - Aug 2015	Director, GMM One TV Co., Ltd.
2002 - 30 Sep 2014	Managing Director, GMM Media Plc.
1989 - Sep 2014	Managing Director, A-Time Media Co., Ltd.
2007 - Dec 2011	Managing Director, A-Time Traveler Co., Ltd.
Aug 2008 - Feb 2009	Vice Chairman of the Board, GMM Media Plc.
2007 - Feb 2009	Chairman of the Risk Management Committee, GMM Media Plc.
2005 - 2007	Risk Management Committee, GMM Media Plc.
2002 - 2007	Executive Director, GMM Media Plc.
1995 - Jan 2007	Managing Director, GMM TV Co., Ltd.

Mr. Krij Thomas (55 Years)

Director (Authorized Director)

Chairman of the Corporate Governance and Ethics Committee

Member of the Risk Management Committee

Member of the Group Executive Committee

Chief Executive Officer - GMM Music

Date of Directorship

April 28, 2008

Education Background

- Bachelor of Arts (Mass Communications), Chulalongkorn University

Number of Share Holding (%) as of 31/12/2015

1,742,960 shares (0.21%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

Oct 2014 - Present	Chief Executive Officer - GMM Music, GMM Grammy Plc.
Aug 2014 - Present	Chairman of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
May 2012 - Present	Member of the Group Executive Committee, GMM Grammy Plc.
Feb 2011 - Present	Member of the Risk Management Committee, GMM Grammy Plc.
2008 - Present	Director (Authorized Director), GMM Grammy Plc.
2003 - Present	Managing Director (Grammy Gold Division), GMM Grammy Plc.
Mar 2013 - Jul 2014	Acting Chief Executive Officer-Satellite TV Business, GMM Grammy Plc.
Apr 2012 - Jul 2014	Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
Feb 2012 - Jul 2014	Chief Executive Officer-Music Business, GMM Grammy Plc.

2011 - Feb 2012	Senior Executive Vice President (Music Business Division), GMM Grammy Plc.
2004 - May 2012	Member of the Executive Committee, GMM Grammy Plc.
2008 - 2010	Executive Vice President (Music Business Division), GMM Grammy Plc.
2005 - 2006	Acting Managing Director (GMM International Division), GMM Grammy Plc.
2001 - 2003	Deputy Managing Director (Country music), GMM Grammy Plc.

Other Companies

Jul 2013 - Present	Director, GMM Z Trading Co., Ltd.
Dec 2012 - Present	Director, Digistream Co., Ltd.
Jul 2012 - Present	Director, GMM Z Co., Ltd.
Mar 2012 - Present	Director, GDC Co., Ltd.
Oct 2011 - Present	Director, Fan TV Co., Ltd.
2007 - Present	Director, 3-RD Co., Ltd.
1997 - Present	Managing Director, Krij Thomas Co., Ltd.
2013 - 21 Jul 2015	Director, GMM One TV trading Co., Ltd.
Feb 2013 - Jun 2015	Director, GMM CJ O Shopping Co., Ltd.
2013 - 13 Aug 2014	Director, GMM Big TV trading Co., Ltd.
2004 - Feb 2009	Director, Dokya Pujong Co., Ltd.

Miss Suwimon Chungjotikapisit (63 Years)

Director (Authorized Director)

Member of the Nomination and Remuneration Committee

Company Advisor

Date of Directorship

November 13, 2010

Education Background

- Bachelor of Political Science, Chulalongkorn University (Honors)

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 12/2001

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

Jul 2014 - Present	Member of the Nomination and Remuneration Committee, GMM Grammy Plc.
Nov 2010 - Present	Director (Authorized Director), GMM Grammy Plc.
Nov 2005 - Present	Company Advisor, GMM Grammy Plc.
Other Companies	
Jan 2016 - Present	Director, Sua Tid Peek Co., Ltd. (Former: Paiboon and Tan Co., Ltd.)
Apr 2015 - Present	Director, Judtongton Co., Ltd.
Dec 2010 - Present	Advisor, GMM Media Plc.
Dec 2010 - Present	Director, MGA Co.,Ltd.

Nov 2010 - Present	Director, GMM Media Plc.
Nov 2010 - Present	Director, GMM Tai Hub Co., Ltd.
Nov 2010 - Present	Director, Luckdee Thaweessuk Co., Ltd.
Nov 2010 - Present	Director, GMM Digital Domain Co.,Ltd.
Oct 2010 - Present	Director, GMM TV Co., Ltd.
Oct 2010 - Present	Director, Hou Yuu Central World Co., Ltd.
Oct 2010 - Present	Director, Hou Yuu Co., Ltd.
Oct 2010 - Present	Director, Geurtfah Co., Ltd.
Oct 2010 - Present	Director, Teen Talk Co., Ltd.
Oct 2010 - Present	Director, Ruamfah Co., Ltd.
Oct 2010 - Present	Director, Trinaga Co., Ltd.
Oct 2010 - Present	Director, GR Vocal Studio Co., Ltd.
Oct 2010 - Present	Director, Exact Co., Ltd.
May 2010 - Present	Director, Acts Studio Co., Ltd.
Jul 2009 - Present	Director, Ruam Fah Deaw Gun Co., Ltd.
28 Jan 2008 - Present	Director / Treasurer, Damrongchaitham Foundation
Feb 2007 - Present	Director, Ustar (Thailand) Co., Ltd.
Dec 2010 - Dec 2015	Director, Bliss Publishing Co., Ltd. (Defunct)
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd.
Dec 2010 - 4 Aug 2015	Director, In Publishing Co., Ltd.
Dec 2010 - 4 Aug 2015	Director, GMM Times Co., Ltd.
Nov 2010 - 4 Aug 2015	Director, Image Publishing Co., Ltd.
Nov 2010 - 4 Aug 2015	Director, GMM Inter Publishing Co., Ltd.
Dec 2010 - 1 Jul 2014	Director, Index Creative Village Plc.
Apr 2010 - 2014	Director, Image On-air Co., Ltd.

Mr. Sataporn Panichraksapong (48 Years)

Director (Authorized Director)

Member of the Risk Management Committee

Member of the Corporate Governance and Ethics Committee

Date of Directorship

April 27, 2009

Education Background

- Bachelor of Journalism and Mass Communications (Cinematography), Thammasat University

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 186/2014

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

Apr 2012 - Present	Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
Feb 2009 - Present	Member of the Risk Management Committee, GMM Grammy Plc.
2009 - Present	Director (Authorized Director), GMM Grammy Plc.
2009 - May 2012	Member of the Executive Committee, GMM Grammy Plc.
2005 - 2006	Senior Vice President, Chief Executive Director Office, GMM Grammy Plc.

Other Companies

Apr 2015 - Present	Director, Family Know-How Co., Ltd.
2007 - Present	Director/Managing Director, GMM TV Co., Ltd. (Former Grammy Television Co., Ltd.)
2011 - Sep 2015	Director, Memit Co., Ltd.
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd.
2009 - 24 Jun 2015	Director, GMM Media Plc.
2007 - Feb 2009	Member of Risk Management Committee, GMM Media Plc.
2005 - 2007	Deputy Managing Director, Grammy Television Co., Ltd.

Dr. Lackana Leelayouthayotin (63 Years)

Director

Advisor

Date of Directorship

June 24, 2015

Education Background

- B.Sc (Chemistry) Chulalongkorn University
- MBA (Marketing) Catholic University of Leuven, Belgium
- DBA (Marketing) University of Southern Queensland, Australia

Seminar Accomplishment

- Global Brand Forum (2004)
- Unleashed the Power Within by Anthony Robbins, Singapore (2001)
- Asia Pacific Chief Executive Grid Seminar, Grid Organization Development and Change Management (2000)
- Advance Executive Program (AEP), Kellogg School of Management, North Western University, USA (1998)
- Data-Based Competitive Benchmark in Marketing, Asia Pacific Marketing Federation, Phillippines (1994)
- Update in Strategic Management by University of California Berkley, Singapore (1994)
- Developing the First-Class Manager, Hawksmere, Hong Kong (1989)
- Marketing Manager, Queen's University, Canada (1984)

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

24 Jun 2015 - Present Director and Advisor,
GMM Grammy Plc.

Apr 2015 - Present Director,
Lam Soon (Thailand) Plc.

Other Companies

Jul 1993 - Present Director,
Cerebos (Thailand) Co., Ltd.

15 Sep 2015 - Present Director,
Thailand Institute of Nuclear Technology
(Public Organization)

21 Jul 2015 - Present Director,
The One Enterprise Company Limited

25 Jul 2014 - Present Chairman,
The Foundation for Education of The Marketing
Association of Thailand

Oct 2007- Present Director,
Tipco Food & Beverage Co., Ltd.

1997 - Present Director,
The Recruitment and Promotion of Voluntary
Blood Donor of Thai Red Cross Society

2010 - 2014 Executive Vice President & CEO of Health
Supplement Division,
Cerebos Pacific Limited

2006 - 2014 Board of Director,
Cerebos Pacific Ltd.

2005 - 2009 Executive Vice President & CEO South East Asia,
Cerebos Pacific Limited

Mr. Takonkiet Viravan (49 Years)

Member of the Risk Management Committee

Member of the Group Executive Committee

Chief Executive Officer- GMM One Digital TV

Date of Appointment

June 1, 2014

Education Background

- Bachelor of Communication & Theatre, Boston College, USA
- M.S. (Broadcasting), Boston University, USA
- Honorary Doctor of Science (Mass Communication of Technology), Rajamangala University of Technology Thanyaburi

Number of Share Holding (%) as of 31/12/2015

6,930,840 shares (0.85%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

Oct 2014 - Present	Chief Executive Officer-GMM One Digital TV, GMM Grammy Plc.
Jun 2014 - Present	Member of the Group Executive Committee, GMM Grammy Plc.
Jun 2014 - Sep 2014	Chief Executive Officer-GMM Digital TV, GMM Grammy Plc.
2009 - Oct 2013	Director, GMM Grammy Plc.
Apr 2009 - May 2012	Member of the Executive Committee, GMM Grammy Plc.

Other Companies

Sep 2015 - Present	Director, Memiti Co., Ltd.
Sep 2015 - Present	Director, Exact Scenario Co., Ltd.

12 Feb 2015 - Present	Director/Managing Director, Wan Tam Dee Co., Ltd.
Jul 2015 - Present	Director, The One Enterprise Co., Ltd.
Jun 2014 - Present	Director, GMM One TV Co., Ltd.
Jul 2012 - Present	Director, Rachadalai Co., Ltd.
Mar 2012 - Present	Director, Z Trading Co., Ltd.
May 2010 - Present	Director, Acts Studio Co., Ltd.
2009 - Present	Director/Managing Director, Methee 1 Co., Ltd.
Apr 2004 - Present	Director/Managing Director, Scenario Co., Ltd.
Oct 2002 - Present	Director/Managing Director, Teen Talk Co., Ltd.
Aug 1996 - Present	Director, Magic Film Co., Ltd.
Oct 1995 - Present	Director, Exact Co., Ltd.
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd.
2010 - Sep 2014	Managing Director, Acts Studio Co., Ltd.
1995 - Nov 2009	Director, Noble Development Co., Ltd.
Sep 2002 - Oct 2013	Director, GMM Media Plc.
Oct 1985 - Nov 2009	Director, Continental City Co., Ltd.
2002 - Feb 2009	Managing Director, GMM Media Plc.

Mr. Premon Pinskul (59 Years)

Member of the Risk Management Committee

Member of the Group Executive Committee

Chief Financial Officer

Date of Appointment (as an executive)

June 16, 2011

Education Background

- Bachelor of Accounting (Commerce and Accountancy), Thammasat University
- Master of Arts (Economics), University of Detroit, USA
- Master of Business Administration, University of Detroit, USA

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AACP), Class 2/2010
- Director Certification Program (DCP), Class 114/2011

Number of Share Holding (%) as of 31/12/2015

-None-

Experience

Listed Companies

May 2012 - Dec 2015	Member of the Group Executive Committee, GMM Grammy Plc.
Jul 2011- Dec 2015	Member of the Risk Management Committee, GMM Grammy Plc.
Jun 2011 - Dec 2015	Chief Financial Officer, GMM Grammy Plc.
Oct 2014 - Jul 2015	Acting Director of Regulatory Affairs, GMM Grammy Plc.
Jul 2011 - Aug 2012	Member of the Corporate Governance & Ethics Committee, GMM Grammy Plc.
Jul 2011 - May 2012	Member of the Executive Committee/ Secretary to the Executive Committee GMM Grammy Plc.
2005 - 2011	Assistant Chief Financial Officer, Total Access Communication Plc.

Other Companies

Feb 2014 - Present	Chairman of the Audit Committee/ Independent Director, JAS Asset Co., Ltd.
Aug 2015 - Dec 2015	Director, GMM One TV Co., Ltd.
Jul 2015 - Dec 2015	Director, GMM Media Plc.
Mar 2015 - Dec 2105	Director, GTH On-air Co., Ltd
Oct 2013 - Dec 2015	Director, GMM Channel Co., Ltd.
Oct 2013 - Dec 2015	Director, GMM Channel Trading Co., Ltd.
Oct 2013 - Dec 2015	Director, The One Enterprise Co., Ltd.
Mar 2012 - Dec 2015	Director, GMM Z Co., Ltd.
Mar 2012 - Dec 2015	Director, Digistream Co., Ltd.
Mar 2012 - Dec 2015	Director, GDC Co., Ltd.
Mar 2012 - Dec 2015	Director, Maxi TV Co., Ltd.
Mar 2012 - Dec 2015	Director, Green Channel Co., Ltd.
Mar 2012 - Dec 2015	Director, Bang Channel Co., Ltd.
Mar 2012 - Dec 2015	Director, X Channel Co., Ltd.
Mar 2012 - Dec 2015	Director, GMM Music Co., Ltd.
Mar 2012 - 2015	Director, The New TV Co., Ltd.
Feb 2012 - Dec 2015	Director, Exact Scenario Co., Ltd.
Dec 2011 - Dec 2015	Director, Digital Gen Co., Ltd.
Nov 2011 - Dec 2015	Director, GMM TV Co., Ltd.
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd.
Nov 2011 - 2015	Director, STGMM Co., Ltd.
Oct 2011 - Dec 2015	Director, 3-RD Co., Ltd.
Aug 2011 - Dec 2015	Director, Teen Talk Co., Ltd.
Jul 2011 - Dec 2015	Director, GMM CJ O Shopping Co., Ltd.
Jul 2011 - Dec 2015	Director, G-S One Co., Ltd.
Jul 2011 - Dec 2015	Director, GMM Tai Hub Co., Ltd.
Jul 2011 - Dec 2015	Director, A Time Media Co., Ltd.
Jul 2011 - Dec 2015	Director, Radio Concept Co., Ltd.
Mar 2012 - Aug 2014	Director, GMM B Co., Ltd.

Mrs. Jiraporn Rungsritthong (47 Years)

Member of the Group Executive Committee

Member of the Risk Management Committee

Chief Investment Officer

Date of Appointment (as an executive)

July 1, 2012

Education Background

- Bachelor of Arts (German), Silpakorn University
- Master of Business Administration, Winthrop University, SC, USA

Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AACP), Class 14/2014
- Role of the Nomination and Governance Committee (RNG), Class 5/2013
- Director Certification Program (DCP), Class 167/2012

Other Institutes

- Leadership Development Program (LDP), Class 1/2013, Thai Listed Companies Association
- TLCA Executive Development Program (EDP2), Class 2/2008, Thai Listed Companies Association
- Capital Market Academy Leader Program, Class 2/2006, Capital Market Academy
- The Theory and Practice of Investor Relations (2004), University of Michigan, USA
- The Primer Program-Institute of Finance (2000), Lehman Brother, NY, USA

Number of Share Holding (%) as of 31/12/2015

14,520 shares (0%), including related parties, according to Section 59 of the Securities and Exchange Act

Experience

Listed Companies

Dec 2012 - Present Secretary of the Nomination and Remuneration Committee, GMM Grammy Plc.

Aug 2012 - Present Member of the Risk Management Committee, GMM Grammy Plc.

1 Jul 2012 - Present Chief Investment Officer, GMM Grammy Plc.

Jul 2012 - Present Member of the Group Executive Committee, GMM Grammy Plc.

24 Apr 2014 - Feb 2015 Director, SE-EDUCATION Plc.

Jul 2012 - Sep 2014 Acting Chief Administrative Officer, GMM Grammy Plc.

Feb 2013 - Oct 2013 Director, SE-EDUCATION Plc.

1996 - June 2012 Senior Vice President - Investor Relations, Electricity Generating Plc.

Other Companies

Dec 2015 - Present Director, Exact Scenario Co., Ltd.

Dec 2015 - Present Director, GMM Z Co., Ltd.

Dec 2015 - Present Director, GMM ONE TV Co., Ltd.

Dec 2015 - Present Director, Memiti Co., Ltd.

Dec 2015 - Present Director, Acts Studio Co., Ltd.

24 Jun 2015 - Present Director, GMM CJ O Shopping Co., Ltd.

Feb 2013 - Present Director, Family Know-How Co., Ltd.

2001 - Present Director, Thai Investor Relations Club

6 Jul 2015 - Dec 2015 Director, GMM Tai Hub Co., Ltd.

1995 - 1996 Business Analyst, Moody's Investor Services, USA

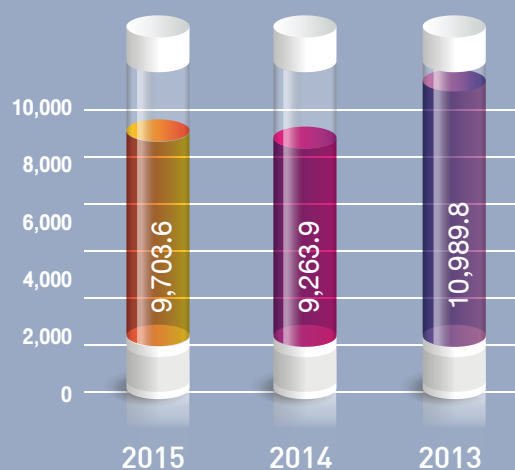


Financial Highlights

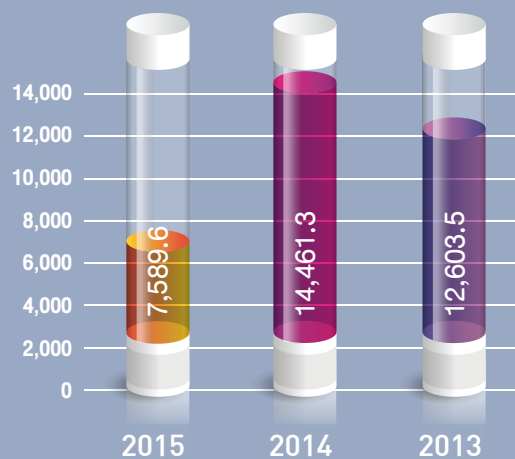
GMM Grammy Public Company Limited and its subsidiaries

Performance	Consolidated (Unit : Million Baht)		
	2015	2014	2013*
		(Restated)	
Total revenues	9,703.6	9,263.9	10,989.8
Revenue from sales and services	8,598.3	8,857.4	10,612.2
Total costs	5,742.9	6,223.4	6,990.8
Gross profit	2,855.4	2,634.0	3,621.4
Earnings/loss before Non-controlling interest of the subsidiaries	(1,135.2)	(2,345.3)	(1,221.2)
Net earnings/loss for the year	(1,145.5)	(2,412.5)	(1,282.7)
Dividend paid	-	-	-
Total assets	7,589.6	14,461.3	12,603.5
Total liabilities	5,555.9	10,977.0	8,626.7
Non-controlling interest of the subsidiaries	211.5	441.0	931.2
Equity attributable to the Company's shareholders	1,822.2	3,043.3	3,045.6
Weighted average number of ordinary shares (Million shares)	819.9	658.3	564.6
Net earning/loss per share (Baht)	(1.40)	(3.66)	(2.27)
Dividend paid per share (Baht)	-	-	-
Book value per share (Baht)	2.22	4.62	5.39
Net profit/loss margins	-11.80%	-26.04%	-11.67%
Return on equity	-47.09%	-79.24%	-42.12%
Return on assets	-10.39%	-17.83%	-10.66%

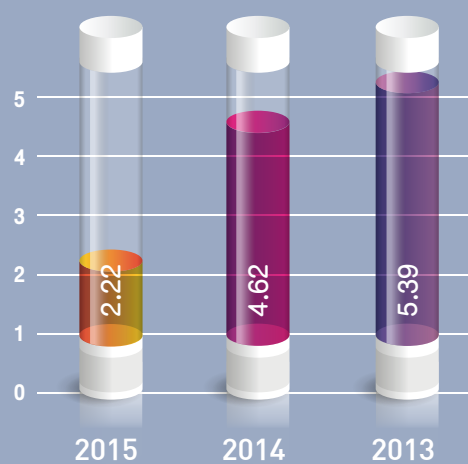
Total revenues
(Million Baht)



Total assets
(Million Baht)



**Book value
per share**
(Baht)



Policy and Business Overview

Vision, Mission and Long Term Goal

The Board of Directors will review the Company's vision, mission and long term goal at least every year, so as to determine and adjust the Company's business targets and directions to suit the situation as appropriate. In 2015 the Board's Meeting No.5/2015 on November 13, 2015 and the Board's Meeting No. 1/2016 on February 26, 2016 reviewed and edited vision, mission and long term goal as above.

Vision

To be the leader in fully integrated entertainment media and platform by creating the most engaged contents for all screens

Mission

- To create added value for all businesses and society
- To foresee new business potential and seize new opportunities to initiate new trends and form industry phenomena
- To be one step ahead of competitors in content creation, investment, and development
- To beneficially synergize and integrate the work of all sectors
- To set a clear business goal with a proven data in order to develop the endless possibility creative works

Long Term Goal

To be the leading in fully integrated media company and global quality entertainment content provider

Major Changes and Developments

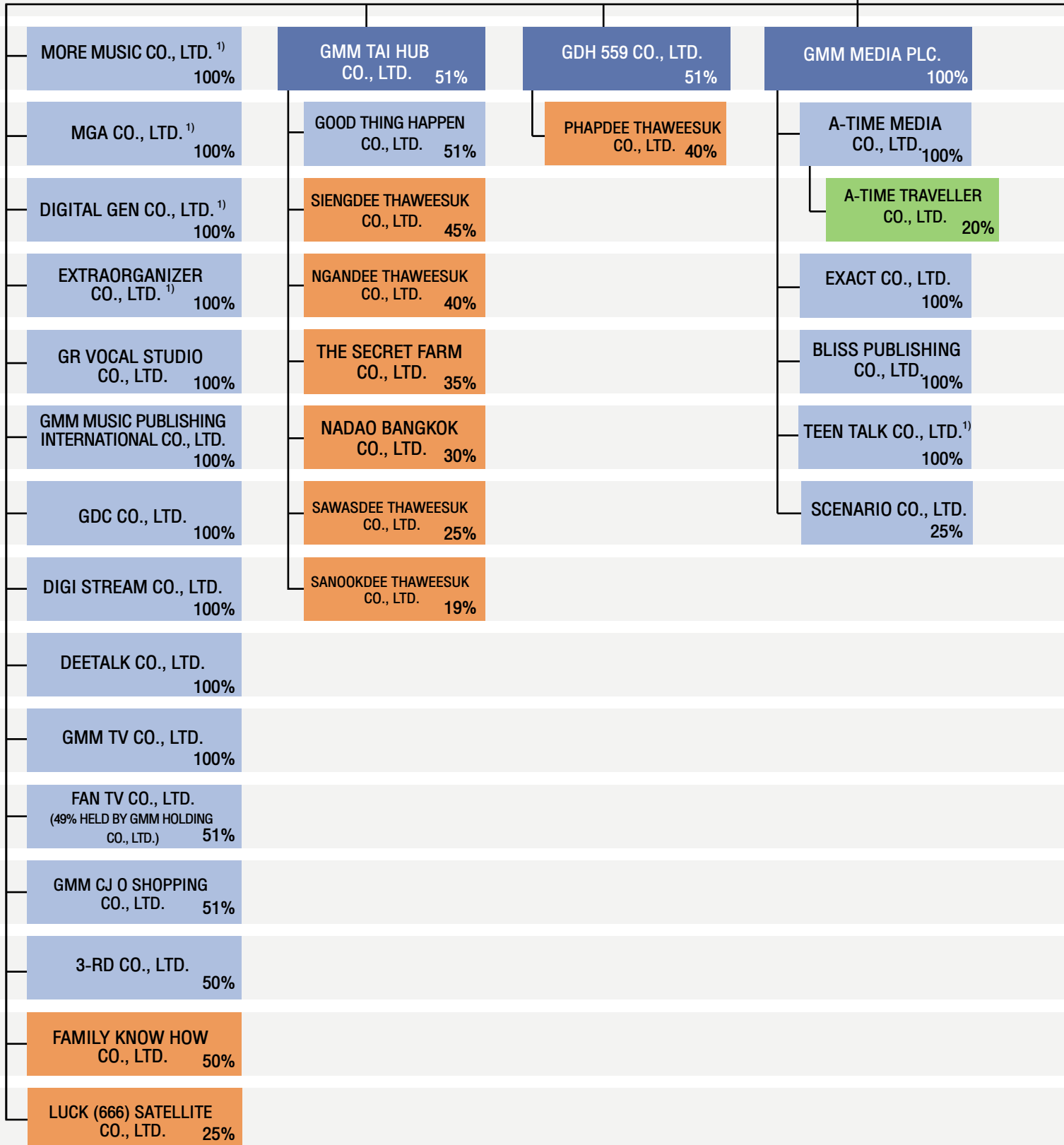
In the past 3 years, the Company underwent significant changes in shareholders' structures, management and business operations as follows:

2013	
September	<ul style="list-style-type: none"> • Capital increase at the ratio of 5 existing shares to one new share at 10 baht per share, with full subscription of 106,052,989 shares, amounting to 1,060,529,890 baht.
2014	
January	<ul style="list-style-type: none"> • Won the auction for digital TV licenses of Variety – HD channel and Variety – SD channel.
April	<ul style="list-style-type: none"> • Started trial broadcast 2 digital TV channels.
July	<ul style="list-style-type: none"> • The Company signed a merger agreement with CTH Plc. in order to expand the pay TV business. It acquired 30,000,000 common shares of CTH Public Company Limited ("CTH") totaling Baht 1,030,000,000. In this regard, the Company settled the acquisition of those shares by the selling of 100% common shares of GMM B Company Limited ("GMM B") to CTH's subsidiary named CTH LCO Company Limited ("CTH LCO"). Thus, GMM B ceased to be a subsidiary of the Company since then. The combination of the two firms will enhance performance of marketing, programs, network, and customer base.

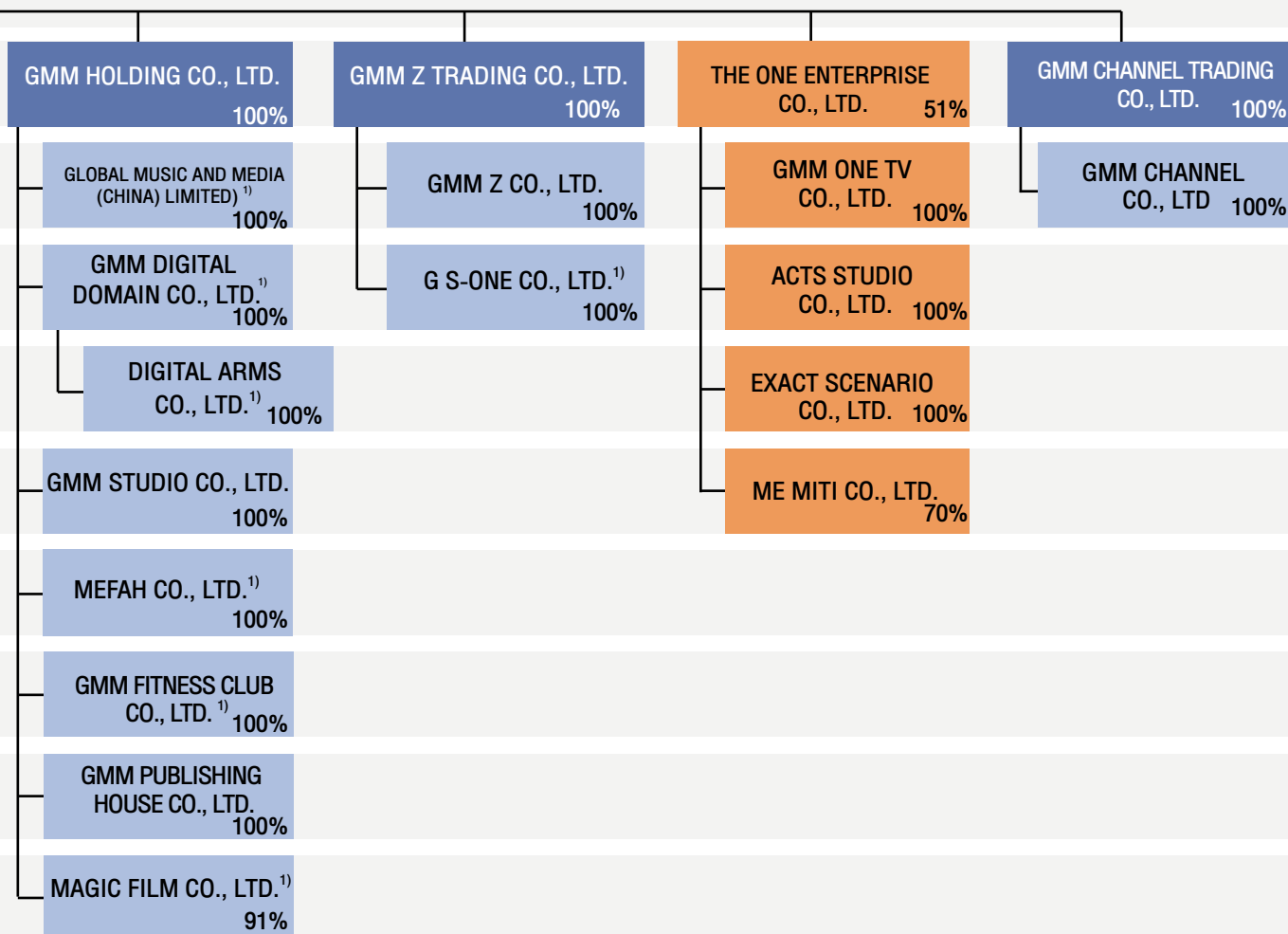
2014	
July	<ul style="list-style-type: none"> By resolution of the Extraordinary General Meeting of Shareholders No. 1/2014, the Company increased its registered capital to maximum 183,631,793 shares with details as follows: <ul style="list-style-type: none"> The Company allotted and offered maximum 63,631,793 registered shares capital at the price of 13.50 baht per share to the existing shareholders (Rights Offering) according to pro rata basis -10 existing shares per 1 new share. The remaining ordinary shares capital were allotted and offered to the private placement. Maximum 120,000,000 ordinary shares capital were allotted and offered to the private placement. <p>The objectives of this capital increase is to support investment plans and to strengthen financial status of the Company which enables sustainable business operation as well as long term benefit to the shareholders.</p>
October	<ul style="list-style-type: none"> New ordinary shares were issued to existing shareholders for subscription according to pro rata basis - 10 existing shares per 1 new share, at the price of 13.50 baht per share. The Company received more than 766 million baht from the subscription.
November	<ul style="list-style-type: none"> Total 126,878,693 of ordinary shares capital were issued to the private placement for subscription. The offer received attention from investment institutions from within Thailand and abroad including the listed companies and high net worth investors. The shares were oversubscribed at the ratio of more than 1.20x .
2015	
January	<ul style="list-style-type: none"> Disposed 49.55 million shares of SE-EDUCATION Public Company Limited (“SE ED”) at the price of 6.00 baht per share. The net amount received (after deducting related fee, tax etc.) was equal to 297.16 million baht.
February	<ul style="list-style-type: none"> The Extraordinary General Meeting of Shareholders No. 1/2015 approved the connected transaction and assets disposal regarding the partial waiver of subscription right to the capital increase of ordinary shares in GMM ONE TV TRADING CO.,LTD. to the Group of Mr. Takonkiet Viravan, who is a connected person of the Company. The transaction resulted to the Company’s shareholder portion of 51% in GMM ONE TV TRADING CO.,LTD. Moreover, the resolution regarding the disposal of the ordinary shares of ACTS STUDIO CO.,LTD. directly and indirectly held by the Company to GMM ONE TV TRADING CO.,LTD. was also approved.
June	<ul style="list-style-type: none"> Disposed total investment of 86,000,000 shares or 50% of paid-up capital in Index Creative Village Public Company Limited at the price of 5.00 baht per share, which is higher than the book value of 3.40 baht per share as of December 31st, 2014 amounting to 430 million baht.
August	<ul style="list-style-type: none"> Disposed entire investment in its Publishing Group at the value of 45 million baht, which is higher than the book value as of March 31st, 2015 at 28.89 million baht.
December	<ul style="list-style-type: none"> Shut down the operation of GMM Tai Hub Company Limited (GTH) from December 31st, 2015 onward. The Company will manage all the rights for movies produced by GTH until the official rights management person is announced later on. All projects currently in production shall be continued and completed. Established subsidiary named “GDH 559 Company Limited” (GDH 559) which concentrates on movie production and distribution, media advertisement, and artist management. GDH 559 currently has 5 million baht in paid-up capital and the Company holds 51% stake.

GMM GRAMMY PLC.

Shareholding Structure



December 31, 2015



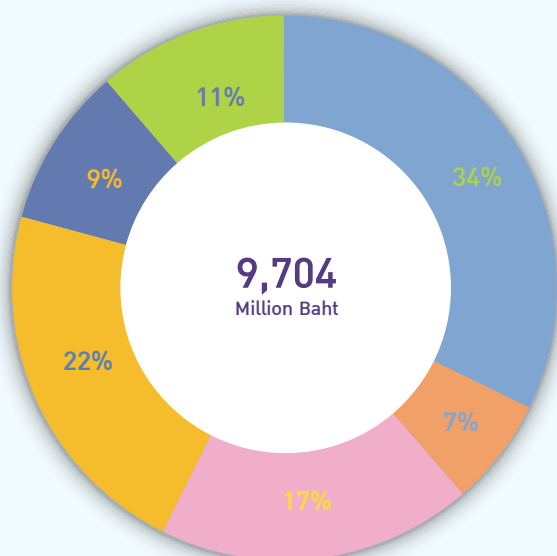
NOTE

1) Temporary discontinued Operations.

- Subsidiaries
- Associate Companies/Joint Venture
- Other Companies

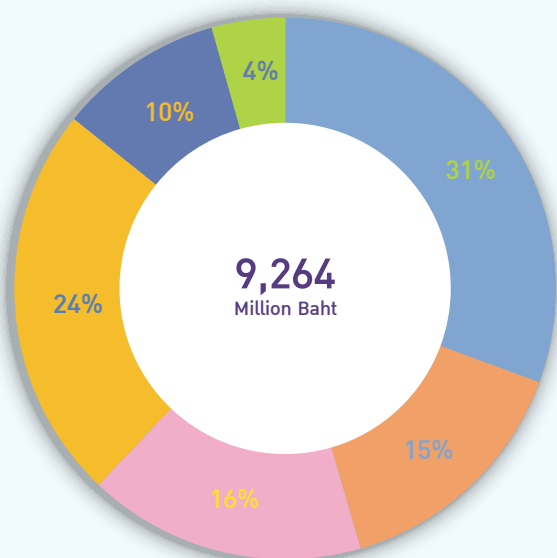


Revenue Structure and Business Description



Revenue Structure 2015

Music	3,252	34%
GMM One Digital TV	687	7%
GMM 25 Digital TV	1,644	17%
Merchandise	2,129	22%
Other Business	886	9%
Other income	1,106	11%
Total	9,704	100%



Revenue Structure 2014

Music	2,843	31%
GMM One Digital TV	1,377	15%
GMM 25 Digital TV	1,522	16%
Merchandise	2,201	24%
Other Business	914	10%
Other income	407	4%
Total	9,264	100%

Product / Service Operated by	2015		2014 (Restated)		2013*	
	Million Baht	%	Million Baht	%	Million Baht	%
Music and digital Businesses						
Music Business						
GMM Grammy Plc.	819.67	8.4	1,096.29	11.8	1,259.25	11.5
GMM Music Publishing International Co., Ltd.	219.74	2.3	193.73	2.1	175.93	1.6
Digistream Co., Ltd.	52.81	0.5	38.65	0.4	0.67	0.0
Fan TV Co., Ltd.	61.45	0.6	146.27	1.6	211.49	1.9
Other subsidiaries	20.54	0.2	15.45	0.2	19.36	0.2
Total revenues from Music Business	1,174.21	12.1	1,490.39	16.1	1,666.70	15.2
Digital Music						
GMM Grammy Plc.	833.47	8.6	466.23	5.0	569.67	5.2
Total revenues from Digital Music Business	833.47	8.6	466.23	5.0	569.67	5.2
Showbiz Business						
GMM Grammy Plc.	1,244.02	12.8	886.19	9.6	830.35	7.6
Total revenues from Showbiz Business	1,244.02	12.8	886.19	9.6	830.35	7.6
Total revenues from Music and Digital Businesses	3,251.70	33.5	2,842.81	30.7	3,066.72	27.9
GMM One Digital TV						
Digital TV and others Business						
GMM Grammy Plc.	70.13	0.7	39.69	0.4	-	-
Exact Co., Ltd.	356.86	3.7	1,150.86	12.4	2,049.09	18.6
Teen Talk Co., Ltd.	9.47	0.1	10.54	0.1	1.35	0.0
Me Miti Co., Ltd.	61.59	0.6	39.59	0.4	11.64	0.1
Acts Studio Co., Ltd.	63.39	0.7	63.84	0.7	40.88	0.4
The One Enterprise Co., Ltd.	-	-	22.92	0.2	-	-
GMM One TV Co., Ltd.	125.39	1.3	50.18	0.5	-	-
Total revenue from GMM One Digital TV	686.83	7.1	1,377.63	14.9	2,102.96	19.1
GMM 25 Digital TV						
Digital TV and others Business						
GMM Grammy Plc.	20.99	0.2	37.19	0.4	61.37	0.6
GMM Media Plc.	140.86	1.5	226.23	2.4	277.22	2.5
GMM TV Co., Ltd.	364.53	3.8	384.70	4.2	547.07	5.0
Deetalk Co., Ltd.	98.73	1.0	124.82	1.3	142.58	1.3
A Gen Event Agency Co., Ltd.	5.78	0.1	49.24	0.5	50.54	0.5
GMM Channel Co., Ltd.	413.29	4.3	47.91	0.5	-	-
GMM Channel Trading Co., Ltd.	-	-	5.41	0.1	-	-
Total revenue from digital TV and others	1,044.18	10.8	875.51	9.5	1,078.79	9.8
Radio Business						
GMM Media Plc.	600.34	6.2	646.64	7.0	769.36	7.0
Total revenue from Radio Business	600.34	6.2	646.64	7.0	769.36	7.0
Total revenue from GMM 25 Digital TV	1,644.52	16.9	1,522.15	16.4	1,848.15	16.8

Product / Service Operated by	2015		2014 (Restated)		2013*	
	Million Baht	%	Million Baht	%	Million Baht	%
Merchandise businesses						
Home shopping Business						
GMM CJ O Shopping Co., Ltd.	1,738.29	17.9	1,135.25	12.3	558.85	5.1
Total revenue from Home Shopping Business	1,738.29	17.9	1,135.25	12.3	558.85	5.1
Set top box and broadcasting						
GMM Grammy Plc.	-	-	71.12	0.8	79.93	0.7
STGMM Co., Ltd.	-	-	1.28	0.0	28.69	0.3
GMM Z Co., Ltd.	7.53	0.1	6.18	0.1	153.52	1.4
Z Trading Co., Ltd.	383.45	4.0	987.46	10.7	595.63	5.4
GTH On Air Co., Ltd.	-	-	-	-	54.28	0.5
Total revenue from set top box and broadcasting	390.98	4.0	1,066.03	11.5	912.05	8.3
Total revenue from merchandise businesses	2,129.27	21.9	2,201.29	23.8	1,470.90	13.4
Other businesses						
GMM Grammy Plc.	60.15	0.6	26.33	0.3	141.42	1.3
Exact Co., Ltd.	45.11	0.5	3.51	0.0	2.99	0.0
GMM Tai Hub Co., Ltd.	539.70	5.6	593.72	6.4	509.27	4.6
Good Things Happen Co., Ltd.	55.81	0.6	35.17	0.4	-	-
Image Publishing Co., Ltd.	9.71	0.1	29.16	0.3	47.93	0.4
GMM Inter Publishing Co., Ltd.	11.58	0.1	32.39	0.3	42.69	0.4
GMM Times Co., Ltd.	8.27	0.1	27.62	0.3	30.26	0.3
Bliss Publishing Co., Ltd.	-	-	0.71	0.0	5.29	0.0
In Publishing Co., Ltd.	5.56	0.1	15.64	0.2	19.78	0.2
3-RD Co., Ltd.	150.06	1.5	133.56	1.4	137.18	1.2
Z Trading Co., Ltd.	-	-	13.78	0.1	9.94	0.1
Index Creative Village Plc.	-	-	-	-	583.51	5.3
Event Solutions Co., Ltd.	-	-	-	-	62.94	0.6
Tresbien Co., Ltd.	-	-	-	-	8.78	0.1
Media Vision (1994) Co., Ltd.	-	-	-	-	187.25	1.7
G Communications Co., Ltd	-	-	-	-	8.34	0.1
Inspire Image Co., Ltd.	-	-	-	-	97.29	0.9
I Think Ad Co., Ltd.	-	-	-	-	46.66	0.4
D-63 Co., Ltd.	-	-	-	-	102.12	0.9
Index Creative Online Co., Ltd.	-	-	-	-	4.14	0.0
Envirosell (Thailand) Co., Ltd.	-	-	-	-	28.77	0.3
Joint Venture Index Cityneon	-	-	-	-	13.09	0.1
Joint Venture Index D103 Maco	-	-	-	-	13.88	0.1
Joint Venture Index D63	-	-	-	-	11.10	0.1
Other subsidiaries	0.06	0.0	1.92	0.0	4.55	0.0
Total revenue from other businesses	886.00	9.1	913.50	9.9	2,123.42	19.3
Interest income	19.82	0.2	56.60	0.6	48.80	0.4
Dividend received	-	-	12.36	0.1	34.34	0.3
Gain on sale of investments	228.14	2.4	147.05	1.6	-	-
Gain associated with the loss of control in subsidiary	731.28	7.5	-	-	-	-
Other income	126.01	1.3	190.56	2.1	294.54	2.7
Total revenues	9,703.58	100.0	9,263.94	100.0	10,989.83	100.0

* The Company has not restated the financial statements for the year end 31 December 2013 for TFRS 10 Consolidated Financial Statements and TFRS 11 Joint Arrangements which were announced in 2014.



Business Description

The Group operates its business under the philosophy to work creatively in complete range with global quality contents and embrace up-to-dated technology to deliver unlimited happiness conform to customer's changing behavior in media market. The Group divides its business into 2 main categories as follows:

1. Core Business consisting of
 - 1.1 Music business comprises sale and distribution of physical products, Digital content, Copyright management, show business, and artist management
 - 1.2 Digital Terrestrial TV (Digital TV) Business comprises 2 channels; GMM 25 under standard definition and One 31 under high definition
2. Other Business which supports and extends the main business, for sustainable growth of the Group over the long term, consisting of



The details of each business as follows:

1. Core Business

1.1 Music Business

Music business operates under the “Total Music Business” model, including artist selection, music production, marketing, music content management, and product distribution in term of physical products and digital products, focusing on variety of music production to satisfy the customer demand. The Group has more than 300 artists, singers, actors, and actresses under management, and more than 40,000 songs in its music library. Music Business can be arranged into 5 sub business as follows:

- **Physical Products and Distribution Business**

In 2015, the Group released string, country songs approximately 299 singles and 452 albums covering every consumer target group, namely pop, rock, alternative, country (songs for life), R&B, soul, and compilation of top hits during the year. Sales and distribution is carried out through modern trade channels (superstores and discount stores), traditional trade channels (wholesalers and retailers) throughout the country.

- **Digital Content Business**

Fast developing technology together with the changing of consumer's behavior caused the music business to develop new channels of distributing the product to respond to consumer's behavior and generate more revenue to the Group. Digital content business is to convert music content into a digital form for distribution to mobile telephone networks, the internet and entrepreneurs, with categories of download services, such as ringtone, ring-back tone, full song and full MV, in both a la carte and subscription services through channel application 123GMM on both iOS and android, website www.gmmember.com and iTunes Store. Also included are the services for listening music on the internet without the needs to download "Music Streaming" through an application on computers and mobile phones which enable customers to enjoy the hot music tracks worldwide. We also expand the method of reaching the content of the Group via GMM Grammy Official Account on YouTube.

- **Copyright Management Business**

The Company manages and collects copyrights fees from food operators, restaurants, radio operators, karaoke outlets, and karaoke booths and other operators who use the Company's music for commercial purposes.

- **Showbiz Business**

In 2015, the Group organized 22 large-scale concerts, including Lor Mak Mak Concert, Feather and Flowers - The Original Returns Concert, The One & Only Concert 10 Years of Aof Pongsak Concert, Bodyslam 13, 10 Years of A-Time Showbiz, etc. it also organized 3 music festivals, namely Jimlai Music Festival 2, Big Mountain Music Festival 7 and Gannes Film and Music Festival 6. Beside generating revenues from the sale of tickets and sponsorship, this business also generates additional revenues from the sale of media recordings of Concert too.

- **Artist Management Business**

The Company has a policy to train and develop both Music and Non-music artists to enhance their capabilities in singing, acting, and dancing. In addition, it also tries to expand revenue channels for those artists in the forms of live performance in pubs and bars, as well as employment opportunities as product presenters according to the Idol Business Model in order to extend the revenue stream.

Industry Outlook

Advances in technology that lead to changes in consumer listening behavior represent a major challenge to the music business. Being able to adapt quickly to all types of changes in consumer behavior is an important factor to succeed in the business. The Group has seen customer expansion in Digital Music market and tried to penetrate this segment together with finding a strong partner in order to strengthen the company. In addition, it also developed services that are more up-to-date, especially by providing digital or internet music services. This includes the partnership with a

mobile phone service provider to provide a music streaming service through an application that allows customers to listen to more than 10 million songs domestically and abroad. From a good response, the group decided to cooperate with “Line Music” to provide music streaming service through an application in order to tap on existing 33 million of Line application users with sales of songs in digital form through the iTunes Store and telecom operators, and a YouTube service from which the Company earns income through a share of advertising revenues and the number of viewers. In addition, the Company has an auditorium, Muang Thai GMM Live House, on the 8th floor, Central World to host shows, events and medium-sized concerts, which supports the Show Biz business and also brings in additional revenue for the music businesses.

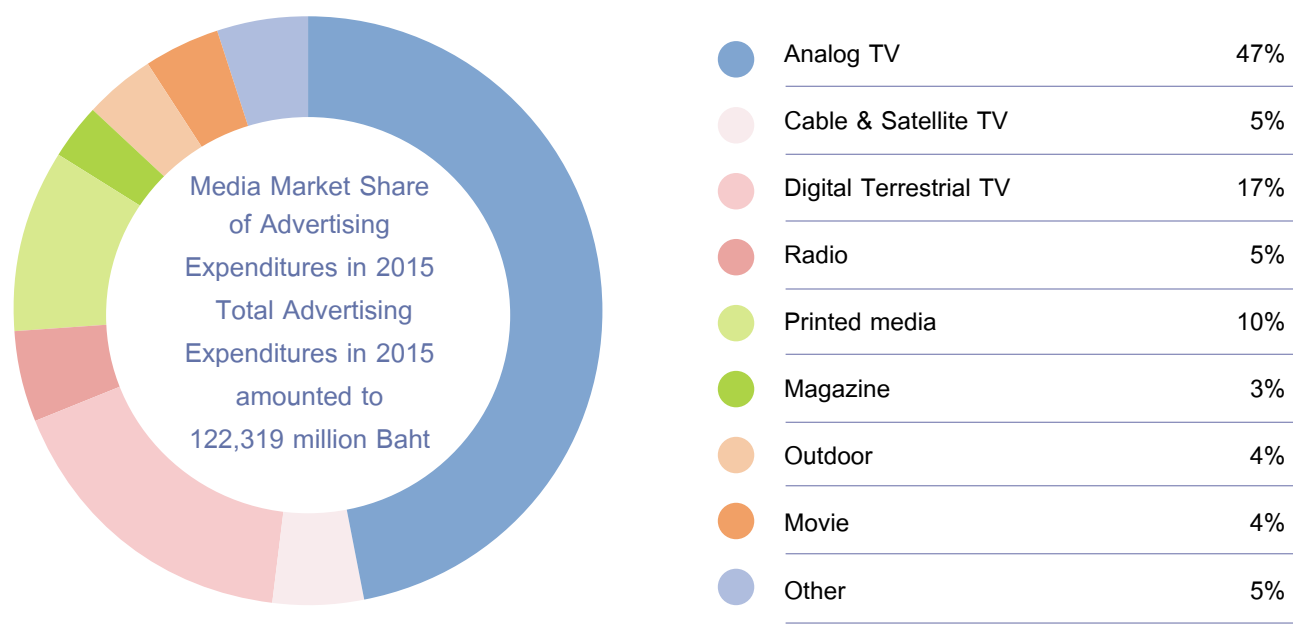
1.2 Digital Terrestrial TV Business (Digital TV Business)

The Office of the National Broadcasting and Telecommunications Commission (NBTC) held an auction of 24 licences for commercial digital TV frequencies from December 26-27, 2013, separating the channels into 4 categories: 3 channels for children’s and family programming, 7 news channels, 7 variety standard definition channels, and 7 variety high definition channels. The Company bid for and won 2 licences

Category	Standard Definition	High Definition
Channel name	GMM 25 	One 31 
Channel number	Channel 25	Channel 31
Channel format	All formats that bring in fun or a happy channel under the slogan “Enjoy every day, be together all the time”.	High-quality variety programming to reach all target groups including news, top-rated sitcoms, and prime time dramas (‘For great drama, watch Channel One’).
Target group	Teenagers and new generation with active lifestyle open up to the new creation.	Modern mass, families and working people who are modern and having a good taste
Began broadcasting	April 2014	April 2014

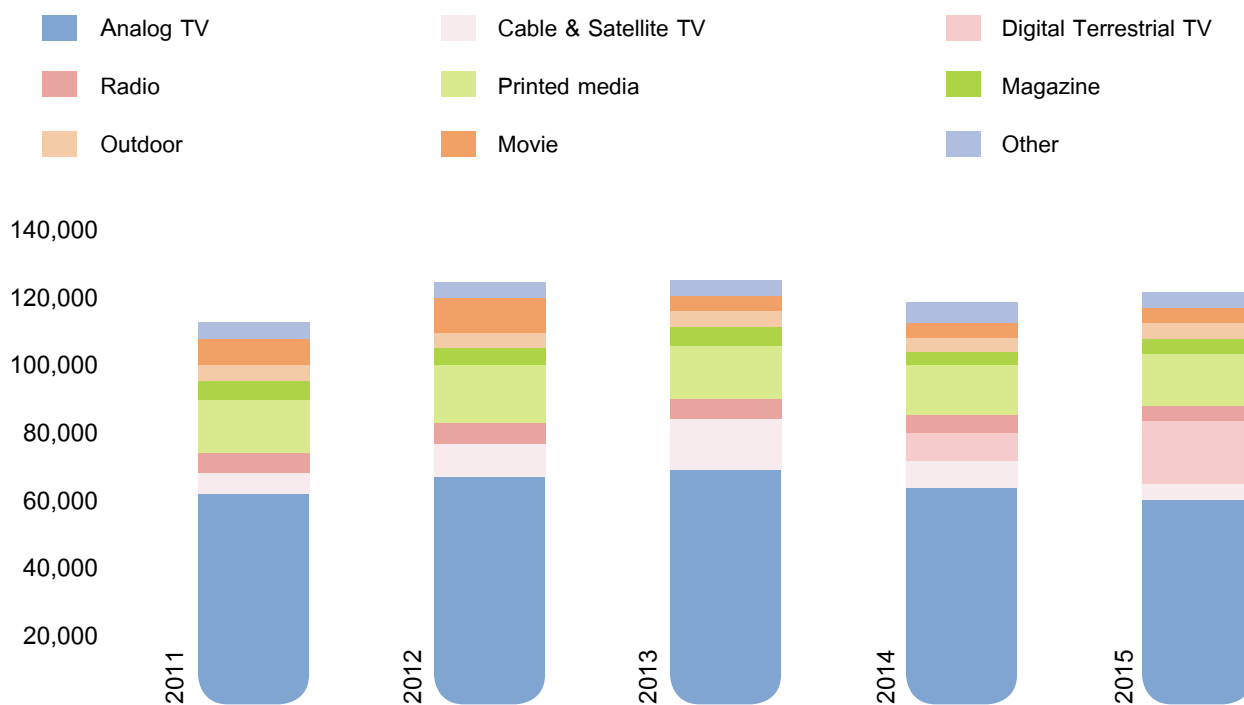
Industry Outlook

The overall advertising expenditure in all media increased from 118,159 million baht in 2014 to 122,319 million baht in 2015, or growth by 3.52% of all expenditure. Digital TV is the major increasing with the growth rate of 143.91 follow by Cinema Advertising, Out of home media, and Radio. While, major spending on Analog TV, Satellite TV, Cable TV and publishing decreased by 9.80, 16.27, 10.46 and 6.33 respectively.



Source: AGB Nielsen Media Research (Thailand) Ltd.

Value of Various Media Advertising Expenditures (Million Baht)



Source: AGB Nielsen Media Research (Thailand) Ltd.

One year since the digital TV industry was launched, plans to promote its audience fell short of expectations, including the network expansion and the distribution of digital TV coupons. As a result, the industry's revenues were below expected while competition intensified, and each channel actively adjusted its programs, especially for "Drama and Series" becoming highlights of the digital TV war in its second year of broadcasting.

Thailand encountered the economic slowdown, which hampered consumers' spending power, resulting in the recession of media advertisement industry. Besides, new digital TV channels triggered aggressive competition, posing challenges on entrepreneurs. The industry might not prosper as expected during the transition period, but it was considered having high potential that is continuously improving. The Company sees positive and supportive signs, driven by the National Broadcasting and Telecommunications Commission (NBTC)'s measures, including the cease plan of analog broadcast television systems and public relations plans nationwide. The NBTC also proposed regulations, which would organize and prioritize television services. Digital TV channels had to be set with the same numbers, regardless of their broadcast networks, in order to maximize convenience for consumers, provide them with quality TV services and promote fair competition. In the meantime, the Media Agency Association of Thailand (MAAT) conducts a standard rating practice that covers comprehensive channels, the move that reflects evolution. Therefore, the Group is ready to invest in the thorough development of the two digital TV channels.

This year, the overall digital TV industry is expected to recover and grow again, thanks to state investment projects and stimulus measures in the property sector, along with other stimulus programs. Those stimuli will help boost capital circulation in the country's economy and raise consumers' confidence in spending. As a result, product owners will be encouraged to increase their spending in advertisements, which will consequently improve spending on advertisements on digital TV.

To support the transition to digital TV, the NBTC distributed 13.57 million coupons last year. Among these, 8.49 million coupons or 62%, were redeemed in 56 provinces. Four multiplex providers also cooperated in the digital network expansion resulting in target transmission coverage achieved. It now covers more than 80% of the country, reaching more than 18 million households. The transmission expansion is entering the first phrase of its third year aiming to cover 90% of the country by June, 2016. (Source: NBTC)

The Company has set the following strategic plan to create distinctive characteristics and promote the digital TV channels to make them widely known:

- Focus on content that is outstanding, interesting and has variety since viewers select program based on content. Interesting programming will create an impression on viewers and make them remember the channel. The Company will create and develop high quality content in the form of drama, news, variety and game shows that offers a new choice for the audience.
- Create wider audience awareness of digital TV under GMM 25 and One Channel. The Company is planning promotion through a variety of channels such as large advertising boards, online media, printed media and promotional activities at various locations and competitions.

The Company intends to establish both digital TV channels as leaders in Thai digital TV industry that is strong and has high quality.

2. Other Business

2.1 Radio Business

Production of contents or programs to be broadcasted through radio stations requires the frequencies that have to bid from various state enterprises. In 2015, the Company has 3 radio stations, each station has strong features and differentiated format to cover target customers.

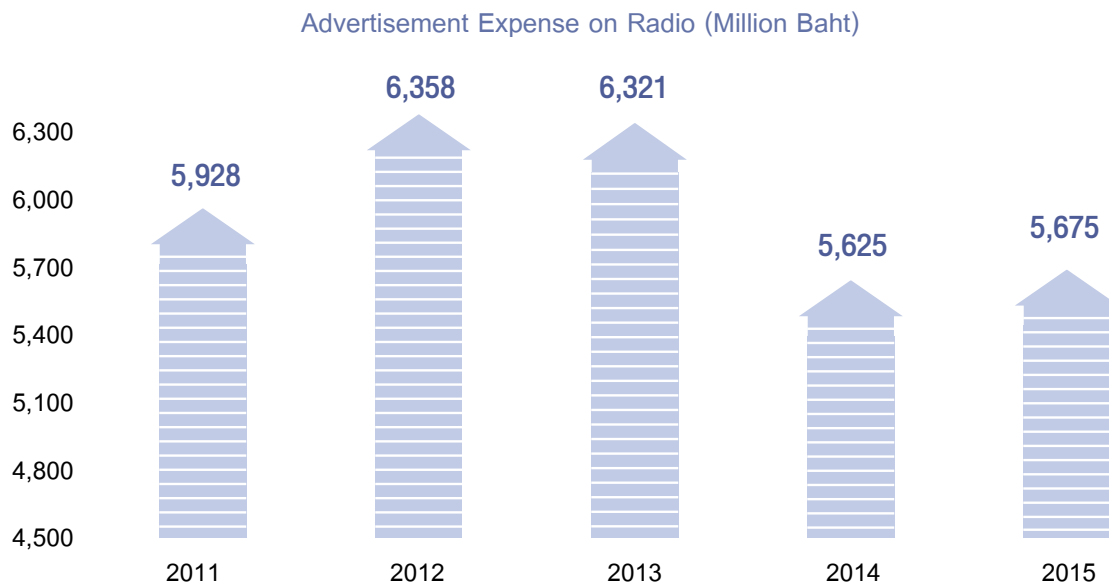
Radio Station	Day/Airtime/ Network Coverage	Type of Program	Target Group	Concession
FM 89.0 MHz. Chill FM 	24 hours daily / Bangkok Metropolitan and Chonburi	All-in-one lifestyle radio station for urban society covering dining-traveling-shopping together with fun and easy listening hit songs under the slogan "Entertaining songs with Chill Lifestyle essence"	Trendy young working professionals, aged between 25 - 35 who enjoy listening to unique trendy music.	Broadcast Armor Radio Station
FM 94.0 MHz. EFM 	24 Hours daily /Bangkok Metropolitan, Ang Thong, Kanchanaburi, some parts of Chonburi and Ratchaburi	Top ranked entertainment business-oriented radio station and the only station of its kind in Thailand. It is the "Talk of the Town" in being the fastest provider of accurate and in-depth reports.	Teenagers and working professionals aged between 18 - 30 who admire modern things, and follow the latest trends in all forms of entertainment.	The Royal Thai Army Radio Station
FM 106.5 MHz. Green Wave 	24 Hours daily/Bangkok Metropolitan, Petchburi and Prachuab Khiri Khan	The first and only program in Thailand that airs easy listening music program in all styles and from all eras. It has been operated for 25 years and still stand in the nation's top-rated program, guaranteed by rewards from several organizations	Working professionals, both male and female aged 30 and up who are financially stable and possess high consumption power. The audience consists people who are modern, constructive, creative, thoughtful, and considerate, and care about the environment, as well as things happening around them.	The National Telecommunications Commission

There are 506 radio stations in Thailand; 313 stations broadcast on the FM band and 193 stations on the AM band. Seventy six radio stations are located in Bangkok. (Source: The National Telecommunications Commission)

All radio frequencies are owned by state enterprises, and managed and arranged by the NBTC in order to create free and fair competition as well as to allow public sector to play a part. Private radio station operators have to work with state enterprise who own the frequencies in the forms of concessions, joint production or time rent, etc, considering contributions to the frequency owner, format of programs, and financial status of the operators.

Industry Outlook

In 2015, advertising expenditure for radio was 5,675 million baht, increasing by 50 million baht from 2014, or approximately 0.89%. Its market share accounted for around 4.64% market share of total advertising expenditure.



Source: AGB Nielsen Media Research (Thailand) Ltd.

At present, radio is considered as one of the main forms of media that can reach a wide group of consumers. Expenditure on radio advertising had not significantly changed for several years. However, radio business was continually developed, for example, new opening of several radio stations. Each radio station is adapting itself in order to attract listeners and maintain customer base. The result is the higher competition in this business. Radio operators need to have proper strategy to maximize the access channel to the station and gain more attention, for instance, expanding the platform through online channels such as computer, smart phone applications, social media channel. In addition, the radio operators should continuously develop format and content to be up-to-date, innovative, and distinctive together with developing the marketing plan such as creating ongoing activities e.g. artist meet-and-greets and small concerts to build relationships with customers and listeners. The development of staffs and DJ should prepare them and make them adaptable to the changing situation. These are the important factors in maintaining long-term competitiveness.

2.2 Movie Business

Movie Business of the Company operated under GTH Co., Ltd., a subsidiary of the Company. In 2015, 2 films were released: *Freelance* and *May Who?*. Both films were very popular and were in the top-ranked Thailand box office earning. Notwithstanding, for the effective operation in the future, the company has cease operation of GTH Co., Ltd., on December 31, 2015 onward, revising the shareholder structure and establishing the new company under the name GDH 559 Co., Ltd. GDH 559 Co., Ltd. aims to continue producing 3 - 4 quality films a year with its own uniqueness. It is well-equipped in terms of production and personnel. It has skilled teams ready to create outstanding films and bring a happiness for movie watchers.

Industry Outlook

2015 was another challenge year for Thai film industry as it faced with unrecovered economic situation. Industry earnings (box office only) in 2015 were approximately 5,134 million baht of which international movie took more than 70% of share.

63 Thai movies were released in 2015, almost the same as 2014. Although, the total revenue of Thai's movie was not good, the positive thing were the vast varieties of Thai movies that provided more options for moviegoers.

However, the movie business is a high-risk business because of the high investment required. One movie requires a combined investment for production and promotion of 50 - 70 million baht. Production time is relatively long, taking approximately 8 - 18 months from script to release in theaters, while the degree of a film's success depends on the popular trends with the audience, which cannot be predicted in advance. Moreover, international films receive more popularity than Thai films due mainly to a better screenplay and advanced technology of production.

For 2016, it is expected that there will be increased competition in the film industry due to the opening of new movie company and studio. Moreover, international film producers are planning to release a large number of blockbusters, with more than 50 Thai movies also expected to be released. There are several internal and external factors that contribute to the success of Thai movies, including:

- Stories and scripts must be fresh and remarkable. Thorough research is needed to produce each story. The screenwriter must use writing skills and possess knowledge of the movie language and conversational language in order that the message is clearly conveyed to the target audience.
- Branding: Film producers and studios must ensure moviegoers of their quality in any movies they produce, and that their movies always receive great receptions and are successful.
- Analyses are needed in order to truly understand target customers, determine the movie genre, and prepare proper scripts, actors and actresses, and the right public relations plans. These will help meeting demands of target customers.

GDH 559 Co. Ltd. pledges to apply appropriate operating strategies so as to produce the works that will impress the audiences and gradually increase its popularity.

2.3 Home Shopping Business

Home shopping business is a business of 24 hour distribution of goods through program channel "O-Shopping", where customers can choose products, even from their own residence. The business is managed by GMM CJ O Shopping Co., Ltd., a joint venture company of GMM Grammy Pcl and CJ O Shopping Co., Ltd., a leading home shopping operator in South Korea with international footprints in many countries including Thailand. With high market potential and business expertise of CJ O shopping from South Korea, the Company aims to become the leader of Thailand's home shopping business by creating a phenomenon of interactive home shopping programs that are superior, fresh, novel and unique, offering knowledge about products in a straight manner in all aspects, called Shopfotainment Channel (shopping, information, and entertainment), creating a family entertainment as well as a new alternative for shopping. The company focuses on variety of product selections with high quality, standard, well-known and widely accepted by customers, as well as free-of-charge fast delivery service all over the country. The company also provide multiple payment options as may be deemed appropriate by the customer, such as credit card or cash on delivery.

Industry Outlook

In 2015, home shopping industry presented continually growth rate, with the market value of 8 billion baht, while the value of the total retail market was approximately 3 trillion baht. Home shopping business accounted only 0.3% of total retail market. Though, it is expected to reach 30 billion baht or 1.0% of total retail market within 5 years. Therefore, more operators are entering into the market, from SME businesses to large businesses in joint ventures with foreign companies expert in TV home shopping, meaning that competition is likely to become more intense. The Company is aware of these factors and has prepared to confront the competition in order to retain sustainable growth as follows:

- Creating interesting and reliable television content that is presented in formats that are easy to understand and induce consumers to purchase goods;
- Building confidence in the purchase of goods and services, including providing services as advertised, guaranteeing product quality, efficient delivery systems and secure payment systems;
- Increasing variety of goods and emphasizing on trendy products such as fashion goods, lifestyle goods and E-commerce goods offered to meet demand from consumers of all groups. It targets to increase number of goods from 600 items at present to more than 1,000 items.
- Developing online, internet sales channels and application on smart phone.
- Tuning brand communication to create customers awareness that O shopping will be household assistant alike "A Trust Neighborhood"

2.4 Satellite TV Business



Satellite TV business can be divided into 2 main components.

- 1) **"GMM Z" Satellite TV** Platform launched in March 2012 and is responsible for the sale of satellite TV set-top-box (STB) to consumers. GMM Z has a variety of products for the target audience of all levels.
 - 1.1) GMM Z HD for high end – level customer group who prefer a high definition with Dolby Digital 5.1 sound.
 - 1.2) GMM Z HD Lite the new model enabling high definition transmission with digital TV compatibility for customers who want to watch a high definition in an affordable price.
 - 1.3) GMM Z Smart for middle-level customer group, available for both C-Band and KU-Band satellite systems.
 - 1.4) GMM Z Mini for customers who have limited budgets but want to switch from antenna to satellite television.
 - 1.5) GMM Z Mini Gold is a latest product with gold color façade and handy remote control.

Moreover, Z Trading Co., Ltd., which is the subsidiary of GMM Grammy Pcl, and Loxley Public Company Limited ("Loxley"), jointly distribute the digital TV set-top-box "GMM Z Zeason by Loxley." Under this collaboration, Loxley is in charge of production, development and quality control of the product to meet high quality standards. All items are assembled in Thailand and approved by the NBTC. The product's key features include quality, efficiencies and high durability. Furthermore, the software used in "GMM Z Zeason by Loxley" has been newly and specifically developed in order to ensure stability and effectively support all functions such as allowing to switch the channels faster than the others boxes.

- 2) **Satellite TV Media** is the production of TV shows to be aired on satellite TV channels. Compared to the past, this business requires relatively low investments due to good domestic and international coverage of satellite signal, mitigating the need to install additional receiving towers. All it needs to operate this business are television channel licenses and good contents for broadcasting.

By the end of 2015, the Group has produced free-to-air television programs for audiences of every platforms transmitted via Thai-Com altogether 2 channels as follows;

Channel	Type of Program	Target Group	First On Air
Fan Music 	GMM Grammy's song including pop, rock, dance, local Thai folk songs under the slogan "All Your Music"	General audience	Changing from Fan TV to Fan Music in 2015
Money Channel* 	Programs on financial matters and investments	General audience and working professionals with an interest in finance and investments	October 2009

* The channel is jointly-owned (50% each) with the Stock Exchange of Thailand, through the Group's subsidiary, Family Know-How Co. Ltd.

Industry Outlook

The satellite and cable TV business is the television medium that has the greatest number of viewers in the country. In 2015, the satellite and cable TV viewers accounted for 73.4% of total 23 million households in the country (source: AGB Nielsen Media Research (Thailand)). Product owners and advertising agencies are therefore interested in the satellite and cable medium as an efficient method to reach their target groups. Since there is a large number of Free to air, and the transition towards digital TV, viewers have a greater choice of programming. Advertising rates, which were already low, are now being pressured even further. The intensity of competition for ratings and advertising in satellite and cable TV business has multiplied accordingly. For the Group, the satellite television business has an important role in supporting the public relations of the other businesses such as the music businesses, giving them greater exposure across the country.



Risk Factors



The Board of Directors has placed high importance on risk management processes at both corporate and operational levels in line with the risk management policy and framework formulated by the Group to mitigate risks to be at an acceptable level, suitable to the environment of each business unit's nature of working or activities. The management and staff at all levels are encouraged to take part in the processes and risk management systems are put in place across the organization and instilled as part of the Group's culture, while the Risk Management and Internal Control Department is assigned to develop risk management systems in accordance with international practices and integrate risk management practices at each level with all related departments under the supervision of the Risk Management Committee. Besides, the Group's management has well implemented the risk management practices, including risk management follow-up and reporting to the Board of Directors on a regular basis.

In 2015, the Group has improved strategies in various areas on a continued basis, aiming to manage risks that may arise in both new and core businesses of the Group, such as preparation on production technologies and capital funds, improvement of organizational structures and work processes, and human resources development at high and middle levels in support of the Group's business management team in response to rapid business growth.

Corporate Risk

1. Risk from Piracy

Piracy is one factor that uniformly affects music and movie business worldwide. Every year, the Group has to contend with adaptation and duplication of their music, which are then sold cheaply in large quantities. New forms of piracy have emerged with the latest technological developments, such as using the Group's products for commercial purposes on the internet. Consequently, the Group loses substantial valuable business opportunities every year.

Nonetheless, the government has issued various measures in a serious attempt to improve the protection and reduction of piracy. The latest measures are comprehensive, ranging from controlling the process of importing machines that can be used to produce pirated products, to controlling production and distribution processes. Penalties and fines have been increased against violators. Rewards are handed to police or to people who offer leads to the production, storage and retail sites of pirated goods. In addition, both government and concerning private sectors which include the producers, copyright owners as well as the artists themselves have pushed, promoted and enticed the consumers into purchasing the copyrighted while avoiding pirated products.

Moreover, to promote legal purchase of goods, the Group has continuously developed goods and service as well as new digital service platforms to keep pace with the ever changing consumer's behavior and technological development while serving the consumer's convenience and supplementing the Group's revenue. These digital services include categories of download services, such as ringtone, ring-back tone, full song and full MV, in both a la carte and subscription services through channel application 123GMM on both iOS and android, website www.gmmmember.com and iTunes Store. Moreover, we include the service for listening the music on the internet without the need to download (Music Streaming) which customers can listen to the hot music tracks worldwide. We also expand the method of reaching the content of the Group via GMM Grammy Official Account on YouTube.

2. Risk from Competition in Digital TV Business

Transforming into digital TV is a significant step where people have more option in selecting information they want to see (Fragmentation of Viewing). Such change causes high competition in advertisement rate and broadcast programs. Existing plus new players in the market generates fluctuation in advertisement rate (per minute), especially newly broadcast programs which have not been rated. Therefore, income derived from TV programs are depended on ratings of each program where most of the advertisement agencies and products or service providers would hold their decision to see the supplement factors such as government regulations, ratings standards or general image of each channel. Nonetheless, the transition from analog to digital television has been delayed due to many factors. For instance, an intermittent in expansion of digital television network (MUX-Multiplexer) and digital television subsidy coupons distribution scheme by NBTC causes availability to access to digital content in many areas.

The Company, as a professional operator with experience and expertise in production of television program, still commit to bring to our audience the appropriate and useful television programs. We have created and developed the content of drama, series, news, variety show, game show to constantly present to audiences through two digital TV channels namely One 31 (31) and GMM25 (25). The Company is capable of producing a variety of contents therefore both digital TV channels are distinct and able to meet the needs of audiences. In order to expand the target audience and to compete in the domestic market and toward the ASEAN in 2016, we have added online channel which enables audience to reach the content through computer or even smart-phones or tablets so as to lead the two digital TV channels to achieve leadership of digital television industry.

To find resolution regarding Rating for the purpose of clarity, the Company has collaborated with Multiplex Providers and the Government in order to support the development from analog system into a complete terrestrial digital television system. This is to help managing the risk in the operation of digital TV business.

3. Risk of Business Interruptions due to Force Majeure

The Group has envisioned the importance of business operations continuity, without interruptions, especially for major business processes of the Group in case of force majeure such as natural disasters, man-made hazards, technological hazards or computer virus attacks, protests, disturbances, enactment of new legislation, etc.

The Company has therefore arranged the Disaster Recovery Site and conducted the rehearsal on restoration of information annually so as to reassure that staffs, systems and work places are ready to be managed emergencies and returned to normal operations quickly in case of any crisis. This is to absorb impacts and mitigate damage that may occur from Force Majeure or disaster that may prevent the business operation.

4. Risk from Retard Internal Process Adjustment to the Rapid Business Expansion

The Group runs various kinds of business and every business has its own characteristic which requires different staff's talent and expertise. In addition, the rapid business expansion of the Group may affect the internal process adjustment of each business group in various ways including the Group's organization structure, policy, etc. and may create overlap of processes between central business units and supporting units. Besides, some centralized policies issue may not support some processes of current business units or new business units. Consequently, these may cause risk from retard internal process adjustment to the rapid business expansion.

In order to sustain the business growth, however, such risk has always been efficiently managed by revising organization structure and adjusting key processes in order to effectively implement all centralized policies together with developing a standardized performance evaluation across all units in the Group.

5. Risk from Relying on Individual Talent

The Group's business is mainly based on people. The business has been grown by staff with experiences and distinctive talent especially for the music business, radio business, television business. All staff, regardless of whether they are the artist or all the different supporting teams, are recognized as valuable members having high impact on the Group's operations. Hence, whenever they move to a different corporate affiliate or other companies, this means a valuable loss which requires the Group to spend additional time developing new artists or supporting teams to replace them.

However, the Group has continually managed the risk by focusing on rapport between the Group and its staff, emphasizing on promoting, among the staff, the understanding of the underlying business. In addition, it is the Group's policy that deserving talents, whether artists or supporting staff, are given the opportunity to participate in the management process and/or become business partners. As a part of the Group's strategic human resource plan, there exists a protocol outlining career paths for key management figures, top management executives and equally important, plan for recruiting and promoting talents. Furthermore, the Group has developed the standardized performance evaluation together with placing great importance on revising compensation package and benefits for staff to be competitive compared to the other companies in the same industry.

Management Discussion and Analysis

(A) Operating Results

Overview of Operating Results

The Group follows a policy of structuring its operations according to the type and characteristics of each business. The core business groups are Music and Digital TV. Other businesses that play a supporting role are extensions of the core businesses in order to create growth and synergies for the Group comprising Radio business, Movie business and Trading business. Operating results for each business segment can be summarized as follows:

- 1) Music business: The main sources of income are derived from music products and distribution channels, the digital contents and the show business. Income from the music business in 2015 totalled 3,252 million baht, an increase of 14.4% on the previous year. This was led by growth in digital content and an increase in the number of concerts organized by Showbiz, with major concerts staged throughout the year, carrying on a good momentum to the major music festival held in the final quarter. In addition, revenues generated by management of the group's artists showed good growth, with an increase in activities and events. Digital music experienced a successful year with the new SMS Song2U service and expansion of access to the Group's content through collaboration with YouTube, as earnings from total views and advertising revenues more than doubled. The GMM Grammy Official channel was YouTube Thailand's top channel with more than 6.1 million members. By the end of the year, the Group had 39 YouTube Thailand channels with over 14.3 million members and the Group believes that YouTube is a popular platform that will experience continuing growth.
- 2) Digital TV: GMM 25, which offers standard definition variety programming, consists of GMM 25 digital TV channel, radio business and free-to-air satellite TV channel. In 2015 the Company earned 1,680 million baht, an increase of 6.4% on the previous year, thanks to the GMM 25 channel's rising operations, even though revenues from radio business fell by 7% due to market conditions. The Company considers that operating the radio business remains viable owing to the strength of the Company's radio brands. Next year, the Company is preparing to strengthen program content and organize special activities to engage the listener base of each station and also to extend the digital platforms offered by the A-Time Online application in order to serve the growing online listener base. The introduction of 4G has made listening to online channels easy and convenient and, particularly important, it offers greater stability. Earnings in the satellite TV segment fell due to market conditions. Advertising budgets for satellite and cable TV were cut as advertisers moved across from satellite TV to the digital TV platform where advertising costs are somewhat similar. The GMM 25 digital TV channel has set its sights firmly on the new generation, covering all genders and age groups, identifying by an enthusiastic, lively and active lifestyles, and not just limited to the youth demographic. Content therefore needs to meet the interests of this target group, by offering variety and covering every aspect of the consumer lifestyle. Changes are constantly being made to tailor productions and to integrate existing resources, giving the channel a clear identity with multi-platform accessibility which has been getting a huge positive response from viewer base and the channel's ratings have risen accordingly. In addition to successfully establishing a loyal viewing audience, there has also been a very good response from the agencies and clients. It has become known that in order to tap viewers for the new generation, GMM 25 is the place to go as it provides appealing contents which attract viewers in the right group, thus enabling brands to engage their target groups efficiently at reasonable costs.
- 3) Digital TV: One 31, which presents High Definition variety programming, underwent changes to its investment and control structure in the first quarter of 2015, which led to The One Enterprise Co. Ltd. (formerly GMM One TV Trading), previously a subsidiary, being reclassified as a joint venture and financially accounted for by using the equity method. This means that no financial data for the digital TV channel One 31 presented in the consolidated financial statements but instead appears in the share of profit and loss from investment in joint ventures. Therefore, the figures shown in 2015 consolidated financial statement by the end of year remained only Exact business unit holding the copyrights of TV content libraries prior to the share restructuring. Operating results for the year shown revenue of 687 million baht, a 50% fall from last year, since, the consolidated financial statement no longer includes financial data of digital TV channel One 31 after the restructuring. At the same time, Exact was also affected by the ending of content production for free analog TV in order to broadcast content on the One 31 digital TV.

Operating results for digital TV channel One 31 have shown a constant improvement, in line with the channel's ratings stood at top five of the new digital TV channels based on the success of its killer contents, including the prime time drama series and sitcoms, along with top-rated variety shows. In the last quarter, "Hormones 3 The Final Season" was well responded from the market. Upon beginning of 2016 One 31 jump started by lining up of exclusive contents to expand audience base

towards “modern mass” group and breaking into the new generation and regional markets. In addition, One 31 channel joined hands with a wide variety of producers and actors to fill out the schedules especially during prime time, and also extended programming to 6-8 pm time slot to attract fans of the drama series to stay tune earlier for the shows to broadcast. Moreover, late night variety content has also been introduced to keep viewers watching One 31 channel after the dramas have finished. In addition, the mid-day news variety has been expanded, with the news team providing viewers regular updates throughout the day, additional sports content is also being provided and weekend variety shows are spicing things up even more. We believe that this revision of the schedules will continue to attract viewers and lead to an increase in ratings for each quarter, which will in turn making it possible to raise advertising rates. In addition, the channel organized on-ground activity “One Yok Chong” festival, taking artists and stars to meet and greet with their fans all regions of the country throughout the year.

- 4) Movie business: Earnings for the year stood at 596 million baht, a fall of 5.3% on last year, as overall Thai movie industry faced a slowdown with less local films being made especially for big format production, while foreign blockbusters were in theaters throughout the year. The Group had two movies screened during the year: “Freelance”, which made 88 million baht at the box office, and “May Nai Fai Rang Frer” which premiered last quarter and earned 75 million baht box office revenue. The announcement of GTH discontinuation had no material impact and the Group now joined hands with the Hub Ho Hin Group to establish the new film company GDH 559. In 2016, the Company planned to produce series for digital TV and Line TV, while heading on with movie production. Altogether this business had high potential from talented production team with growth opportunities to expand into foreign and regional markets including China, Korea and the ASEAN countries.
- 5) Trading Business: This consists of the home shopping business and satellite set top boxes. Home shopping revenues totalled 1,738 million baht, an increase of 53% on the previous year, which was based on the plan to boost sales by offering value for money, particularly during the final quarter high season, which customers responded very well through purchasing products via O Shopping TV, online and mobile applications. New products were also added to all channels to cover the target groups. For 2016, the Company’s strategy is to focus on programming to showcase products and continuously promote sales, expanding access by providing services through a variety of platforms that can respond to consumers’ needs at all times, in all places, and promotion via the channel partners in digital TV. Regarding satellite TV set top boxes, sales totaled at 391 million baht for the year, a fall of 63% on the previous year. Approximately 0.65 million boxes were sold during the year, lowered by half from previous year, due to consumers’ reluctance to purchase and confusion regarding the distribution of the coupons used to purchase digital TV boxes, caused most operators to miss sales targets. Changes in strategy were made to offering ongoing promotions for customers in order to boost their purchasing power and clear old stock. Plans were also made for the development of new models of receiver boxes to increase the market such as the Mini Gold box and to offer added value to customers looking for good value and higher definition. It is expected that this year overall sales of set-top boxes will improve from major sports league including World Cup and Euro football championship.
- 6) Other incomes: Following the strategic refocus on core businesses to drive the Company towards its goals, in 2015 the Group recorded revenue from the divestment of non-core businesses in accordance with the Group investment plan. Major transactions were the sale of shares in Se-ed, publishing groups, and events management, together with one-time gain from the classification of investment in The One Enterprise Co., Ltd. as a joint venture.

The Group’s total revenue in 2015 was 9,704 million baht, an increase of 5% on the previous year. This year the company set a provision for impairment of the investment in pay TV at full amount up to 1,030 million baht, and also revised accounting procedures to be consistent with the Financial Accounting Standards Board announcement of 8th February 2016, leading to the fair value assessment of spectrum licences for the digital TV business. By making a revision to record the spectrum licenses at current costs, the Company realized additional loss of 92 million baht, altogether resulting in a net loss for 2015 at 1,145 million baht, representing an improvement of 53% on the previous year. This was due to a strong growth in music business together with the gains from share restructuring and divesting of non-core investments. At the same time, home shopping business has passed its break-even point, leaving just the digital business making a loss in the initial stage of investment.

(B) Financial status of the GMM Grammy Group at year-end 2015

1) Assets

The Group ended 2015 with total assets of 7,590 million baht, a fall of 6,872 million baht from 2014. Significant items are as follows:

- Cash and cash equivalents and temporary investments totalled 1,235 million baht, a reduction of 706 million baht resulting from the withdrawal of current investments and bank deposits.

- Trade and other receivables are largely comprised of trade receivable from unrelated parties covering outsiders who are unconnected to companies in the Group, whose settlement periods differed from one another depending on the terms and agreements. The total amount stood at 1,415 million baht, a reduction of 824 million baht due to receiving outstanding repayments from the previous year, together with the sale of investments and the reclassification of shareholding that meant that the no financial data from One 31 channel was included in the consolidated financial statements following the restructuring. While receivables from trading and satellite set top boxes decreased in line with revenue. To deal with outstanding receivables, the Group has a systematic plan and collections unit, which has resulted in the proportion of receivables outstanding over six months being significantly reduced.
- Inventory consists largely of merchandise such as cds, vcds, dvds, products from TV shows that have already completed filming or that are in progress, and receivers for satellite and digital TV. Total value is 301 million baht, which represents a reduction of 328 million baht due to the gradual airing of all dramas and shows produced by Exact business unit. Following restructuring of the shareholding, production and sales were transferred to The One Enterprise Co. Ltd., which is a joint venture being accounted for by using the equity method, and therefore no financial data for One 31 channel digital TV included in the consolidated financial statements. In addition, the Group maintained its inventory of merchandise, including both music and set-top boxes, at appropriate levels and organized sales activities to clear stock at regular intervals.
- Other current assets total 290 million baht, a reduction of 77 million baht due to deferred tax assets from One 31 digital TV channel, which was deconsolidated in the financial statements following the share restructuring.
- Investments in joint ventures totalled 616 million baht, an increase of 290 million baht from additional investment in ordinary shares of The One Enterprise Company Limited during the year.
- Other long-term investments totalled 4 million baht, a reduction of 1,283 million baht mainly due to making provisions for impairment of the investment in ordinary shares of CTH Public Limited Company and the sale of shares in Se-ed.
- Property, plant and equipment had a total value of 524 million baht, representing a reduction of 905 million baht as a result of depreciation during the year, coupled with sales of assets and investments in the publishing business, and the reclassification of the shareholding in digital TV channel One 31, following the restructuring, assets would not appear in the consolidated financial statement.
- The cost of spectrum licences totalled 1,739 million baht, a decrease of 2,946 million baht due to yearly amortization, revisions to the current value of the spectrum licences and the reclassification of shareholding in digital TV channel One 31, since following restructuring the financial data was not shown in the consolidated financial statement. Nevertheless, the Group still maintained records of assets and liabilities under the standard definition spectrum licences together with amortization across the 15-year lifespan of the licences.

2) Liabilities

The Group's total liabilities at year-end 2015 stood at 5,556 million baht, a reduction of 5,421 million baht from the previous year. The significant details are as follows:

- Account overdrafts and short-term bank loans stood at 3 million baht, a reduction of 961 million baht from the scheduled repayment of bank loans.
- Trade and other payables total 1,489 million baht, a reduction of 312 million baht due to the settlement of outstanding payments both in the production of TV and movie content and set-top boxes in line with a decrease in sales. In addition, reclassification of the shareholding in digital TV channel One 31 resulted in the absence of financial data reported in the consolidated financial statement.
- Spectrum licenses payable including current portions due within a year totalled 1,434 million baht, a reduction of 2,313 million baht from the second payment of the GMM 25 licence costs 305 million baht, together with the revision of spectrum license at current costs, and the share restructuring of digital TV channel One 31 resulted in the absence of financial data reported in the consolidated financial statement.
- Long-term loans including current portions due within a year, totalled 1,626 million baht, a reduction of 1,730 million baht due to bank loan repayments and the reclassification of investment in digital TV channel One 31 resulted in the absence of financial data reported in the consolidated financial statement.

3) Shareholders' equity

At year-end 2015, the Group had shareholders' equity of 2,034 million baht, a reduction of 1,451 million baht on the previous year due to the losses incurred during the year.

Liquidity and Cash Flow

Cash and cash equivalents totalled 1,059 million baht, an increase of 194 million baht. This consisted of 164 million baht from operating activities, while cash flow from investing activities stood at 1,002 million baht, derived from sales of several investments during the year. Cash flow used in financing activities totalled 973 million baht for repayments of overdraft and bank loans both long-term and short-term. Overall, liquidity and cash flow at the end of 2015 was at a good level, demonstrating a strong financial position of the Group.

4) Significant Ratios in 2015

	2015	2014	Additional remarks
Profitability ratio			
Gross profit margin (%)	33.21	29.74	Profitability improvement was largely attributable to music group succeeded with driving revenue growth under stringent cost control, while movie business kept costs well under control and generated higher profits despite lower revenue
Net profit / loss (%)	(11.80)	(26.04)	The reduction was due to a strong recovery of music business together with home shopping reached the breakeven point, while net loss mainly attributed from digital TV during the investment period
Return on assets (%)	(10.39)	(17.83)	The improvement was driven by a drop in net loss, while assets decreased from debt repayment, redemption of current investment, sales of long term investment, lower receivables and inventories, together with the deconsolidating of digital TV channel One, and the recognition of spectrum licenses at present costs according to accounting principles
Return on equity (%)	(47.09)	(79.24)	The improvement was the result of a drop in net loss driven by strong performance in music group, together with the gains from share restructuring and divesting of non-core investments, while the digital TV business making a loss in the initial stage of investment
Liquidity ratio			
Liquidity ratio (times)	1.30	1.18	The increase was due to a reduction in overdraft and short-term bank loan
Average collection period (days)	53	72	The reduction was due to a fall in accounts receivable especially the portion outstanding over six months being significantly reduced from efficient collection process
Profitability ratio			
Inventory period (days)	30	37	The reduction was a result of efforts to control the quantity of inventory such as tapes, CDs DVDs, movie and cartoon products and set top box of satellite TV and digital TV
Payment period (days)	76	93	The reduction was due to a decrease in trade accounts payable in line with sales and services costs
Financial ratio			
Debt to equity (times)	2.73	3.15	The decrease was due to repayment of bank loans both long-term and short-term, together with the revision of spectrum license at current costs, and deconsolidating of digital TV channel One 31 resulted in a drop in total liabilities
Interest coverage ratio (times)	5.13	(8.79)	The improvement was due to better operating results and lower interest payments from deconsolidating of digital TV channel One 31
Interest-bearing debt to equity ratio (times)	0.80	1.24	The decrease was due to loan repayments, and deconsolidating of digital TV channel One 31 led to lower interest-bearing debts

5) Main factors and influences on future business operations and financial status

With an economic slowdown in the second half of 2015 and continued into 2016, media agency and companies are more cautious with advertising budgets, which might cause total advertisement spending for the first quarter to remain at the same level as last year. Therefore, 2016 would be a very challenging year for the media business, indicating the stronger competition based on value proposition and full range offering to customers.

Regarding marketing strategy for the music industry in 2016, the Group will take further steps into social media as this is a channel that provides direct access to music fans and has a large number of followers, meaning that the popularity and success of the artists' work can be clearly gauged.

After the meeting with the committee responsible for solving the problems of digital TV, which is made up of digital TV operators, bankers, network service providers, state agencies and other related agencies, discovered that a number of important conditions set out in the auction rules have yet to be successfully realized. These include the distribution of coupons to every household in the country, the expansion of the digital TV network to provide users with access to a high-quality signal, public relations and the rating mechanics. This has resulted in growth in the digital TV industry failing to meet expectations. However, the Company is beginning to see progress regarding the implementation of the measures including enforcement of standard digital TV channel numbering on all platforms and the introduction of a new multi-screen rating agency, which will be of great mutual benefit among the state sector, operators and the public and have a highly positive impact on the industry over the long term.

Grammy's digital TV channels have been able to create an outstanding identity and character, successfully developing their branding and ratings, which have climbed up every quarter, and achieving good results from advertising sales. The strategy for this year is to expand the viewer base through continuous investment in quality content to attract viewers to stay with the channels and to carry out creative marketing strategy under total media solutions to integrate the strength of content production capability that meets media strategy as a one-stop service for an era when audiences are consuming a wide variety of content across different platforms. As the government's economic stimulus policies in a number of areas started to take effect to increase spending power and investor confidence, the Company believes that advertising budgets would begin to return to normal levels in the second half of the year. With further positive effects from a stable political situation, it is expected that next year the advertising industry will see growth in accordance with the country economic expansion, with the two digital TV channels playing an important role in leading the Company to its target of becoming a leader in Thailand's media industry.

The financial status of the Company remains strong as the restructuring of the business has led to a significant reduction in liabilities and the debt-to-equity ratio had improved to 0.8 times at the end of 2015. This puts the Group on a firm position to move the business forward and we believe that this will deliver further growth in the operating results for 2016.

Report on the Board of Director's Responsibility towards the Financial Statements

The Board of Directors recognizes the importance of the Corporate Governance Management Policy and the preparing process of the financial statement and financial information as reported in the annual report enable to ensures that the statements are prepared in accordance with the Thai generally accepted accounting standards, using appropriate and consistent accounting policy and sufficient information is disclosed in the notes to financial statements. The Board of Directors has appointed the Audit Committee, which comprises independent directors, to be responsible for the quality of financial reports and internal control. This also provide a reasonable assurance on the reliability of the financial statement and effectiveness of internal control such as safeguarding of assets connected or potential conflict of interest transactions and the compliance to applicable laws and regulations, which the Audit Committee's opinion is stated in the Audit Committee Report.

At the Board of Directors' meeting on February 26, 2016, which every Audit Committee members, management and internal audit department attended to evaluate the sufficiency of the Company's internal control system for the year 2015. The system, set by the management which compliance with the SET regulations and COSO guideline. The Board agreed with the Audit Committee that the Group's quarterly and the annual financial statement for the year 2015 (which has been audited by the external auditor) has been prepared in accordance with generally accepted accounting principles and disclosed sufficiently, accurately and reliably. In general, the internal control system of the Company and subsidiaries was fairly established and appropriate to the Company business. There were no internal control deficiencies which would affect the accuracy and reliability of financial statement and the achievement of the entity's business goal. The Board of Directors has expressed the opinion on the sufficient of the Company and subsidiaries' internal control system in "Internal Control" section.

Furthermore, the Board encourages the Management in continuous developing the GMM Grammy Group's quality of internal control system, risk management and good corporate governance. The adequate and appropriate supervision should also be in place to enable the achievement of the established objective and goal.



Mr. Paiboon Damrongchaitham
Chairman



Miss Boosaba Daorueng
Group Chief Executive Officer

Independent Auditor's Report

To the Shareholders of GMM Grammy Public Company Limited

I have audited the accompanying consolidated financial statements of GMM Grammy Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of GMM Grammy Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

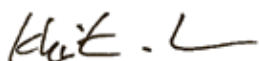
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GMM Grammy Public Company Limited and its subsidiaries and of GMM Grammy Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policies due to the adoption of TFRS 10 Consolidated Financial Statements and TFRS 11 Joint Arrangements, including changes in recording cost of spectrum license. The Company has restated the consolidated and separate financial statements for the year ended 31 December 2014, presented herein as comparative information, to reflect the adjustments resulting from such changes. The Company has also presented the consolidated and separate statements of financial position as at 1 January 2014 as comparative information, using the newly adopted accounting policy. My opinion is not qualified in respect of this matter.



Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 26 February 2016

Statement of financial position

GMM Grammy Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
	Note	As at 31 December 2015	As at 31 December 2014	As at 1 January 2014	As at 31 December 2015	As at 31 December 2014	As at 1 January 2014
			(Restated)				
Assets							
Current assets							
Cash and cash equivalents	8	1,058,807,615	864,525,590	1,533,125,074	504,371,273	385,949,976	863,469,373
Current investments	9	175,952,062	1,075,890,943	2,064,616,893	120,000,000	1,000,000,000	1,875,000,000
Trade and other receivables	7, 10	1,414,957,447	2,239,273,112	2,091,384,225	799,654,477	1,107,596,528	1,732,603,998
Prepaid expenses		59,973,202	39,976,930	233,374,207	5,143,050	3,552,792	81,111,437
Inventories	11	300,989,734	629,251,874	613,564,217	114,133,108	77,547,031	180,991,100
Advance payments		45,760,026	76,122,266	153,100,927	23,558,485	11,834,455	37,941,732
Other current assets	12	290,067,756	367,528,223	1,531,626,999	41,836,190	45,865,251	91,250,849
Total current assets		3,346,507,842	5,292,568,938	8,220,792,542	1,608,696,583	2,632,346,033	4,862,368,489
Non-current assets							
Investments in subsidiaries	13	-	-	-	2,075,099,178	3,428,473,246	1,143,965,558
Investments in joint ventures	14	616,363,268	326,149,192	315,850,933	971,549,700	9,999,800	9,999,800
Investments in associates	15	275,721,127	277,594,634	275,166,115	25,000,000	25,000,000	27,999,980
Other long-term investments	16	3,503,882	1,286,428,847	342,480,115	1,504,182	254,089,147	341,080,415
Loans to related parties	7	-	-	-	77,080,000	39,440,000	1,594,957,000
Property, plant and equipment	17	524,045,763	1,428,853,797	1,251,519,926	199,942,157	209,026,642	128,092,829
Goodwill		36,659,796	36,659,796	41,693,755	-	-	-
Other intangible assets	18	348,602,344	402,515,943	524,101,419	287,794,811	306,622,099	368,889,878
Cost of spectrum license	19	1,739,140,125	4,685,378,362	-	-	-	-
Deferred tax assets	29	416,019,116	437,988,505	225,756,916	104,997,493	124,996,334	109,872,151
Other non-current assets	20	283,051,853	287,197,593	485,361,076	127,872,660	119,605,211	154,562,724
Total non-current assets		4,243,107,274	9,168,766,669	3,461,930,255	3,870,840,181	4,517,252,479	3,879,420,335
Total assets		7,589,615,116	14,461,335,607	11,682,722,797	5,479,536,764	7,149,598,512	8,741,788,824

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

GMM Grammy Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		As at 31 December 2015	As at 31 December 2014	As at 1 January 2014	As at 31 December 2015	As at 31 December 2014	As at 1 January 2014
Liabilities and shareholders' equity			(Restated)				
Current liabilities							
Bank overdraft and short-term loans from banks	21	3,000,000	964,056,950	4,271,897,839	-	582,000,000	2,000,000,000
Trade and other payables	7, 22	1,489,010,164	1,801,361,693	2,326,897,050	606,782,196	570,649,621	677,799,943
Unearned income		436,020,742	390,287,431	520,979,157	213,748,792	98,547,662	86,902,119
Short-term loans from related parties	7	-	-	-	1,978,500,000	1,263,500,000	1,363,000,000
Current portion of long-term loans	24	-	30,000,000	18,000,000	-	-	-
Current portion of liabilities under finance lease agreements		11,451,657	12,657,427	16,390,867	8,529,329	8,087,287	9,992,644
Current portion of cost of spectrum license payable	23	409,814,192	916,382,589	-	-	-	-
Income tax payable		8,243,305	27,084,034	25,808,006	-	-	-
Other current liabilities	25	209,129,279	326,374,251	401,716,983	107,790,333	127,040,523	136,604,436
Total current liabilities		2,566,669,339	4,468,204,375	7,581,689,902	2,915,350,650	2,649,825,093	4,274,299,142
Non-current liabilities							
Long-term loans - net of current portion	24	1,625,545,102	3,325,265,889	262,000,000	596,776,174	1,593,846,330	-
Liabilities under finance lease agreements - net of current portion		29,145,113	35,158,803	37,119,225	22,562,499	21,057,183	23,807,726
Cost of spectrum license payable - net of current portion	23	1,024,310,995	2,830,404,486	-	-	-	-
Provision for long-term employee benefits	26	310,151,151	313,440,989	301,459,290	186,299,045	146,527,496	142,600,365
Deferred tax liabilities	29	121,826	4,558,120	14,505,810	-	4,465,634	14,491,042
Total non-current liabilities		2,989,274,187	6,508,828,287	615,084,325	805,637,718	1,765,896,643	180,899,133
Total liabilities		5,555,943,526	10,977,032,662	8,196,774,227	3,720,988,368	4,415,721,736	4,455,198,275

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

GMM Grammy Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		As at 31 December 2015	As at 31 December 2014	As at 1 January 2014	As at 31 December 2015	As at 31 December 2014	As at 1 January 2014
			(Restated)				
Shareholders' equity							
Share capital							
Registered							
819,949,729 ordinary shares of Baht 1 each		819,949,729	819,949,729	636,317,936	819,949,729	819,949,729	636,317,936
Issued and fully paid							
819,949,729 ordinary shares of Baht 1 each		819,949,729	819,949,729	636,317,936	819,949,729	819,949,729	636,317,936
Paid-in capital							
Share premium		4,847,628,795	4,847,628,795	2,580,594,677	4,847,628,795	4,847,628,795	2,580,594,677
Transferred of share premium to offset deficit in separate financial statements		271,203,657	271,203,657	271,203,657	-	-	-
Capital surplus from share premium of subsidiaries		859,297,366	860,964,766	860,964,766	-	-	-
Retained earnings							
Appropriated - statutory reserve	27	63,631,794	63,631,794	63,631,794	63,631,794	63,631,794	63,631,794
Transfer of statutory reserve to offset deficit in separate financial statements		50,000,000	50,000,000	50,000,000	-	-	-
Unappropriated (deficit)		(4,622,446,503)	(3,424,548,777)	(1,012,031,563)	(3,970,493,516)	(3,015,196,078)	948,081,976
Other components of shareholders' equity		(467,048,371)	(445,524,922)	(405,317,272)	(2,168,406)	17,862,536	57,964,166
Equity attributable to owners of the Company		1,822,216,467	3,043,305,042	3,045,363,995	1,758,548,396	2,733,876,776	4,286,590,549
Non-controlling interests of the subsidiaries		211,455,123	440,997,903	440,584,575	-	-	-
Total shareholders' equity		2,033,671,590	3,484,302,945	3,485,948,570	1,758,548,396	2,733,876,776	4,286,590,549
Total liabilities and shareholders' equity		7,589,615,116	14,461,335,607	11,682,722,797	5,479,536,764	7,149,598,512	8,741,788,824

The accompanying notes are an integral part of the financial statements.

Income statement

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
			(Restated)		
Continuing operations					
Revenues					
Sales of goods		2,743,006,690	2,677,334,425	737,218,270	787,369,153
Service income		4,606,886,583	5,348,112,419	1,558,960,807	1,554,131,867
Revenues from copyrights		1,248,429,105	831,937,299	1,074,049,645	724,643,940
Interest income		19,822,459	56,595,108	18,853,109	242,135,970
Dividend received		-	12,358,292	52,103,473	352,288,011
Gain on sale of investments in subsidiaries		54,479,814	-	2,362,433	3,021,964
Gain on sale of investments in joint ventures		103,401,208	-	-	-
Gain on sale of other long-term investments		70,256,784	147,048,607	70,256,784	147,048,607
Gain associated with the loss of control in subsidiary	1.2	731,281,009	-	-	-
Other income		126,013,343	190,557,344	84,456,014	78,049,660
Total revenues		9,703,576,995	9,263,943,494	3,598,260,535	3,888,689,172
Expenses					
Cost of sales and services		5,742,911,416	6,223,408,568	1,964,626,483	1,928,034,297
Selling and servicing expenses		638,894,581	815,161,523	29,283,191	27,003,499
Administrative expenses		2,889,155,803	2,979,106,945	1,189,122,287	1,231,756,090
Loss on sale of and returning investment in subsidiaries		-	-	18,683,724	45,702,757
Loss on impairment of investment in subsidiaries	13	-	-	1,159,855,000	4,367,821,521
Loss on impairment of other long-term investments	16	1,030,340,000	-	-	-
Total expenses		10,301,301,800	10,017,677,036	4,361,570,685	7,600,318,164
Loss before share of profit (loss) from investments in associates, and joint ventures, finance cost and income tax expenses		(597,724,805)	(753,733,542)	(763,310,150)	(3,711,628,992)
Share of profit from investments in associates	15	4,512,696	14,351,079	-	-
Share of profit (loss) from investments in joint ventures	14	(337,733,812)	10,152,200	-	-
Loss before finance cost and income tax expenses		(930,945,921)	(729,230,263)	(763,310,150)	(3,711,628,992)
Finance cost		(271,592,502)	(458,531,519)	(113,467,685)	(222,440,488)
Loss before income tax expenses		(1,202,538,423)	(1,187,761,782)	(876,777,835)	(3,934,069,480)
Income tax expenses	29	67,306,733	71,387,451	(53,218,770)	(29,208,574)
Loss for the year from continuing operations		(1,135,231,690)	(1,116,374,331)	(929,996,605)	(3,963,278,054)
Discontinued operations					
Loss for the year from discontinued operations	30	-	(1,228,996,180)	-	-
Loss for the year		(1,135,231,690)	(2,345,370,511)	(929,996,605)	(3,963,278,054)

The accompanying notes are an integral part of the financial statements.

Income statement (continued)

GMM Grammy Public Company Limited and its subsidiaries
For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit (loss) attributable to:			(Restated)		
Equity holders of the Company					
Loss for the year from continuing operations		(1,145,483,743)	(1,183,521,034)	(929,996,605)	(3,963,278,054)
Loss for the year from discontinued operations		-	(1,228,996,180)	-	-
Loss for the year attributable to equity holders of the Company		(1,145,483,743)	(2,412,517,214)	(929,996,605)	(3,963,278,054)
Non-controlling interests of the subsidiaries					
Profit for the year from continuing operations		10,252,053	67,146,703		
Profit for the year from discontinued operations		-	-		
Profit for the year attributable to non-controlling interests of the subsidiaries		10,252,053	67,146,703		
		(1,135,231,690)	(2,345,370,511)		
Basic earnings per share	31				
Loss attributable to equity holders of the Company		(1.40)	(3.66)	(1.13)	(6.02)
Basic earnings per share for continuing operations					
Loss from continuing operations attributable to equity holders of the Company		(1.40)	(1.80)	(1.13)	(6.02)

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loss for the year	(1,135,231,690)	(2,345,370,511)	(929,996,605)	(3,963,278,054)
Other comprehensive income:		(Restated)		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency - net of income tax	(1,492,507)	(106,020)	-	-
Gain on change in value of available-for-sale investments - net of income tax	32,610	35,124,596	32,610	35,124,596
Reversal of gain on change in value of available-for-sale investments - net of income tax expenses	(20,063,552)	(75,226,226)	(20,063,552)	(75,226,226)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(21,523,449)	(40,207,650)	(20,030,942)	(40,101,630)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial loss - net of income tax	(45,512,273)	-	(25,300,833)	-
Share of actuarial loss of joint ventures - net of income tax	(8,316,578)	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(53,828,851)	-	(25,300,833)	-
Other comprehensive income for the year	(75,352,300)	(40,207,650)	(45,331,775)	(40,101,630)
Total comprehensive income for the year	(1,210,583,990)	(2,385,578,161)	(975,328,380)	(4,003,379,684)
Total comprehensive income attributable to:				
Equity holders of the Company	(1,219,421,175)	(2,452,724,864)	(975,328,380)	(4,003,379,684)
Non-controlling interests of the subsidiaries	8,837,185	67,146,703		
	(1,210,583,990)	(2,385,578,161)		

The accompanying notes are an integral part of the financial statements.

Statement of cash flows

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Cash flows from operating activities				
Loss before tax from continuing operations	(1,202,538,423)	(1,187,761,782)	(876,777,835)	(3,934,069,480)
Loss before tax from discontinued operations	-	(1,228,996,180)	-	-
Loss before tax	(1,202,538,423)	(2,416,757,962)	(876,777,835)	(3,934,069,480)
Adjustments to reconcile loss before tax to net cash provided by				
(paid from) operating activities:				
Depreciation	275,524,567	296,050,147	56,522,330	49,876,415
Amortisation	294,973,868	941,936,426	15,352,344	74,907,637
Amortisation of spectrum license	179,148,918	225,120,591	-	-
Reversal of allowance for doubtful accounts	(19,486,975)	(30,416,779)	(9,503,142)	(9,709,173)
Reversal of cost of inventory to net realisable value	(153,495,670)	(33,335,645)	(95,337,489)	(135,837,153)
Provision for sales returns (reversal)	5,389,533	(109,369,949)	3,766,637	(2,393,617)
Allowance for impairment of investments in subsidiaries	-	-	1,159,855,000	4,367,821,521
Allowance for impairment of others long term investment	1,030,340,000	-	-	-
Allowance for impairment of property, plant and equipment	124,707,442	-	-	-
Allowance for impairment of intangible assets	4,496,172	188,500,548	-	190,347,107
Loss (gain) on sale of investments in subsidiaries	(54,479,814)	(3,225,763)	(2,362,433)	42,680,792
Loss on returning investments of subsidiaries	-	-	18,683,724	-
Loss (gain) on sale of investments in joint ventures	(103,401,208)	-	1,313,345	-
Loss (gain) on returning investments of associates	-	(1,593,019)	-	2,985,234
Gain on sale of other long-term investments	(70,256,784)	(147,048,945)	(70,256,784)	(147,048,607)
Loss (gain) on disposal of equipment	(1,453,709)	10,494,869	(3,674,067)	7,536,994
Dividend received	-	(12,358,292)	(52,103,473)	(352,288,011)
Share of profit from investments in associates	(4,512,696)	(14,351,079)	-	-
Share of loss (profit) from investments in joint ventures	337,733,812	(10,152,200)	-	-
Long-term employee benefit expenses (reversal)	(9,361,880)	20,008,699	10,751,882	11,954,131
Gain associated with the loss of control in subsidiary	(731,281,009)	-	-	-
Interest income	(19,822,459)	(56,595,108)	(18,853,109)	(242,135,970)
Interest expenses	271,592,502	458,531,519	113,467,685	222,440,488
Profit (loss) from operating activities before changes in operating assets and liabilities	153,816,187	(694,561,942)	250,844,615	147,068,308
Decrease (increase) in operating assets				
Trade and other receivables	617,045,144	(120,432,979)	77,689,317	705,207,694
Prepaid expenses	(62,376,512)	172,513,949	(1,590,258)	77,558,645
Inventories	329,193,318	(61,914,814)	55,406,098	232,250,433
Advance payments	25,035,225	76,978,081	(11,724,030)	26,107,277
Other current assets	59,638,465	(108,604,706)	41,061,923	30,617,006
Other non-current assets	(351,506,093)	(595,976,061)	(1,447,191)	(118,414,946)

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Increase (decrease) in operating liabilities				
Trade and other payables	20,197,268	(277,854,641)	58,186,118	(124,486,833)
Unearned income	56,831,878	(127,154,294)	115,201,130	11,645,543
Other current liabilities	(87,356,246)	62,280,907	(23,016,827)	(7,170,296)
Provision for long-term employee benefits	(17,397,159)	(8,027,000)	(2,606,374)	(8,027,000)
Cash flows from (used in) operating activities	743,121,475	(1,682,753,500)	558,004,521	972,355,831
Cash paid for interest expenses	(144,997,506)	(191,512,331)	(110,146,572)	(226,009,560)
Cash paid for income tax	(226,977,563)	(246,661,764)	(63,248,554)	(80,796,921)
Net cash flows from (used in) operating activities	371,146,406	(2,120,927,595)	384,609,395	665,549,350
Cash flows from investing activities				
Acquisition of equipment	(273,066,999)	(504,185,001)	(39,040,228)	(125,252,064)
Decrease in accounts payable - purchase of assets	(15,388,091)	-	(22,444,813)	-
Cash received from returning investments of subsidiaries	-	-	2,915,976	-
Cash paid to purchase additional investments in subsidiaries	-	-	(429,002,176)	(6,701,784,544)
Cash received from disposal of investments in subsidiaries	-	-	203,284,177	6,774,543
Cash paid to purchase additional investments in joint ventures	(571,550,100)	(10,298,259)	(571,550,100)	-
Net decrease in cash due to loss of control in subsidiaries (Note 32)	(34,083,797)	-	-	-
Net increase (decrease) in cash due to sale of investments in subsidiaries	220,805,553	(749,045,407)	-	-
Cash received from returning investments of associates	-	6,966,519	-	14,746
Cash received from sale of investments of joint ventures	438,686,445	-	8,686,655	-
Cash paid to purchase additional investments in associates	(3,599,580)	(5,399,980)	-	-
Cash received from sale of other long-term investments	297,803,072	188,736,513	297,803,072	188,736,175
Cash paid to purchase other long-term investments	-	(5,423,338)	-	(4,823,338)
Cash received from disposal of equipments	111,525,525	48,360,220	6,191,274	10,900,408
Decrease (increase) in loans to related parties	-	404,129,699	(37,640,000)	1,555,517,000
Dividend received from subsidiaries and associates	9,162,762	11,949,040	250,482,348	301,926,667
Dividend received from other long-term investments	-	12,358,292	-	10,759,092
Cash received from non-controlling interests of subsidiaries from investments in subsidiaries	2,450,300	-	-	-
Interest income	19,822,459	65,244,147	60,093,183	219,896,210
Decrease in current investments	899,938,881	988,725,950	880,000,000	875,000,000
Cash paid for spectrum license	(305,000,000)	(1,130,000,000)	-	-
Net cash flows from (used in) investing activities	797,506,430	(677,881,605)	609,779,368	(3,662,335,105)

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from banks	(901,056,950)	(3,307,840,889)	(582,000,000)	(1,418,000,000)
Cash received from long-term loans	1,012,350,000	5,409,190,000	-	3,900,000,000
Repayment of long-term loans	(1,022,500,000)	(2,318,000,000)	(1,000,000,000)	(2,300,000,000)
Increase (decrease) in short-term loans from related parties	-	-	715,000,000	(99,500,000)
Repayment of liabilities under finance lease agreements	(15,582,543)	(23,135,538)	(8,967,466)	(13,899,553)
Dividend paid to non-controlling interest of subsidiaries	(46,088,811)	(80,563,748)	-	-
Proceeds from increase in share capital	-	2,450,665,911	-	2,450,665,911
Net cash flows from (used in) financing activities	(972,878,304)	2,130,315,736	(875,967,466)	2,519,266,358
Decrease in translation adjustments	(1,492,507)	(106,020)	-	-
Net increase (decrease) in cash and cash equivalents	194,282,025	(668,599,484)	118,421,297	(477,519,397)
Cash and cash equivalents at beginning of year	864,525,590	1,533,125,074	385,949,976	863,469,373
Cash and cash equivalents at end of year	1,058,807,615	864,525,590	504,371,273	385,949,976
Supplemental cash flows information:				
Non-cash transactions:				
Assets purchases which payment has yet to be made	-	11,397,205	-	14,751,911
Increase in assets from finance lease agreements	11,104,461	17,441,676	10,914,824	9,243,653

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

Consolidated financial statements

Equity attributable to owners of the Company																
	Other components of shareholders' equity															
	Retained earnings					Other comprehensive income		Other changes by the owners			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity			
	Share premium	Transfer of share premium to offset deficit in separate financial statements	Capital surplus from share premium of subsidiaries	Appropriated statutory reserve	Transfer of statutory reserve to offset deficit in separate financial statements	Unappropriated (deficit)	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on changes in value of available-for-sale investments	Capital deficit from business combination under common control	Difference resulting from share swap between the Company and a subsidiary						
Balance as at 31 December 2013 - as previously reported	636,317,936	2,580,594,677	-	860,964,766	63,631,794	50,000,000	(1,012,031,563)	1,388,055	57,964,166	(274,800,348)	(189,604,191)	(405,052,318)	3,045,628,949	931,151,417	3,976,780,366	
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	-	-	-	(264,954)	-	-	-	(264,954)	(264,954)	(490,566,842)	(490,831,796)	
Balance as at 31 December 2013 - as restated	636,317,936	2,580,594,677	-	860,964,766	63,631,794	50,000,000	(1,012,031,563)	1,123,101	57,964,166	(274,800,348)	(189,604,191)	(405,317,272)	3,045,363,995	440,584,575	3,485,948,570	
Loss for the year (restated)	-	-	-	-	-	-	(2,412,517,214)	-	-	-	-	-	(2,412,517,214)	67,146,703	(2,345,370,511)	
Other comprehensive income for the year	-	-	-	-	-	-	-	(106,020)	35,124,596	-	-	35,018,576	35,018,576	-	35,018,576	
Disposal of available-for-sale investments	-	-	-	-	-	-	-	-	(75,226,226)	-	-	(75,226,226)	(75,226,226)	-	(75,226,226)	
Total comprehensive income for the year	-	-	-	-	-	-	(2,412,517,214)	(106,020)	(40,101,630)	-	-	(40,207,650)	(2,452,724,864)	67,146,703	(2,385,578,161)	
Share capital issued	183,631,793	2,267,034,118	-	-	-	-	-	-	-	-	-	-	2,450,665,911	-	2,450,665,911	
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(66,733,375)	(66,733,375)	
Balance as at 31 December 2014	819,949,729	4,847,628,795	-	860,964,766	63,631,794	50,000,000	(3,424,548,777)	1,017,081	17,862,536	(274,800,348)	(189,604,191)	(445,524,922)	3,043,305,042	440,997,903	3,484,302,945	
Balance as at 31 December 2014 - as previously reported	819,949,729	4,847,628,795	-	860,964,766	63,631,794	50,000,000	(3,326,046,389)	1,282,105	17,862,536	(274,800,348)	(189,604,191)	(445,259,898)	3,142,072,454	940,701,047	4,082,773,501	
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	-	-	(98,502,388)	(265,024)	-	-	-	(265,024)	(98,767,412)	(499,703,144)	(598,470,556)	
Balance as at 31 December 2014 - as restated	819,949,729	4,847,628,795	-	860,964,766	63,631,794	50,000,000	(3,424,548,777)	1,017,081	17,862,536	(274,800,348)	(189,604,191)	(445,524,922)	3,043,305,042	440,997,903	3,484,302,945	
Loss for the year	-	-	-	-	-	-	(1,145,483,743)	-	-	-	-	-	(1,145,483,743)	10,252,053	(1,135,231,690)	
Other comprehensive income for the year	-	-	-	-	-	-	(52,413,983)	(1,492,507)	(20,030,942)	-	-	(21,523,449)	(73,937,432)	(1,414,868)	(75,352,300)	
Total comprehensive income for the year	-	-	-	-	-	-	(1,197,897,726)	(1,492,507)	(20,030,942)	-	-	(21,523,449)	(1,219,421,175)	8,837,185	(1,210,583,990)	
Disposal of investments in subsidiaries (Note 33)	-	-	-	(1,667,400)	-	-	-	-	-	-	-	-	(1,667,400)	-	(1,667,400)	
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(238,379,965)	(238,379,965)	
Balance as at 31 December 2015	819,949,729	4,847,628,795	-	859,297,366	63,631,794	50,000,000	(4,622,446,503)	(475,426)	(2,168,406)	(274,800,348)	(189,604,191)	(467,048,371)	1,822,216,467	211,455,123	2,033,671,591	

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

Separate financial statements

	Other components of shareholders' equity						
	Retained earnings			Surplus (deficit) on changes in value of available-for-sale investments		Total other components of shareholders' equity	
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated (deficit)			Total shareholders' equity
Balance as at 31 December 2013	636,317,936	2,580,594,677	63,631,794	948,081,976	57,964,166	57,964,166	4,286,590,549
Loss for the year	-	-	-	(3,963,278,054)	-	-	(3,963,278,054)
Other comprehensive income for the year	-	-	-	-	35,124,596	35,124,596	35,124,596
Sale of investment securities available for sale	-	-	-	-	(75,226,226)	(75,226,226)	(75,226,226)
Total comprehensive income for the year	-	-	-	(3,963,278,054)	(40,101,630)	(40,101,630)	(4,003,379,684)
Share capital issued	183,631,793	2,267,034,118	-	-	-	-	2,450,665,911
Balance as at 31 December 2014	819,949,729	4,847,628,795	63,631,794	(3,015,196,078)	17,862,536	17,862,536	2,733,876,776
Balance as at 31 December 2014	819,949,729	4,847,628,795	63,631,794	(3,015,196,078)	17,862,536	17,862,536	2,733,876,776
Loss for the year	-	-	-	(929,996,605)	-	-	(929,996,605)
Other comprehensive income for the year	-	-	-	(25,300,833)	(20,030,942)	(20,030,942)	(45,331,775)
Total comprehensive income for the year	-	-	-	(955,297,438)	(20,030,942)	(20,030,942)	(975,328,380)
Balance as at 31 December 2015	819,949,729	4,847,628,795	63,631,794	(3,970,493,516)	(2,168,406)	(2,168,406)	1,758,548,396

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2015

1. General information

1.1 Corporate information

GMM Grammy Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. GMM Grammy Public Company Limited and its subsidiaries (together the "the Group") are principally engaged in various entertainment businesses, including music business, media business, broadcasting business, digital TV business and other entertainment businesses. The registered office of the Company is at 50 Sukhumvit 21 (Asoke), Klongtoey Nua, Wattana, Bangkok.

1.2 Partial waiver of subscription right to the capital increase of the ordinary shares of The ONE Enterprise Company Limited (Formerly known as "GMM One TV Trading Company Limited")

In March 2015, the Company waived the partial subscription right to the capital increase of the ordinary shares of The ONE Enterprise Company Limited to the group of Mr. Takonkiet Viravan. Thus, the shareholding of the Company decreased from 100 percent to 51 percent and the Company had only joint control in such company. As a result, the Company classified the investment in The ONE Enterprise Company Limited as the investment in joint venture.

At the loss of control date, the Company recognised any investment retained at its fair value. That fair value was regarded as the cost on initial recognition of investment in joint venture. The fair value of investment of The ONE Enterprise Company Limited was evaluated by par value of the capital increase of the ordinary shares, which was Baht 100 per share.

The Company recognised gain associated with the loss of control over subsidiary amounting to Baht 731 million in the consolidated income statement. However, this transaction had no impact on the separate financial statements.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of GMM Grammy Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
			Percent	Percent
<u>Subsidiaries directly held by the Company</u>				
1. GMM Media Public Company Limited	Production of radio programmes	Thailand	99.92	99.92
2. GMM Holding Company Limited	Holding company	Thailand	100	100
3. GMM Music Publishing International Company Limited	Management of music copyrights	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
			Percent	Percent
4. GMM Tai Hub Company Limited	Production of films and television programmes	Thailand	51	51
5. Fan TV Company Limited (Held 49 percent by GMM Holding Company Limited, a subsidiary)	Production of satellite television programmes	Thailand	51	51
6. 3-RD Company Limited	Providing customer service via telephone	Thailand	50	50
7. GR Vocal Studio Company Limited	Vocal and music schools	Thailand	100	100
8. GMM CJ O Shopping Company Limited	Wholesale and retail by using advertising media and receiving phone orders	Thailand	51	51
9. MGA Company Limited	Currently non-active	Thailand	100	100
10. Digital Gen Company Limited	Currently non-active	Thailand	100	100
11. Extraorganizer Company Limited	Currently non-active	Thailand	100	100
12. More Music Company Limited	Currently non-active	Thailand	100	100
13. GDC Company Limited	Providing service to games members, distribution of games playing cards	Thailand	100	100
14. Z Trading Company Limited	Production and distribution of satellite television and digital TV receivers	Thailand	100	100
15. GMM Channel Trading Company Limited	Production of television programmes and digital on-air	Thailand	100	100
16. The ONE Enterprise Company Limited (Formerly known as "GMM One TV Trading Company Limited")	Production of television programmes and digital on-air	Thailand	-	100
17. EXACT SCENARIO Company Limited (Formerly known as "The News TV Company Limited")	Artist managements	Thailand	-	100
18. Digistream Company Limited	Providing music in streaming	Thailand	100	100
19. Acts Studio Company Limited (2014:Held 50 percent by Scenario company limited, an associate)	Lease of studio	Thailand	-	50
20. GMM TV Company Limited (2014: Held by GMM Media Public Company Limited , a subsidiary)	Production of television programmes	Thailand	100	100
21. Deetalk Company Limited (2014: Held by GMM Media Public Company Limited , a subsidiary)	Production of television programmes	Thailand	100	100
22. GDH 559 Company Limited	Production of films and television programmes	Thailand	51	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
			Percent	Percent
<u>Subsidiaries held by GMM Media Public Company Limited</u>				
1. A-Time Media Company Limited	Sub - lease of radio stations	Thailand	100	100
2. Teen Talk Company Limited	Currently non-active	Thailand	100	100
3. Bliss Publishing Company Limited	Production and distribution of pocket books	Thailand	100	100
4. Image Publishing Company Limited	Production and distribution of magazine	Thailand	-	70
5. Exact Company Limited	Production of television programmes	Thailand	100	100
6. GMM Inter Publishing Company Limited	Production and distribution of magazine	Thailand	-	70
7. GMM Times Company Limited	Production and distribution of magazine	Thailand	-	100
8. In Publishing Company Limited	Production and distribution of magazine	Thailand	-	70
<u>Subsidiary held by A-Time Media Company Limited</u>				
1. A Gen Event Agency Company Limited	Business events advisor and organizer	Thailand	-	70
<u>Subsidiary held by GMM TV Company Limited</u>				
1. Me Miti Company Limited	Production of television programmes	Thailand	-	70
<u>Subsidiaries held by GMM Holding Company Limited</u>				
1. GMM Studio Company Limited	Studio service	Thailand	100	100
2. Grammy Publishing House Company Limited	Distribution of education publication	Thailand	100	100
3. GMM Fitness Club Company Limited	Currently non-active	Thailand	100	100
4. Mifah Company Limited	Currently non-active	Thailand	100	100
5. GMM Digital Domain Company Limited	Currently non-active	Thailand	100	100
6. Magic Film Company Limited	Currently non-active	Thailand	90.91	90.91
7. Global Music and Media (China) Limited	Currently non-active	Hong Kong SAR	100	100
<u>Subsidiary held by GMM Digital Domain Company Limited</u>				
1. Digital Arms Company Limited	Currently non-active	Thailand	100	100

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
			Percent	Percent
<u>Subsidiaries held by GMM Tai Hub Company Limited</u>				
1. Luckdee Thaweesuk Company Limited	Deregistered	Thailand	-	100
2. GTH On Air Company Limited (2014: held 30 percent by the Company and held 20 percent by Image Publishing Company Limited, a subsidiary)	Deregistered	Thailand	-	50
3. Good Things Happen Company Limited	Provide advertising media, public relations consulting, and organizer	Thailand	51	51
<u>Subsidiary held by GTH On Air Company Limited</u>				
1. J K Network Company Limited	E-Commerce Business	Thailand	-	100
<u>Subsidiaries held by Z Trading Company Limited</u>				
1. G S-one Company Limited	Currently non-active	Thailand	100	100
2. GMM Z Company Limited	Satellite television platform provider	Thailand	100	100
<u>Subsidiary held by GMM Channel Trading Company Limited</u>				
1. GMM Channel Company Limited	Production of television programmes and digital on-air	Thailand	100	100
<u>Subsidiary held by The ONE Enterprise Company Limited</u>				
1. GMM One TV Company Limited	Production of television programmes and digital on-air	Thailand	-	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) During the year 2015, there were the following changes in the composition of the subsidiaries:

Waiving of subscription right to the capital increase of the ordinary shares of subsidiary

Investor	Subsidiary	Nature of business	Percentage of shareholding (%)	Description
GMM Grammy Public Company Limited	The ONE Enterprise Company Limited	Production of television programmes and digital on-air	100	Partial waiving of subscription right to the capital increase of the ordinary shares to the group of Mr. Takonkiet Viravan (as described in Note 1.2 to the financial statements)

Disposal of investments in subsidiaries

Investor	Subsidiary	Nature of business	Percentage of shareholding (%)	Description	Amount (Thousand Baht)
GMM Grammy Public Company Limited	EXACT SCENARIO Company Limited	Artist managements	100	Disposal of investment 9,998 ordinary shares of Baht 78.44 each to The ONE Enterprise Company Limited which is a joint venture (cost Baht 1 million).	784
GMM Grammy Public Company Limited	Acts Studio Company Limited	Lease of studio	50	Disposal of investment 2,024,999 ordinary shares of Baht 100 each to The ONE Enterprise Company Limited which is a joint venture (cost Baht 200 million).	202,500
GMM TV Company Limited	Me Miti Company Limited	Production of television programmes	70	Disposal of investment 41,997 ordinary shares of Baht 100 each to The ONE Enterprise Company Limited which is a joint venture (cost Baht 4 million).	4,200
GMM Media Public Company Limited	Image Publishing Company Limited, GMM Inter Publishing Company Limited, GMM Times Company Limited and In Publishing Company Limited	Production and distribution of magazine	100	Disposal all of its investments in ordinary shares of such four subsidiaries to third party (cost Baht 118 million). The Group recognised gain on sale of the investments amounting to Baht 34 million in the consolidated income statement.	45,000
A-Time Media Company Limited	A Gen Event Agency Company Limited	Business events advisor and organizer	70	Disposal of investment 20,998 ordinary shares of Baht 100 each to third party (cost Baht 2 million)	2,099

Deregistered subsidiaries

Shareholders	Subsidiaries	Percentage of shareholding (%)	Description
GTH On Air Company Limited	J K Network Company Limited	100	Deregistered with the Ministry of Commerce on 3 June 2015
GMM Tai Hub Company Limited	Luckdee Thaweesuk Company Limited	100	Deregistered with the Ministry of Commerce on 28 September 2015
GMM Tai Hub Company Limited	GTH On Air Company Limited	50	Deregistered with the Ministry of Commerce on 3 November 2015

In addition, the Company classified the investment in Index Creative Village Public Company Limited as the investment in joint venture as described in Note 3 to the financial statements.

- e) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - f) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
 - g) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
 - h) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates presented under the cost method.

3. New accounting standards

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standard that became effective in the current period

The Group has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements, except the standards below.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the consolidated financial statements and at cost in the separate financial statements.

The management of the Company reviewed whether the Company had control over investees in accordance with the principles of these standards and determined that the Company had only joint control over Index Creative Village Public Company Limited, formerly considered a subsidiary. Thus, the Company classifies the investment in Index Creative Village Public Company Limited as the investment in joint venture and is to account using the equity method. As a result of the adoption of these standards, the Company has had to change the method used to account for its investments in a joint venture from the proportionate consolidation method to the equity method. The Company has restated the prior period’s financial statements, presented as comparative information, to reflect the effect of the change. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Group's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards and changes in recording cost of spectrum license

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards. The cumulative effect of the changes has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the income statements are summarised below.

(Unit: Million Baht)

Consolidated financial statements

	As at 31 December 2014	As at 1 January 2014
Statements of financial position:		
Decrease in cash and cash equivalents	96	121
Decrease in trade and other receivables	386	330
Decrease in other current assets	100	106
Decrease in total current assets	582	557
Increase in investments in joint ventures	326	316
Decrease in property, plant and equipment	451	533
Decrease in goodwill	38	38
Decrease in other non-current assets	138	109
Decrease in total non-current assets	301	364
Decrease in bank overdraft and short-term loans from banks	28	58
Decrease in trade and other payables	207	195
Decrease in other current liabilities	84	82
Decrease in total current liabilities	319	335
Decrease in provision for long-term employee benefits	34	34
Decrease in other non-current liabilities	30	61
Decrease in total non-current liabilities	64	95
Decrease in non-controlling interests of the subsidiaries	500	491
Decrease in shareholders' equity	500	491

(Unit: Million Baht)

Consolidated financial statements

	For the year ended 31 December 2014
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Income statements:

Decrease in service income	964
Decrease in interest income	3
Decrease in other income	19
Decrease in cost of sales and services	707
Decrease in selling and servicing expenses	12
Decrease in administrative expenses	207
Decrease in share of profit from investments in associates	3
Increase in share of profit from investments in joint ventures	10
Decrease in finance cost	4
Decrease in income tax expenses	15
Increase in loss for the year	34

Loss attributable to:

Decrease in profit for the year attributable to non-controlling interests of the subsidiaries	34
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Cost of digital TV spectrum license ("the license")

The Group originally determined that the bid price of the license should be treated as an initial cost of the license, and that the conditions setting the period of payment were in accordance with normal conditions clearly stipulated by the government agency. The Group therefore recorded the cost of the license as an asset and recorded the outstanding cost of the spectrum license, based on the bid price, as a liability. However, on 8 February 2016, the Federation of Accounting Professions ("FAP") published an exposure document providing an interpretation on accounting issues related to the recognition of licenses granted by the government sector, whereby gradual payment of license costs is interpreted as being similar to the sale of goods under installment terms and an entity is therefore required to determine the cost of the license based on the sum of the amounts to be paid immediately, within a specified period, and the discounted value of the amount that the entity is required to pay to the government agency in installments. Moreover, if an entity has not reported such transactions in accordance with this interpretation is to restate its prior year financial statements. As a result, The Group has adjusted cost of digital TV spectrum licenses in its financial statements for the year ended at 31 December 2014 (the spectrum license was granted on 25 April 2014) in accordance with the interpretation of the FAP.

The amounts of adjustments affecting the statements of financial position and the income statements are summarised below.

(Unit: Million Baht)

Consolidated financial statements

	As at 31 December 2014
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Statements of financial position:

Increase in deferred tax assets	25
Decrease in cost of spectrum license	669
Total decrease in assets	644
Decrease in cost of spectrum license payable	546
Total decrease in liabilities	546
Increase in deficit	98
Decrease in shareholders' equity	98

(Unit: Million Baht)

Consolidated financial statements

For the year ended
31 December 2014

Income statements:

Decrease in cost of sales and services	32
Increase in finance cost	155
Decrease in income tax expenses	25
Increase in loss for the year	98

Loss attributable to:

Increase in loss for the year attributable to the Company	98
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Earnings per share (Baht)

Increase in loss attributable to equity holders of the Company	0.15
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5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenues from services

a) Revenues from production of radio, television, satellite television and digital TV programmes

Revenues from production of radio, television, satellite television and digital TV programmes represent the service income from advertising, promotion and production of television programmes and are stated on the basis of the invoiced value, after deducting discounts and allowances. Service income from advertising and promotion is recognised when services have been rendered on radio, television, satellite television and digital TV programmes. Service income from production of television programmes is recognised when the production is completed.

b) Revenues from production of concerts

Revenues from production of concerts are recognised as income when the performances take place.

c) Revenues from production of motion pictures

Income from box-office sharing is recognised as income when the motion pictures have been exhibited.

Sales of motion pictures and advertising income are the invoiced value of the films delivered and the services rendered after deducting discounts and allowances.

In cases where royalties from motion pictures are charged at fixed amounts which the licensee cannot refund and the licensor has no further obligations subsequent to granting the rights, the royalties are recognised as income in full when the licensee is entitled to exploit the rights under the terms of the agreement.

d) Revenues from advertising in publishing media

Revenues from advertising in publishing media are recognised as income when services have been rendered.

e) Management fee and consultant fee income

Management fee and consultant fee income are recognised when services have been rendered.

f) Artist management income

Artist management income is recognised when services have been rendered.

g) Revenues from studio service

Revenues from studio service are recognised when services have been rendered taking into account the stage of completion.

h) Revenues from event advisor and organizer and provision of event equipment

Revenues from event advisor and organizer and provision of event equipment are recognised when services have been rendered taking into account the stage of completion.

i) Revenues from production and service

Revenues from production and service are recognised when services have been rendered taking into account the stage of completion.

Revenues from copyrights

Revenues from copyrights are recognised when the right to receive payment is established, and reasonable estimates of such amount can be made.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividend received

Dividend received is recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated loss that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

5.4 Inventories

- a) Tape reels, cassette tapes, compact discs, video compact discs and digital versatile discs are valued at the lower of cost (moving average method) or net realisable value.
- b) Television programmes represent the accumulated production costs in progress and those which are completed and ready for broadcasting. The costs, which consist of expenses directly associated with programme production, are charged against income when the programmes are broadcasted.
- c) Master tapes represent the accumulated costs of master tape production in progress and which has been completed. The costs, consisting of expenses directly associated with production, are charged against income when albums are launched for sale, except for cost of lyrics, melodies and compositions that are transferred to be the intangible asset subjected as "the copyrights to musical compositions".
- d) Motion picture and cartoon production represents the accumulated production and filming costs which are currently in production, and is transferred to be the intangible asset subjected as "motion picture and cartoon copyrights" when they are exhibited.
- e) Magazines and pocket books are valued at the lower of cost (average method) or net realisable value.
- f) Satellite television receivers are valued at the lower of cost (moving average method) or net realisable value.
- g) Other inventories are valued at the lower of cost (first-in, first-out and average method) or net realisable value.

5.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are in comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment losses (if any).
- e) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded as profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

	<u>Useful lives</u>
Buildings	20 years
Building improvement	5 years
Operating equipment	5 years
Computer and equipment	3 years
Furniture, fixtures and office equipment	5 and 7 years
Motor vehicles	5 years
Others	5 years

Depreciation is included in determining income.

No depreciation is provided for land, construction in progress and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.7 Intangible assets

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

A summary of the intangible assets with finite useful lives is as follows:

- a) Computer software is carried at cost less accumulated amortisation and impairment losses (if any). It is amortised on a straight-line basis over the contract periods.

- b) Program rights are carried at cost less accumulated amortisation and impairment losses (if any).

They are recognised as the assets and liabilities under the license contracts when the license contracts period whereby, the cost of rights are known, and rights are under control of the Group. Program rights are amortised on a straight-line basis over the license contract periods.

The Program rights that transfers from inventory, the Group had amortised this right by using 60 percent of the cost from the first on-air, and other cost are amortised by the basis of straight line for 5 years.

- c) Motion picture and cartoon copyrights are carried at cost less accumulated amortisation and impairment losses (if any). They are amortised on the basis of projected revenues within 10 years (for motion picture) and 5 years (for cartoon) from the time they are exhibited.

Game licenses and other rights are carried at cost less accumulated amortisation and impairment losses (if any). Game licenses and other rights are amortised on a straight-line basis over the license contract periods.

Intangible assets with indefinite useful lives are the copyrights and musical compositions which are carried at cost less accumulated amortisation and impairment losses (if any). They have the indefinite useful life, therefore they are not amortised but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful life is reviewed annually.

5.8 Cost of spectrum license

Cost of spectrum license is carried at cost less accumulated amortization and impairment losses (if any). It is recognised as the asset and liability under the license when the license period began. Cost of spectrum license is recognised as the asset base on the sum of the amounts to be paid immediately, within a specified period, and the discounted value of the amount that the Group is required to pay to the government agency in installments. The cost of spectrum license payable, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the payment period. Cost of spectrum license is amortised on a straight-line basis over the license period, 15 years.

5.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

5.11 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets or the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements of each entity are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.13 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.14 Provision for goods returns

Provision for goods returns is estimated with reference to actual goods returns occurring during the year and calculated at the rate of sales made during the year.

5.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

*Post-employment benefits**Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

5.16 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.17 Income Tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investments

The Group treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Group's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Program rights and motion picture and cartoon copyrights/Amortisation

In determining the amortisation of program rights and motion picture and cartoon copyrights on the basis of projected revenues, the management is required to make estimates of the expected revenues embodied in the assets. Changes of assumptions, including internal and external factors, will have an impact on such projected revenues and amortisation.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

7. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Pricing policy
	2015	2014	
		(Restated)	
<u>Transactions with joint ventures</u>			
Service income	344	1	(2)/(5)/(6)
Service expenses	190	70	(3)/(5)
<u>Transactions with associated companies</u>			
Service income	56	110	(2)
Service expenses	135	247	(5)
<u>Transactions with related companies</u>			
Rental and other service expenses	177	226	(1)/(5)/(6)
<u>Transactions with management and directors</u>			
Service expenses	7	7	(3)/(5)

(Unit: Million Baht)

	Separate financial statements		Pricing policy
	2015	2014	
		(Restated)	
<u>Transactions with subsidiaries</u>			
(eliminated from the consolidated financial statements)			
Service income	162	311	(2)/(4)/(5)
Revenues from copyrights	152	128	(3)
Interest income	3	198	(8)
Other income	15	18	(5)
Service expenses	195	219	(5)
Interest expenses	56	49	(8)
Purchase of intangible assets	-	164	(5)/(7)

(Unit: Million Baht)

	Separate financial statements		Pricing policy
	2015	2014	
		(Restated)	
<u>Transactions with joint ventures</u>			
Service income	55	-	(2)/(5)/(6)
Service expenses	93	57	(5)
<u>Transactions with associated companies</u>			
Service income	3	2	(2)/(4)/(5)
Service expenses	14	6	(5)
<u>Transactions with related companies</u>			
Rental and other service expenses	111	119	(1)/(5)/(6)
<u>Transactions with management and directors</u>			
Service expenses	1	1	(3)/(5)

- (1) Contract price with the rental rate as appraised by independent valuer or the contract price
- (2) With reference to prices charged to third parties depending on when the sales were made and the agreement.
- (3) Charge per unit sold with reference to market price
- (4) Cost plus margin
- (5) Mutually agreed price
- (6) Contract price
- (7) Cost price
- (8) At the rate not lower than the rate of fixed deposit or the rate of minimum loan rate (MLR) minus 1 percent per annum based on case by case.

As at 31 December 2015 and 2014, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	175,837	436,053
Joint ventures	48,720	-	26,335	-
Associated companies	2,473	38,560	1,180	679
Related companies (related by common shareholder)	286	133	285	18
Total trade and other receivables - related parties	51,479	38,693	203,637	436,750
Trade and other payables - related parties (Note 22)				
Subsidiaries	-	-	72,834	74,105
Joint ventures	33,276	8,341	23,460	8,341
Associated companies	7,205	73,376	516	4,764
Related companies (related by common shareholder)	10,014	8,526	3,513	5,137
Management and directors	3,681	2,186	1,167	1,116
Total trade and other payables - related parties	54,176	92,429	101,490	93,463

Loans to related parties

As at 31 December 2015 and 2014, the balance of loans between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)					
Separate financial statements					
Loans to related parties	Related by	Balance as at 31 December 2014	During the year		Balance as at 31 December 2015
			Increase	Decrease	
Digistream Company Limited	Subsidiary	15,000	19,000	(22,500)	11,500
GR Vocal Studio Company Limited	Subsidiary	2,000	1,300	(1,500)	1,800
Fan TV Company Limited	Subsidiary	22,440	5,610	(1,020)	27,030
GMM TV Company Limited	Subsidiary	-	33,000	-	33,000
3-RD Company Limited	Subsidiary	-	3,750	-	3,750
GMM Channel Trading Company Limited	Subsidiary	-	177,000	(177,000)	-
Total		39,440	239,660	(202,020)	77,080

Minimum interest rate charged on loans to subsidiaries is charged at the rate not lower than the rate of fixed deposit or the rate of minimum loan rate (MLR) minus 1 percent per annum based on case by case.

Loans from related parties

As at 31 December 2015 and 2014, the balance of loans from related companies and the movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2014	During the year		Balance as at 31 December 2015
		Increase	Decrease	
Short-term loans from related parties				
Subsidiaries				
MGA Company Limited	22,500	-	-	22,500
GMM Music Publishing International Company Limited	70,000	37,000	(39,000)	68,000
GMM Tai Hub Company Limited	170,000	120,000	(290,000)	-
GMM Holding Company Limited	116,000	7,000	(5,000)	118,000
Digital Gen Company Limited	5,500	-	-	5,500
GDC Company Limited	3,000	-	(3,000)	-
Extraorganizer Company Limited	1,000	-	(1,000)	-
GMM Media Public Company Limited	875,500	1,119,500	(236,500)	1,758,500
More Music Company Limited	-	6,000	-	6,000
Total	1,263,500	1,289,500	(574,500)	1,978,500

Minimum interest rate charged on loans to subsidiaries is charged at the rate not lower than the rate of fixed deposit or the rate of minimum loan rate (MLR) minus 1 percent per annum based on case by case.

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Group had employee benefit expenses payable of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	74,601	74,936	54,871	49,014
Post-employment benefits	1,260	1,598	998	1,167
Total	75,861	76,534	55,869	50,181

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 36.5 to the financial statements.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Cash on hand and at banks	646,584	591,713	92,147	113,750
Short-term investments	412,224	272,813	412,224	272,200
Total	1,058,808	864,526	504,371	385,950

As at 31 December 2015, bank deposits in saving accounts, fixed deposits and highly liquid investments carried interests between 0.10 and 1.50 percent per annum (2014: between 0.13 and 2.95 percent per annum) (the Company only: between 0.10 and 1.50 percent per annum, (2014: between 0.13 and 2.95 percent per annum)).

9. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Fixed Deposit	120,000	1,005,978	120,000	1,000,000
Short-term investments	55,952	69,354	-	-
Investments in held-to-maturity debt securities - due within one year	-	559	-	-
Total	175,952	1,075,891	120,000	1,000,000

As at 31 December 2015, current investments carried interests between 0.01 and 2.67 percent per annum (2014: between 0.90 and 2.75 percent per annum) (the Company only: between 1.50 and 1.75 percent per annum, (2014: 2.75 percent per annum)).

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	24,857	15,676	12,299	31,726
Past due				
Up to 3 months	2,772	15,928	19,778	20,902
3 - 6 months	2	43	2	-
6 - 12 months	-	-	-	1,167
Over 12 months	-	589	54,035	65,367
Total	27,631	32,236	86,114	119,162
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	663,177	867,573	368,325	357,190
Past due				
Up to 3 months	322,935	385,766	98,435	87,886
3 - 6 months	43,733	24,801	34,934	4,307
6 - 12 months	7,691	77,389	4,803	7,159
Over 12 months	131,562	179,632	12,190	22,514
Total	1,169,098	1,535,161	518,687	479,056
Less: Allowance for doubtful accounts	(122,665)	(142,152)	(13,247)	(22,750)
Net	1,046,433	1,393,009	505,440	456,306
Total trade receivables - net	1,074,064	1,425,245	591,554	575,468
<u>Other receivables</u>				
Other receivables - related parties	23,848	6,457	114,523	116,209
Other receivables - unrelated parties	49,107	484,567	832	96,201
Dividends receivable from subsidiaries	-	-	3,000	201,379
Accrued income - unrelated parties	267,938	323,004	89,745	118,340
Total other receivables	340,893	814,028	208,100	532,129
Total trade and other receivables - net	1,414,957	2,239,273	799,654	1,107,597

11. Inventories

(Unit: Thousand Baht)

Consolidated financial statements

	Cost		Reduce cost to net realisable value		Inventories-net	
	2015	2014	2015	2014	2015	2014
		(Restated)		(Restated)		(Restated)
Tape reels, cassette tapes, CDs, VCDs and DVDs	121,241	196,183	(100,770)	(196,107)	20,471	76
Motion picture and cartoon production	19,569	34,645	-	-	19,569	34,645
Television programmes	86,323	341,004	-	-	86,323	341,004
Work in process	62,991	18,175	-	-	62,991	18,175
Books, teaching aids and magazines	1,057	5,282	(1,057)	(3,905)	-	1,377
Satellite television receivers	156,834	318,221	(54,987)	(111,272)	101,847	206,949
Others	10,907	27,169	(1,118)	(143)	9,789	27,026
Total	458,922	940,679	(157,932)	(311,427)	300,990	629,252

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories-net	
	2015	2014	2015	2014	2015	2014
Tape reels, cassette tapes, CDs, VCDs and DVDs	124,163	216,814	(100,770)	(196,107)	23,393	20,707
Television programmes	17,522	17,574	-	-	17,522	17,574
Work in process	62,991	17,884	-	-	62,991	17,884
Others	10,227	21,382	-	-	10,227	21,382
Total	214,903	273,654	(100,770)	(196,107)	114,133	77,547

During the current year, the Group reduced cost of inventories by Baht 1 million (2014: Baht 112 million) (the Company only: none, 2014: none), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 152 million (2014: Baht 145 million) (the Company only: Baht 95 million, 2014: Baht 136 million), and reduced the amount of inventories recognised as expenses during the year.

12. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Input tax refundable	166,237	240,506	219	658
Withholding tax deducted at source	111,507	105,936	36,896	36,464
Prepayment of purchase of assets	-	-	12	-
Others	12,324	21,086	4,709	8,743
Total	290,068	367,528	41,836	45,865

13. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2015 (Million Baht)	2014 (Million Baht)	2015 (%)	2014 (%)	2015	2014	2015	2014
MGA Company Limited	10.5	10.5	100	100	10,500	10,500	1,020	3,000
Digital Gen Company Limited	5	5	100	100	5,000	5,000	-	-
GMM Media Public Company Limited	200	200	99.92	99.92	557,474	557,474	-	230,107
Extraorganizer Company Limited	1	1	100	100	999	999	-	1,000
More Music Company Limited	1	1	100	100	1,000	1,000	-	-
GMM Holding Company Limited	100	100	100	100	100,000	100,000	-	-
GMM Music Publishing International Company Limited	5	5	100	100	4,999	4,999	18,998	23,998
GMM Tai Hub Company Limited	225	225	51	51	181,050	181,050	30,600	79,560
Fan TV Company Limited	200	200	51	51	83,777	83,777	-	-
3-RD Company Limited	18	18	50	50	9,095	9,095	1,485	3,015
GR Vocal Studio Company Limited	5	5	100	100	2,525	2,525	-	-
GMM CJO Shopping Company Limited	356	356	51	51	181,764	181,764	-	-
GDC Company Limited	47	40	100	100	46,814	39,955	-	-
Z Trading Company Limited	5,935	5,935	100	100	5,935,000	5,935,000	-	-
GMM Channel Trading Company Limited	600	200	100	100	600,000	200,000	-	-
The ONE Enterprise Company Limited	1,905	400	51	100	-	400,000	-	-
EXACT SCENARIO Company Limited	-	1	-	100	-	1,034	-	-
Digistream Company Limited	1	1	100	100	1,000	1,000	-	-
GTH On Air Company Limited	-	72	-	30	-	21,599	-	-
Acts Studio Company Limited	405	405	-	50	-	199,887	-	-
GDH 559 Company Limited	5	-	51	-	2,550	-	-	-
GMM TV Company Limited	20	-	100	-	200	-	-	-
Deetalk Company Limited	1	-	100	-	19,392	-	-	-
Total					7,743,139	7,936,658	52,103	340,680
Less: Allowance for impairment of investments					(5,668,040)	(4,508,185)		
Net					2,075,099	3,428,473		

The Company has pledged common stock of a subsidiary as collateral for long-term loans from bank as described in Note 24 to the financial statements.

During the current year, Z Trading Company Limited had set up the allowance for impairment of other investment amounting to Baht 1,030 million as described in Note 16 to the financial statements and the allowance for impairment of equipment amounting to Baht 102 million. As the results, the Company set up the allowance for impairment in the subsidiary amounting to Baht 1,132 million.

During the current year, changes of investments in subsidiaries which have been presented in the separate financial statements are as follows:

Waiver of subscription right to the capital increase of the ordinary shares of subsidiary

Investor	Subsidiary	Percentage of shareholding	Description
GMM Grammy Public Company Limited	The ONE Enterprise Company Limited	(%) 100	Partial waiving of subscription right to the capital increase of the ordinary shares to the group of Mr. Takonkiet Viravan (as described in Note 1.2 to the financial statements)

Newly established subsidiary

Subsidiary	Nature of business	Percentage of shareholding	Description	Amount
GDH 559 Company Limited	Production of films and television programmes	(%) 51	25,497 ordinary shares, at a price of Baht 100 (fully paid up)	(Thousand Baht) 2,550

Additional investment in subsidiaries

Subsidiaries	Nature of business	Percentage of shareholding	Description
GMM Channel Trading Company Limited	Production of television programmes and digital on-air	(%) 100	Additionally invested in 4,000,000 ordinary shares, at a price of Baht 100 per share amounting to Baht 400 million (fully paid up). The additional capital has no effect to the Company's shareholding in that company.
GDC Company Limited	Providing service to games	100	Additionally called up capital of Baht 14 per share for 490,000 ordinary shares, as a result of which share capital of the subsidiary is 94 percent paid up

Purchase of investments in subsidiaries

Subsidiaries	Nature of business	Percentage of shareholding	Description	Amount (Thousand Baht)
Deetalk Company Limited	Production of television programmes	(%) 100	Purchase of investment from GMM Media Public Company Limited, a subsidiary, 9,997 ordinary shares of Baht 1,939.83 each.	19,392
GMM TV Company Limited	Production of television programmes	100	Purchase of investment from GMM Media Public Company Limited, a subsidiary, 199,996 ordinary shares of Baht 1 each.	200

Disposal of investments in subsidiaries

Subsidiaries	Nature of business	Percentage of shareholding	Description	Amount (Thousand Baht)
EXACT SCENARIO Company Limited	Artist managements	(%) 100	Disposal of investment 9,998 ordinary shares of Baht 78.44 each to The ONE Enterprise Company Limited which is a joint venture (cost of Baht 1 million).	784
Acts Studio Company Limited	Lease of studio	100	Disposal of investment 2,024,999 ordinary shares of Baht 100 each to The ONE Enterprise Company Limited which is a joint venture (cost of Baht 200 million).	202,500

Returning investment of subsidiary

Investor	Nature of business	Percentage of shareholding	Description	Amount (Thousand Baht)
GTH On Air Company Limited	Production of satellite television programmes	(%) 50	Return of capital, 359,997 ordinary shares of Baht 8.10 each due to deregistration (cost of Baht 21.6 million).	2,916

14. Investments in joint ventures

14.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Group and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

Name of Company	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2015 (%)	2014 (%)	2015	2014 (Restated)	2015	2014 (Restated)
The ONE Enterprise Company Limited	Production of television programmes and digital on-air	51	-	971,550	-	616,363	-
K Arena Company Limited	Karaoke service and rental	-	50	-	10,000	-	160,729
Index Creative Village Public Company Limited	Business events advisor and organizer	-	50	-	152,000	-	165,420
Total				971,550	162,000	616,363	326,149

(Unit: Thousand Baht)

Name of Company	Nature of business	Separate financial statements					
		Shareholding percentage		Cost		Allowance for impairment of investments	
		2015 (%)	2014 (%)	2015	2014 (Restated)	2015	2014 (Restated)
The ONE Enterprise Company Limited	Production of television programmes and digital on-air	51	-	971,550	-	-	971,550
K Arena Company Limited	Karaoke service and rental	-	50	-	10,000	-	-
Total				971,550	10,000	-	10,000

During the current year, changes of investments in joint ventures are as follows:

Additional investment in joint venture

Investor	Joint venture	Nature of business	Percentage of shareholding	Description	Amount (Thousand Baht)
GMM Grammy Public Company Limited	The ONE Enterprise Company Limited	Production of television programmes and digital on-air	(%) 51	Reclassified the investment due to partial waiving of subscription right to the capital increase of the ordinary shares to the group of Mr. Takonkiet Viravan (as described in Note 1.2 to the financial statements) Additionally invested in addition 5,715,499 ordinary shares, at a price of Baht 100 per share (fully paid up)	400,000 571,550

Disposal of investment in joint ventures

Investor	Joint venture	Nature of business	Percentage of shareholding	Description	Amount (Thousand Baht)
GMM Grammy Public Company Limited	K Arena Company Limited	Karaoke service and rental	(%) 50	Disposal of investment 99,998 ordinary shares of Baht 87 each to a third party (cost of Baht 10 million)	8,686
GMM Media Public Company Limited	Index Creative Village Public Company Limited	Business events advisor and organizer	50	Disposal of investment 86,000,000 ordinary shares of Baht 5 each to a third party (cost of Baht 152 million). The Group recognised gain on sale of the investment amounting to Baht 103 million in the consolidated income statement.	430,000

14.2 Share of comprehensive income and dividend received

During the years, the Group recognised its share of comprehensive income from investments in the joint venture in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investments in joint ventures during the year		Share of other comprehensive income from investments in joint ventures during the year		Dividend received during the year	
	2015	2014	2015	2014	2015	2014
		(Restated)		(Restated)		(Restated)
The ONE Enterprise Company Limited	(346,870)	-	(8,317)	-	-	-
Index Creative Village Public Company Limited	9,136	10,152	-	-	-	-
Total	(337,734)	10,152	(8,317)	-	-	-

14.3 Summarised financial information about material joint ventures

Summarised financial information as stated in financial statements of The ONE Enterprise Company Limited is as follows:

(Unit: Million Baht)

	As at 31 December 2015
Current assets	1,352
Non-current assets	4,022
	5,374
Short-term loans	(40)
Current liabilities	(515)
Cost of spectrum license payable	(1,577)
Long-term loans	(2,649)
Provision for long-term employee benefits	(71)
	(4,852)
Net assets	522
Shareholding percentage (%)	51
Share of net assets	266
Intangible assets	350
Carrying amounts of joint ventures based on equity method	616

(Unit: Million Baht)

	For the year ended 31 December 2015
Revenue	1,077
Cost of sales and services	(1,225)
Selling and servicing expenses	(179)
Administrative expenses	(596)
Finance cost	(226)
Loss before income tax expenses	(1,149)
Income tax income	222
Loss for the year	(927)
Other comprehensive income	(16)
Total comprehensive income	(943)

The Group has mortgaged the ordinary share of a joint venture as collateral for long-term loans, as described in Note 24 to the financial statements.

15. Investments in associates

15.1 Details of associates:

Company's name	Nature of business	Country of incorporation	Consolidated financial statements						Carrying amounts based on equity method	(Unit: Thousand Baht)
			Paid up capital		Percentage of shareholding		Cost			
			2015	2014	2015	2014	2015	2014		
			(Million Baht)	(Million Baht)	(%)	(%)				(Restated)
<u>Associates held by the subsidiaries</u>										
Scenario Company Limited	Production of television programmes and plays	Thailand	70	70	25	25	17,500	197,870	202,263	
Nadao Bangkok Company Limited	Films production and talent agency services	Thailand	2	2	30	30	600	1,241	4,783	
Sawasdeethaweesuk Company Limited	Design and post production of advertising media and films and public relations for films	Thailand	5	5	25	25	937	1,628	2,735	
Siengdeethaweesuk Company Limited	Provide recording movie sound and movie advertisement, produce sound and music for movie	Thailand	12	12	45	45	5,400	5,450	5,179	
The Secret Farm Company Limited	Design and post production of advertising media	Thailand	2	-	35	-	700	1,133	-	
Ngandeethaweesuk Company Limited	Public relation and organizer	Thailand	1	-	40	-	400	973	-	
Pardee Thaweesuk Company Limited	Production of television programmes	Thailand	5	-	50	-	2,500	2,500	-	
<u>Associates held by the Company</u>										
Family Know How Company Limited	Production of television programmes and publishing media	Thailand	50	50	50	50	25,000	64,926	62,635	
Lucks (666) Satellite Company Limited	Production of satellite television programmes	Thailand	20	20	25	25	5,000	-	-	
Total							58,037	275,721	277,595	

(Unit: Thousand Baht)

Separate financial statements

Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Cost		Allowance for Impairment of investments		Carrying amounts based on cost method - net	
			2015	2014	2015	2014	2015	2014	2015	2014
Family Know How Company Limited	Production of television programmes and publishing media	Thailand	(%)	(%)						
			50	50	25,000	25,000	-	-	25,000	25,000
Lucks (666) Satellite Company Limited	Production of satellite television programmes	Thailand	25	25	5,000	5,000	(5,000)	(5,000)	-	-
					30,000	30,000	(5,000)	(5,000)	25,000	25,000

During the current year, change of investments in associates is as follows:

Newly established associates

Investors	Associates	Nature of business	Percentage of shareholding	Description	Amount
GMM Tai Hub Company Limited	The Secret Farm Company Limited	Design and post production of advertising media	(%) 35	6,999 ordinary shares, at a price of Baht 100 per share (fully paid up)	(Thousand Baht) 700
	Ngandeethaweesuk Company Limited	Public relation and organizer	40	39,998 ordinary shares, at a price of Baht 10 per share (fully paid up)	400
GMM Tai Hub Company Limited	Parbdee Thaweesuk Company Limited	Production of television programmes	50	24,997 ordinary shares, at a price of Baht 100 per share (fully paid up)	2,500

15.2 Share of profit/loss and dividend received

During the years, the Group has recognised their share of profit/loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
Company's name	Share of profit/loss from investments in associates during the year		Dividend received during the year	
	2015	2014	2015	2014
		(Restated)		(Restated)
Scenario Company Limited	(4,332)	6,617	-	10,500
Nadao Bangkok Company Limited	2,396	2,562	5,938	600
Family Know How Company Limited	2,291	3,937	-	849
Other associates	4,158	1,235	3,225	-
Total	4,513	14,351	9,163	11,949

15.3 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Scenario Company Limited		Family Know How Company Limited	
	2015	2014	2015	2014
Current assets	259	423	129	147
Non-current assets	954	508	91	49
Current liabilities	(48)	(112)	(76)	(70)
Non-current liabilities	(383)	(22)	(11)	(9)
Net assets	782	797	133	117
Shareholding percentage (%)	25	25	50	50
Share of net assets	196	199	66	59
Elimination entries	(2)	3	(1)	4
Carrying amounts of associates based on equity method	198	202	65	63

16. Other long-term investments

(Unit: Thousand Baht)

Consolidated financial statements

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
<u>Securities available-for-sale</u>				
Unit Trusts in Tisco Fixed - Income Fund	3,197	490	3,197	446
SE-Education Public Company Limited	-	-	225,147	250,230
Total	3,197	490	228,344	250,676
Add: Unrealised gains (loss) on changes in value of investments	(2,707)		22,332	
Securities available-for-sale - net	490		250,676	
<u>Other investments</u>				
Siam Telemarketing Company Limited	3,000		3,000	
Karaoke Center Company Limited	-		2,399	
Lives and rich Company Limited	1,000		1,000	
A-Time Traveller Company Limited	1,000		1,000	
CTH Public Company Limited	1,030,340		1,030,340	
Total	1,035,340		1,037,739	
Less: Allowance for impairment of investments	(1,034,340)		(4,000)	
Other investments - net	1,000		1,033,739	
<u>Others</u>				
Government Savings Bank Bond	2,014		2,014	
Total others	2,014		2,014	
Total other long - term investments - net	3,504		1,286,429	

(Unit: Thousand Baht)

Separate financial statements

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
<u>Securities available-for-sale</u>				
Unit Trusts in Tisco Fixed - Income fund	3,197	490	3,197	446
SE-Education Public Company Limited	-	-	225,147	250,230
Total	3,197	490	228,344	250,676
Add: Unrealised gains (loss) on changes in value of investments	(2,707)		22,332	
Securities available-for-sale - net	490		250,676	
<u>Other investments</u>				
Siam Telemarketing Company Limited	3,000		3,000	
Karaoke Center Company Limited	-		2,399	
Total	3,000		5,399	
Less: Allowance for impairment of investment	(3,000)		(3,000)	
Other investments - net	-		2,399	
<u>Others</u>				
Government Savings Bank Bond	1,014		1,014	
Total others	1,014		1,014	
Total other long-term investments - net	1,504		254,089	

In January 2015, the Company sold all of investment in SE-Education Public Company Limited, 49,550,512 ordinary shares, at a price of Baht 6 per share, for a total of Baht 297 million. The differences between net disposal proceeds and the carrying amount of the investment of Baht 72 million were recognised in profit or loss.

During the current year, a subsidiary set the allowance for impairment of investment in CTH Public Company Limited of Baht 1,030 million since the management considered the financial information of such company which appeared to be a lot of capital deficit. This is an important indicator of the investment impairment.

17. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Buildings and building improvement	Operating equipment	Computer and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	Others	Total
Cost:									
31 December 2014 (Restated)	146,901	1,072,999	872,608	450,693	247,004	168,322	32,697	-	2,991,224
Additions	-	78,914	66,837	41,681	30,557	11,719	54,462	-	284,170
Disposals	-	(63,909)	(108,140)	(26,681)	(15,720)	(30,429)	(8,970)	-	(253,849)
Decrease due to loss of control in subsidiary (Note 32)	-	(7,279)	(73,802)	(19,027)	(3,567)	(1,297)	-	-	(104,972)
Decrease due to sale of subsidiaries (Note 33)	(146,901)	(553,438)	(18,719)	(11,438)	(10,308)	(5,290)	(348)	-	(746,442)
Transfer in / (out)	-	64,006	830	-	224	-	(65,060)	-	-
31 December 2015	-	591,293	739,614	435,228	248,190	143,025	12,781	-	2,170,131
Accumulated depreciation:									
31 December 2014 (Restated)	-	421,713	479,871	353,357	182,785	124,644	-	-	1,562,370
Depreciation for the year	-	90,756	95,099	54,449	21,972	13,249	-	-	275,525
Accumulated depreciation on disposals	-	(29,208)	(54,932)	(22,634)	(10,916)	(26,089)	-	-	(143,779)
Decrease due to loss of control in subsidiary (Note 32)	-	(667)	(6,214)	(2,761)	(293)	(100)	-	-	(10,035)
Decrease due to sale of subsidiaries (Note 33)	-	(127,297)	(13,656)	(10,029)	(8,090)	(3,633)	-	-	(162,705)
31 December 2015	-	355,297	500,168	372,382	185,458	108,071	-	-	1,521,376
Allowance for impairment loss on assets:									
31 December 2014 (Restated)	-	-	-	-	-	-	-	-	-
Addition during year	-	21,218	96,440	5,911	1,139	1	-	-	124,709
31 December 2015	-	21,218	96,440	5,911	1,139	1	-	-	124,709
Net book value:									
31 December 2014 (Restated)	146,901	651,286	392,737	97,336	64,219	43,678	32,697	-	1,428,854
31 December 2015	-	214,778	143,006	56,935	61,593	34,953	12,781	-	524,046

Depreciation for the year

2014 (Baht 29 million included in cost of sales and services, and the balance in selling and administrative expenses)

2015 (Baht 16 million included in cost of sales and services, and the balance in selling and administrative expenses)

296,050

275,525

(Unit: Thousand Baht)

Separate financial statements

	Building and building improvement	Operating equipment	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Construction in progress and equipment under installation	Total
Cost:							
31 December 2014	307,727	93,754	118,476	226,229	101,896	-	848,082
Additions	15,652	2,838	2,875	6,247	11,135	11,208	49,955
Disposals	(2,784)	(918)	(1,303)	(3,084)	(19,267)	-	(27,356)
Transfer in / (out)	7,058	-	-	-	-	(7,058)	-
31 December 2015	327,653	95,674	120,048	229,392	93,764	4,150	870,681
Accumulated depreciation:							
31 December 2014	195,618	63,430	102,558	200,361	77,088	-	639,055
Depreciation for the year	16,559	9,573	5,243	16,249	8,898	-	56,522
Accumulated depreciation on disposals	(1,407)	(750)	(1,034)	(3,071)	(18,576)	-	(24,838)
31 December 2015	210,770	72,253	106,767	213,539	67,410	-	670,739
Net book value:							
31 December 2014	112,109	30,324	15,918	25,868	24,808	-	209,027
31 December 2015	116,883	23,421	13,281	15,853	26,354	4,150	199,942
Depreciation for the year							
2014 (all included in selling and administrative expenses)							49,876
2015 (all included in selling and administrative expenses)							56,522

(Unit: Thousand Baht)

Separate financial statements

	Building and building improvement	Operating equipment	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Construction in progress and equipment under installation	Total
Cost:							
31 December 2013	228,549	77,793	122,954	227,186	118,629	1,060	776,171
Additions	101,321	19,838	3,427	13,518	10,541	602	149,247
Disposals	(22,143)	(3,877)	(7,905)	(14,475)	(27,274)	(1,662)	(77,336)
31 December 2014	307,727	93,754	118,476	226,229	101,896	-	848,082
Accumulated depreciation:							
31 December 2013	198,864	58,617	103,804	197,177	89,616	-	648,078
Depreciation for the year	9,282	7,100	5,823	17,173	10,498	-	49,876
Accumulated depreciation on disposals	(12,528)	(2,287)	(7,069)	(13,989)	(23,026)	-	(58,899)
31 December 2014	195,618	63,430	102,558	200,361	77,088	-	639,055
Net book value:							
31 December 2013	29,685	19,176	19,150	30,009	29,013	1,060	128,093
31 December 2014	112,109	30,324	15,918	25,868	24,808	-	209,027
Depreciation for the year							
2014 (all included in selling and administrative expenses)							49,876

As at 31 December 2015, the Group had vehicles and equipment under finance lease agreements with net book values amounting to Baht 34 million (2014: Baht 53 million) (the Company only: Baht 25 million, 2014: Baht 26 million).

As at 31 December 2015, the Group had certain building and equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 862 million (2014: Baht 853 million) (the Company only: Baht 507 million, 2014: Baht 511 million).

(Unit: Thousand Baht)

Consolidated financial statements

	Copyrights to musical compositions	Computer software	Program rights	Motion picture and cartoon copyrights, games licenses and other rights	Total
Cost:					
31 December 2014 (Restated)	329,400	279,506	364,148	1,686,771	2,659,825
Additions	652	3,400	326,112	4,026	334,190
Transferred from inventories - internal creation	3,345	-	-	54,440	57,785
Written off	-	(15,737)	-	(10,213)	(25,950)
Decrease due to loss of control in subsidiary (Note 32)	-	(2,950)	(310,504)	-	(313,454)
Decrease due to sale of subsidiaries (Note 33)	-	(3,356)	-	(26,174)	(29,530)
31 December 2015	333,397	260,863	379,756	1,708,850	2,682,866
Accumulated amortisation:					
31 December 2014 (Restated)	118,659	179,702	149,650	1,600,665	2,048,676
Amortisation for the year	705	24,521	198,365	71,383	294,974
Accumulated amortisation on written off	-	(3,894)	-	(10,213)	(14,107)
Decrease due to loss of control in subsidiary (Note 32)	-	(467)	(180,770)	-	(181,237)
Decrease due to sale of subsidiaries (Note 33)	-	(2,750)	-	(24,421)	(27,171)
31 December 2015	119,364	197,112	167,245	1,637,414	2,121,135
Allowance for impairment loss on assets:					
31 December 2014 (Restated)	-	-	156,568	52,065	208,633
Addition during year	-	4,496	-	-	4,496
31 December 2015	-	4,496	156,568	52,065	213,129
Net book value:					
31 December 2014 (Restated)	210,741	99,804	57,930	34,041	402,516
31 December 2015	214,033	59,255	55,943	19,371	348,602
Amortisation for the year					
2014 (Baht 915 million included in cost of sales and services, and the balance in selling and administrative expenses)					941,937
2015 (Baht 270 million included in cost of sales and services, and the balance in selling and administrative expenses)					294,974

(Unit: Thousand Baht)

Consolidated financial statements

	Copyrights to musical compositions	Computer software	Program rights	Motion picture and cartoon copyrights, games licenses and other rights	Total
Cost:					
31 December 2013 (Restated)	320,854	265,208	1,468,637	1,649,910	3,704,609
Additions	1,709	25,639	605,369	20,138	652,855
Transferred from inventories - internal creation	6,837	-	-	72,727	79,564
Written off	-	(11,203)	(555,748)	(56,004)	(622,955)
Decrease due to sale of subsidiaries	-	(138)	(1,154,110)	-	(1,154,248)
31 December 2014 (Restated)	329,400	279,506	364,148	1,686,771	2,659,825
Accumulated amortisation:					
31 December 2013 (Restated)	118,236	161,511	535,770	1,582,729	2,398,246
Amortisation for the year	423	26,804	841,266	73,444	941,937
Accumulated amortisation on written off	-	(8,586)	(487,136)	(55,508)	(551,230)
Decrease due to sale of subsidiaries	-	(27)	(740,250)	-	(740,277)
31 December 2014 (Restated)	118,659	179,702	149,650	1,600,665	2,048,676
Allowance for impairment loss on assets:					
31 December 2013 (Restated)	-	-	-	20,132	20,132
Addition during year	-	-	156,568	31,933	188,501
31 December 2014 (Restated)	-	-	156,568	52,065	208,633
Net book value:					
31 December 2014 (Restated)	210,741	99,804	57,930	34,041	402,516
Amortisation for the year					
2014 (Baht 915 million included in cost of sales and services, and the balance in selling and administrative expenses)					941,937

(Unit: Thousand Baht)

Separate financial statements

	Copyrights to musical compositions	Computer software	Program rights	Motion picture and cartoon copyrights, games licenses and other rights	Total
Cost:					
31 December 2014	377,417	171,784	235,640	345,023	1,129,864
Additions	431	464	-	-	895
Transferred from inventories - internal creation	3,345	-	-	-	3,345
Written off	-	(9,122)	-	(7)	(9,129)
31 December 2015	381,193	163,126	235,640	345,016	1,124,975
Accumulated amortisation:					
31 December 2014	132,243	110,584	77,225	308,579	628,631
Amortisation for the year	1,442	13,910	-	-	15,352
Accumulated amortisation on written off	-	(1,407)	-	(7)	(1,414)
31 December 2015	133,685	123,087	77,225	308,572	642,569
Allowance for impairment loss on assets:					
31 December 2014	-	-	158,415	36,196	194,611
31 December 2015	-	-	158,415	36,196	194,611
Net book value:					
31 December 2014	245,174	61,200	-	248	306,622
31 December 2015	247,508	40,039	-	248	287,795
Amortisation for the year					
2014 (Baht 59 million included in cost of sales and services, and the balance in selling and administrative expenses)					74,908
2015 (Baht 1 million included in cost of sales and services, and the balance in selling and administrative expenses)					15,352

(Unit: Thousand Baht)

Separate financial statements

	Copyrights to musical compositions	Computer software	Program rights	Motion picture and cartoon copyrights, games licenses and other rights	Total
Cost:					
31 December 2013	369,169	165,641	391,351	388,574	1,314,735
Additions	1,413	10,897	164,095	-	176,405
Transferred from inventories - internal creation	6,835	-	-	195	7,030
Written off	-	(4,754)	(319,806)	(43,746)	(368,306)
31 December 2014	377,417	171,784	235,640	345,023	1,129,864
Accumulated amortisation:					
31 December 2013	130,901	100,158	338,156	351,074	920,289
Amortisation for the year	1,342	14,587	58,875	104	74,908
Accumulated amortisation on written off	-	(4,161)	(319,806)	(42,599)	(366,566)
31 December 2014	132,243	110,584	77,225	308,579	628,631
Allowance for impairment loss on assets:					
31 December 2013	-	-	-	4,264	4,264
Addition during year	-	-	158,415	31,932	190,347
31 December 2014	-	-	158,415	36,196	194,611
Net book value:					
31 December 2014	245,174	61,200	-	248	306,622
Amortisation for the year					
2014 (Baht 59 million included in cost of sales and services, and the balance in selling and administrative expenses)					74,908

As at 31 December 2015, the Group had certain computer software items have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of those assets amounted to approximately Baht 85 million (2014: Baht 61 million) (the Company only: Baht 32 million, 2014: Baht 32 million).

The copyrights to musical compositions have the indefinite useful lives because they are expected to contribute to the Group's net cash inflows indefinitely. Therefore, the copyrights to musical compositions would not be amortised until their useful lives are determined to be finite.

The value of the copyrights in such musical compositions depends on the popularity of the artist and possibility of further distribution or re-release of such compositions. However, the management of the Group believes that the compositions will generate future benefits in excess of their net book values through their re-release in various forms, and therefore no allowance for impairment losses of deferred copyrights is required.

19. Cost of spectrum license

The net book value of cost of spectrum license as at 31 December 2015 and 2014 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements		
	2015	2014
		(Restated)
Cost	1,959,620	4,910,499
<u>Less</u> Accumulated amortisation	(220,480)	(225,121)
Net book value	1,739,140	4,685,378

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements		
	2015	2014
		(Restated)
Net book value at beginning of year	4,685,378	-
Increase during the year	-	4,910,499
Decrease due to sale of subsidiaries (Note 32)	(2,767,089)	-
Net book value at end of year	(179,149)	(225,121)
Amortisation	1,739,140	4,685,378

20. Other non-current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Deposit	82,919	144,035	33,653	61,850
Prepaid expenses	41,134	46,635	-	-
Others	158,999	96,527	94,220	57,755
Total	283,052	287,197	127,873	119,605

21. Bank overdrafts and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
	(percent per annum)		(Restated)		
Short-term loans from banks	3.5	3,000	920,064	-	582,000
Trust receipts	MMR	-	43,993	-	-
Total		3,000	964,057	-	582,000

22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Trade payables - related parties	50,495	90,243	100,323	92,347
Trade payables - unrelated parties	689,959	862,960	234,393	183,785
Accrued cost - related parties	3,681	2,186	1,167	1,116
Accrued cost - unrelated parties	309,099	373,225	187,442	183,406
Other payables for purchase of assets - unrelated parties	8,506	23,894	-	22,445
Accrued expenses	281,136	287,393	83,457	87,225
Accrued commission	146,134	161,461	-	326
Total trade and other payables	1,489,010	1,801,362	606,782	570,650

23. Accrued cost of spectrum license

(Unit: Thousand Baht)

	Consolidated financial statements	
	2015	2014
		(Restated)
Cost of spectrum license payable	1,604,000	4,293,000
Less: Deferred interest	(169,875)	(546,213)
Total	1,434,125	3,746,787
Less: Current portion due within one year	(409,814)	(916,383)
Cost of spectrum license payable - net of current portion	1,024,311	2,830,404

The Group applied the discount rate by using incremental borrowing rate of interest, which is 6.375 percent.

GMM Channel Company Limited, a subsidiary, won digital TV spectrum license auction for Variety-SD and GMM One TV Company Limited, another subsidiary in the year 2014, won digital TV spectrum license auction for Variety-HD, held by the National Broadcasting and Telecommunications Commission ("NBTC"). The subsidiaries were required to make payments for the bid prices of Baht 2,290 million and Baht 3,320 million, respectively (exclusive of VAT) for the licenses under the following conditions:

- Payment for the minimum bid price of the license fees amounting to Baht 380 million (Variety-SD) and Baht 1,510 million for high definition is to be made in 4 installments within 3 years from the date of obtaining the licenses as specified by the NBTC.
- For the exceeding amount of the minimum bid price of the license fees, the payments are to be made in 6 installments within 5 years from the date of obtaining the licenses as specified by the NBTC.

Furthermore, according to the notification of the NBTC and related laws, the subsidiaries have a duty to pay license and other fees, and annual fee to the Broadcasting and Telecommunications Research and Development Fund for Public Interest.

In the current year, the Group paid Baht 305 million for the license fees to the NBTC. (2014: Baht 1,130 million)

24. Long - term loans

The outstanding balances as of 31 December 2015 and 2014 consisted of:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
24.1 A Baht loan, credit facility Baht 280 million. Principal and interest are to be paid in monthly installments commencing January 2014, within 9 years from the month of the first drawdown. The interest charged at the Minimum Loan Rate (MLR) minus 0.5 - 2.0 percent per annum	-	262,000	-	-
24.2 A Baht loan, credit facility Baht 3,300 million. Interest is to be paid in monthly installment commencing the month of the first drawdown. Principle is to be paid in quarterly installment commencing March 2017, within 6 years from the date of the first drawdown. The loan carries an interest rate at the Minimum Loan Rate (MLR) minus 1.0 percent per annum.	-	1,000,000	-	1,000,000
24.3 A Baht loan, credit facility Baht 1,500 million. Interest is to be paid in monthly installment commencing the month of the first drawdown. Principle is to be paid in quarterly installment commencing June 2018, within 9 years from the date of the first drawdown. The loan carries an interest rate at the Minimum Loan Rate (MLR) minus 1.0 percent per annum.	600,000	600,000	600,000	600,000
24.4 A Baht loan, credit facility Baht 2,500 million. Interest is to be paid in monthly installment commencing the month of the first drawdown. Principle is to be paid in quarterly installment commencing June 2018, within 9 years from the date of the first drawdown. The loan carries an interest rate at the Minimum Loan Rate (MLR) minus 1.0 percent per annum.	-	1,101,520	-	-
24.5 A Baht loan, credit facility Baht 1,500 million. Interest is to be paid in monthly installment commencing the month of the first drawdown. Principle is to be paid in quarterly installment commencing June 2018, within 9 years from the date of the first drawdown. The loan carries an interest rate at the Minimum Loan Rate (MLR) minus 1.0 percent per annum.	1,032,020	407,670	-	-
Total	1,632,020	3,371,190	600,000	1,600,000
Less: Deferred loans advisory fee	(6,475)	(15,924)	(3,224)	(6,154)
	1,625,545	3,355,266	596,776	1,593,846
Less: Current portion due within one year	-	(30,000)	-	-
Long-term loans, net of current portion	1,625,545	3,325,266	596,776	1,593,846

The long-term loan in Note 24.3 is guaranteed by two subsidiaries and two joint ventures and pledged all of common stocks of a subsidiary and a joint venture, except common stocks held by director of the Company and/or others. The loan agreement contains certain covenants and restrictions. These relate to, among other things, the maintenance of their financial ratios at the rate prescribed in the agreements. As at 31 December 2015, Baht 900 million of this long-term credit facility has not yet been drawn, and must be drawn within June 2020.

The long-term loan in Note 24.5 is guaranteed by the Company and a subsidiary and two joint ventures and pledged all of common stocks of such subsidiary and a joint venture, except common stocks held by directors of the Company and/or others. The loan agreement contains certain covenants and restrictions. These relate to, among other things, the maintenance of their financial ratios at the rate prescribed in the agreements. AS at 31 December 2015, Baht 468 million of this long-term credit facility has not yet been drawn, and must be drawn within June 2020.

25. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separat financial statements	
	2015	2014	2015	2014
		(Restated)		
Undue output tax	118,527	175,093	66,736	87,709
Provision for sales returns	36,144	30,754	28,964	25,197
Others	54,458	120,527	12,090	14,135
Total	209,129	326,374	107,790	127,041

26. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the company, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Defined benefit obligation at beginning of year	313,441	301,459	146,527	142,600
Current service cost	10,403	12,400	7,797	8,236
Interest cost	5,943	7,609	2,955	3,718
Transferred staffs to joint ventures	(25,708)	-	-	-
Benefits paid during the year	(17,397)	(8,027)	(2,606)	(8,027)
Less: Sale of subsidiary (Note 33)	(25,055)	-	-	-
Less: Decrease due to loss of control in subsidiary (Note 32)	(8,366)	-	-	-
Actuarial loss	56,890	-	31,626	-
Provisions for long-term employee benefits at end of year	310,151	313,441	186,299	146,527

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Current service cost	10,403	12,400	7,797	8,236
Interest cost	5,943	7,609	2,955	3,718
Transferred staffs to joint ventures	(25,708)	-	-	-
Total expense recognised in profit or loss	(9,362)	20,009	10,752	11,954
Line items in profit or loss under which such expenses are included				
Cost of sales and services	479	453	-	-
Selling and administrative expenses	(9,841)	19,556	10,752	11,954

The Group expects to pay long-term employee benefit within one year for approximately Baht 82 million (separate financial statements: Baht 42 million) (2014: Baht 3 million, separate financial statements: Baht 3 million)

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 10 years (separate financial statements: 10 years) (2014: 10 years, separate financial statements: 10 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.50	3.75	2.50	3.75
Future salary increase rate (depending on age and job position of employee)	5.00 - 6.00	5.00 - 6.00	5.00	5.00
Inflation rate (for other fixed income)	2.00	0.00 for the first 3 years and 2.50 forward	2.00	0.00 for the first 3 years and 2.50 forward

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(10,747)	11,503	(5,436)	5,789
	Increase 1.0%	Increase 1.0%	Increase 1.0%	Increase 1.0%
Salary increase rate	25,443	(22,643)	13,052	(11,733)

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

28. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Salary and wages and other employee benefits	1,936,876	2,149,288	780,856	739,605
Depreciation	275,525	296,050	56,522	49,876
Amortisation	474,123	1,167,057	15,352	74,908
Rental expenses from operating agreements	413,615	687,996	108,875	109,977
Raw materials and consumables used	-	5,979	-	5,978
Changes in inventories of finished goods and work in progress	(481,757)	(17,648)	58,751	239,281

29. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax:				
Current income tax charge	(79,068)	(136,087)	(26,353)	(44,333)
Deferred tax:				
Relating to origination and reversal of temporary differences	146,375	207,474	(26,866)	15,124
Income tax expense reported in the income statement	67,307	71,387	(53,219)	(29,209)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Deferred tax relating on actuarial loss	11,378	-	6,325	-
Deferred tax relating to gain (loss) on change in value of available-for-sale investments	5,008	10,025	5,008	10,025

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting loss before tax from continuing operations	(1,202,538)	(1,187,762)	(876,778)	(3,934,069)
Accounting loss before tax from discontinued operations	-	(1,228,996)	-	-
Accounting loss before tax	(1,202,538)	(2,416,758)	(876,778)	(3,934,069)
Applicable tax rate of the Company	20%	20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(240,508)	(483,352)	(175,356)	(786,814)
Effects about temporary differences and tax losses	258,588	444,890	-	-
Effects of preparing the consolidated financial statements	(179,860)	(40,240)	-	-
Share of profit from investments in associates	(903)	(2,870)	-	-
Share of loss (profit) from investments in joint ventures	67,547	(2,030)	-	-
Difference in tax rate in group companies	(1,488)	1,052	-	-
Effects of:				
Promotional privileges	(221)	(6,186)	-	-
Dividends received are excluded from taxable profit	322	(2,312)	(10,421)	(70,458)
Non-deductible expenses	31,854	20,454	2,861	13,216
Additional expense deductions allowed	(2,638)	(793)	(156)	(299)
Loss from impairment of investment in subsidiaries	-	-	236,291	873,564
Total	29,317	11,163	228,575	816,023
Income tax expenses reported in the income statement	(67,307)	(71,387)	53,219	29,209

The tax rates enacted at the end of the reporting period of the Group is 0% to 20% (2014: 0% to 20%).

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

Statements of financial position

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Deferred tax assets				
Allowance for doubtful accounts	4,726	7,338	2,951	4,859
Allowance for diminution in value of inventories	20,372	39,820	20,154	39,221
Allowance for asset impairment	5,540	534	542	-
Accumulated depreciation - plant and equipment	774	200	633	-
Accumulated amortisation - intangible asset	36,714	45,481	33,792	43,328
Securities available-for-sale	542	-	-	-
Cost of spectrum license	24,844	24,626	-	-
Provision for long-term employee benefits	61,511	61,640	37,260	29,305
Provision for sales returns	6,645	5,108	5,785	5,031
Unused tax loss	251,570	249,990	-	-
Others	2,781	3,252	3,880	3,252
Total	416,019	437,989	104,997	124,996
Deferred tax liabilities				
Unrealised gain from changes in value of				
- Current investments	122	92	-	-
- Securities available-for-sale	-	4,466	-	4,466
Total	122	4,558	-	4,466

As at 31 December 2015 the Group has deductible temporary differences and unused tax losses totaling Baht 935 million (2014: Baht 344 million) (the Company only: none, 2014: none). No deferred tax assets have been recognised on these amounts as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 935 million will expire by the year 2020.

30. Discontinued operation

In July 2014, the Group disposed all of its investment in GMM B Company Limited, a subsidiary, to an unrelated party. GMM B Company Limited operated Pay-TV services and was part of broadcasting segment. Therefore, as at 31 December 2014, the operation of GMM B Company Limited was classified as a discontinued operation. Its operation for the year was as follows:

(Unit: Thousand Baht)

	2014
Revenues	
Service income	22,051
Other income	4,106
Total revenues	26,157
Expenses	
Cost of service	1,153,972
Servicing expenses	263
Administrative expenses	93,702
Total expenses	1,247,937
Loss before finance cost	(1,221,780)
Finance cost	(7,216)
Loss for the year from discontinued operation	(1,228,996)
Basic earnings per share for discontinued operation (Baht/share)	
Loss for the year from discontinued operation	(1.86)

Net cash flow of GMM B Company Limited for the year ended 31 December 2014 was as follows:

(Unit: Thousand Baht)

Operating activities	(1,687,349)
Investing activities	128,017
Financing activities	2,258,100
Net increase in cash	698,768

31. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share are calculated below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		
Loss from continuing operations	(1,145,484)	(1,183,521)	(929,997)	(3,963,278)
Loss from discontinued operations	-	(1,228,996)	-	-
Loss attributable to equity holders of the Company	(1,145,484)	(2,412,517)	(929,997)	(3,963,278)
Weighted average number of ordinary shares (Thousand shares)	819,950	658,337	819,950	658,337
Basic earnings per share (Baht/share)	(1.40)	(3.66)	(1.13)	(6.02)

32. Loss of control in subsidiary

In March 2015, the Company waived the partial subscription right to the capital increase of the ordinary shares of The ONE Enterprise Company Limited to the group of Mr. Takonkiet Viravan, as stated in Note 1.2 to the financial statements. The valuation of the assets and liabilities of The ONE Enterprise Company Limited and its subsidiary at the loss of control date was as follows:

	(Unit: Baht)
Cash and cash equivalents	34,083,797
Trade and other receivables	177,241,728
Inventory	87,995,435
Prepaid expenses	41,512,097
Advance payments	4,511,358
Other current assets	124,070,558
Property, plant and equipment	94,938,505
Other intangible assets	132,217,911
Cost of spectrum license	2,767,089,319
Deferred tax assets	182,704,622
Other non-current assets	11,926,622
Bank overdraft and short-term loans from banks	(60,000,000)
Trade and other payables	(276,502,486)
Other current liabilities	(26,702,431)
Long-term loans	(1,483,612,463)
Liabilities under finance lease agreements	(1,174,533)
Cost of spectrum license payable	(2,133,215,208)
Provision for long-term employee benefits	(8,365,641)
Net assets	(331,280,810)
Cash received associated with the loss of control in subsidiary	-
Less: Cash and cash equivalents of subsidiary	34,083,797
Net cash flows associated with the loss of control in subsidiary	(34,083,797)

33. Sale of subsidiaries

In May 2015, GMM Media Public Company Limited, a subsidiary, sold all of its investments in common stocks of GMM Times Company Limited, GMM Inter Publishing Company Limited, Image Publishing Company Limited and In Publishing Company Limited, its subsidiaries, to a third party of Bath 45 million. The valuation of the assets and liabilities of such four companies at the selling date was as follows:

	(Unit: Baht)
Cash and cash equivalents	5,394,050
Trade and other receivables	25,354,251
Inventory	1,095,536
Prepaid expenses	492,203
Advance payments	376,443
Other current assets	2,397,000
Property, plant and equipment	3,709,480
Other intangible assets	2,236,441
Deferred tax assets	6,418,559
Other non-current assets	2,978,382
Trade and other payables	(14,647,528)
Other current liabilities	(8,127,457)
Liabilities under finance lease agreements	(1,566,846)
Provision for long-term employee benefits	(20,943,868)
Net assets	<u>5,166,646</u>
Cash received from disposal of investments in subsidiaries	45,000,000
Less: Cash and cash equivalents of subsidiaries	<u>(5,394,050)</u>
Net cash flows from sale of subsidiaries	<u>39,605,950</u>

In June 2015, the Group sold all of its investment in common stocks of EXACT SCENARIO Company Limited and Me Miti Company Limited, the subsidiaries, to The ONE Enterprise Company Limited, a joint venture, of Bath 4,983,977. The valuation of the assets and liabilities of such company at the selling date was as follows:

	(Unit: Baht)
Cash and cash equivalents	15,342,099
Trade and other receivables	14,846,938
Inventory	5,687,843
Prepaid expenses	500
Advance payments	314,683
Other current assets	617,680
Property, plant and equipment	1,560,451
Other intangible assets	122,213
Deferred tax assets	455,051
Other non-current assets	5,718,411
Trade and other payables	(14,484,165)
Other current liabilities	(11,167,974)
Provision for long-term employee benefits	(2,493,115)
Net assets	<u>16,520,615</u>
Cash received from disposal of investments in subsidiaries	4,983,977
Less: Cash and cash equivalents of subsidiaries	<u>(15,342,099)</u>
Net cash flows from sale of subsidiaries	<u>(10,358,122)</u>

During the fourth quarter of 2015, the Company sold all of its investment in common stocks of Acts Company Limited, a subsidiary, to The ONE Enterprise Company Limited, a joint venture, of Bath 202 million. The valuation of the assets and liabilities of such company at the selling date was as follows:

	(Unit: Baht)
Cash and cash equivalents	12,645,230
Trade and other receivables	9,314,579
Prepaid expenses	375,440
Advance payments	124,531
Other current assets	2,243,658
Property, plant and equipment	578,467,233
Other non-current assets	2,958,686
Deferred tax assets	9,298,774
Trade and other payables	(11,526,527)
Unearned revenues	(245,289)
Other current liabilities	(1,155,248)
Long-term loans	(237,000,000)
Provision for long-term employee benefits	(1,618,517)
Net assets	363,882,550
Cash received from disposal of investments in subsidiaries	202,499,900
Less: Cash and cash equivalents of subsidiaries	(12,645,230)
Net cash flows from sale of subsidiaries	189,854,670

34. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Board of Directors and Executive Committee of the Group.

For management purposes, the Group structured business units in accordance with the governance of the chief operating decision maker. The Group has three principal reportable segments i.e. Music segment comprising music business, showbiz and satellite television, Media segment comprising digital TV One Channel and GMM 25 Channel, Radio, television in analog and satellite television and Others segment comprising merchandise business (home shopping and satellite box), and others (films, publishing and others). These operations are mainly carried on in the geographic area of Thailand.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions. Inter-segment revenues are eliminated on consolidation.

The following table present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2015 and 2014, respectively:

(Unit: Million Baht)

For the year ended 31 December

	Music		Media				Others			Elimination of Inter-segment revenues		Total
			One Channel		GMM 25 Channel		Merchandise		Others			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers	3,252	2,843	687	1,377	1,644	1,522	2,129	2,201	886	914	-	8,598
Inter-segment revenues	259	198	303	422	95	141	129	261	266	481	(1,503)	-
Total revenues	3,511	3,041	990	1,799	1,739	1,663	2,258	2,462	1,152	1,395	(1,052)	8,598
Segment operating profit (loss)	1,387	1,156	(22)	193	442	537	697	400	591	698	(349)	2,635
Interest income												20
Dividend income												-
Gain on sale of investment in subsidiaries												54
Gain on sale of investment in joint ventures												103
Gain on sale of other long-term investments												70
Gain on loss of control in subsidiary												731
Other income												126
Selling and servicing expenses												(639)
Administrative expenses												(2,889)
Loss on impairment of other long-term investments.												(1,030)
Share of profit from investments in associates												5
Share of profit (loss) from investments in joint ventures												(338)
Finance cost												(272)
Income tax expenses												67
Loss for the year from continuing operations												(1,135)
												(1,116)

Major customers

For the year 2015 and 2014, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

35. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees and the Group contribute to the fund monthly at the rate of 3 and 5 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited and Finansia Asset Management Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 36 million (2014: Baht 47 million) were recognised as expenses (Baht 18 million for the Company only (2014: Baht 18 million)).

36. Commitments and contingent liabilities

36.1 Investing commitments

As at 31 December 2015, the Group has uncalled portions of investments in two associates registered in Thailand, totaling Baht 18 million (2014: in two associates registered in Thailand, totaling Baht 18 million) and of which Baht 285 million are from investments of the Company only in four subsidiaries registered in Thailand (2014: in four subsidiaries, totaling Baht 292 million).

36.2 Capital commitments

As at 31 December 2015, the Group had no capital commitment (2014: installment of system in master control room and purchasing of billing system approximately Baht 47 million).

36.3 Operating lease commitments

The Group has entered into several lease agreements with third parties and one related party in respect of the lease of air time for programs broadcasting and advertising placement at certain radio and television stations, the lease of office building and shop space, theatre lease and equipment leases. Under certain agreements, payments are to be made based on a percentage of sales, before deducting expenses, as stipulated in the individual agreement, and the Group has to comply with various conditions laid out in the agreements.

Future minimum lease payments required under these non-cancellable operating leases and related services contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Payable within:				
1 year	275	393	61	139
2 to 5 years	240	326	115	178
Thereafter	279	370	196	231

36.4 Long-term service commitments

- The Company and its subsidiaries have entered into agreements with producers and singers to provide certain services to the Company and its subsidiaries under which the Company and its subsidiaries are to pay compensation at fixed rates based on the volume of sales generated as a result of the provision of these services, once sales exceed minimum quantity guarantees set out in the agreements.
- A subsidiary has entered into an agreement with a company granting it the right to use a karaoke computer program for a period of 50 years. The subsidiary has to pay a fee to that company at a rate of three percent of the wholesale price, after deducting discounts, whenever the subsidiary is able to sell such program. The subsidiary and that company have to comply with various conditions stipulated in the agreement.
- Under the agreements with a company licensing to broadcast to the public, a subsidiary is committed to pay a royalty fee at a percentage of its revenues from sales of advertising, before deducting expenses for a period of 1 year, ending in the year 2016, as specified in the agreements.

- d) The Group has entered into agreements with three companies, who are to provide satellite transmission services for periods of 1 to 3 years, ending in 2016 to 2018. The Group is obliged to pay transmission service fees and other expenses incurred in relation to such services, as stipulated in the agreements, totaling Baht 14 million and US dollars 3 million (2014: Baht 63 million and US dollars 23 million) and are thereby required to comply with conditions stipulated in the agreements.
- e) A subsidiary entered into lease agreements with the Royal Thai Army Radio and Television Station ("RTART") to use digital terrestrial television service in order to broadcast digital television signal via RTART multiplexes. The service will be valid from 1 April 2014 to 31 March 2029. The subsidiaries must pay the service fee as stipulated in the agreements, totaling Baht 750 million and are thereby required to comply with conditions stipulated in the agreements (2014: in two subsidiaries, totaling Baht 3,214 million).

36.5 Guarantees

- a) As at 31 December 2015, the Company has provided guarantees to bank for credit facilities granted to one subsidiary and one joint venture amounting to Baht 3,475 million (2014: four subsidiaries amounting to Baht 1,778 million). Generally, the Company's guarantee is binding for as long as the underlying obligations have not yet been discharged by such companies.
- b) As at 31 December 2015, the Company has provided guarantees to bank for payments on program rights to an unrelated party amounting to US dollars 15 million. Generally, the Company's guarantee is binding for as long as the underlying obligations have not yet been discharged by such company.
- c) As at 31 December 2015, there were outstanding bank guarantees of approximately Baht 26 million and US dollars 50 million issued by banks on behalf of the Group and Baht 16 million and US dollars 50 million of the Company only in respect of certain performance bonds as required in the normal course of business (2014: Baht 104 million and US dollars 45 million and Baht 2 million of the Company only). These included letters of guarantee amounting to Baht 25 million (2014: Baht 100 million) to guarantee contractual performance, Baht 1 million (2014: Baht 4 million) to guarantee electricity use, among others and US dollars 50 million (2014: US dollars 45 million) to guarantee payments on program rights.

The content acquisition guarantee is to guarantee for a subsidiary which was disposed in 2014. Such subsidiary had a dispute pursuant to License Agreement and Sublicense Rights. On 27 January 2016, the grantor demanded the Company as a guarantor to compensate for the content acquisition costs of US dollars 3.91 million. Such dispute was in the negotiation process for settlement and the case was not yet put on trial.

- d) As at 31 December 2015, the Company has provided guarantees for loans from bank granted related to guarantee the payments for the license fees and the lease agreements for digital terrestrial television service, granted to subsidiary amounting to Baht 1,726 million and joint venture amounting to Baht 1,901 million. Generally, the Company's guarantee is binding for as long as the underlying obligations have not yet been discharged by such subsidiary and joint venture.
- e) As at 31 December 2015, a commercial bank issued letter of guarantees amounting to Baht 1,716 million on behalf of a subsidiary respectively in order to guarantee the payments for the license fees.
- f) As at 31 December 2015, a commercial bank issued letter of guarantees amounting to Baht 10 million on behalf of a subsidiary in order to guarantee the payments for the lease agreements for digital terrestrial television service.

37. Fair value hierarchy

As at 31 December 2015, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments Equity instruments	55,952	-	-	55,952
Available-for-sale investments Debt instruments	-	490	-	490

(Unit: Thousand Baht)

Separate financial statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments Debt instruments	-	490	-	490

38. Financial instruments

38.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loans, investments, trade and other payables, short-term loans, long-term loans and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed in described below.

Credit risk

The Group's exposed to credit risk primarily with respect to trade and other receivables. The Group's management manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2015

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial assets							
Cash and cash equivalent	1,059	-	-	-	-	1,059	Note 8
Current investments	120	-	-	56	-	176	Note 9
Trade and other receivables	-	-	-	-	1,415	1,415	-
	1,179	-	-	56	1,415	2,650	
Financial liabilities							
Bank overdraft and short-term loans	3	-	-	-	-	3	Note 21
Trade and other payables	-	-	-	-	1,489	1,489	-
Long-term loans	-	-	-	1,626	-	1,626	Note 24
Liabilities under finance lease agreements	11	29	-	-	-	40	5.03 - 6.50
Accrued cost of spectrum license	410	1,024	-	-	-	1,434	Note 23
	424	1,053	-	1,626	1,489	4,592	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2014

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial assets							
Cash and cash equivalent	591	-	-	273	-	864	Note 8
Current investments	1,007	-	-	69	-	1,076	Note 9
Trade and other receivables	-	-	-	-	2,239	2,239	-
	1,598	-	-	342	2,239	4,179	
Financial liabilities							
Bank overdraft and short-term loans	920	-	-	44	-	964	Note 21
Trade and other payables	-	-	-	-	1,801	1,801	-
Long-term loans	-	-	-	3,355	-	3,355	Note 24
Liabilities under finance lease agreements	13	35	-	-	-	48	2.20 - 6.50
Accrued cost of spectrum license	917	2,830	-	-	-	3,747	Note 23
	1,850	2,865	-	3,399	1,801	9,915	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2015

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial assets							
Cash and cash equivalent	504	-	-	-	-	504	Note 8
Current investments	120	-	-	-	-	120	Note 9
Trade and other receivables	-	-	-	-	800	800	-
Loans to related parties	-	-	-	77	-	77	Note 7
	624	-	-	77	800	1,501	
Financial liabilities							
Trade and other payables	-	-	-	-	607	607	-
Short-term loans from related parties	-	-	-	1,979	-	1,979	Note 7
Long-term loans	-	-	-	597	-	597	Note 24
Liabilities under finance lease agreements	8	23	-	-	-	31	5.03 - 6.50
	8	23	-	2,576	607	3,214	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2014

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial assets							
Cash and cash equivalent	114	-	-	272	-	386	Note 8
Current investments	1,000	-	-	-	-	1,000	Note 9
Trade and other receivables	-	-	-	-	1,108	1,108	-
Loans to related parties	-	-	-	39	-	39	Note 7
	1,114	-	-	311	1,108	2,533	
Financial liabilities							
Bank overdraft and short-term loans	582	-	-	-	-	582	Note 21
Trade and other payables	-	-	-	-	571	571	-
Short-term loans from related parties	-	-	-	1,264	-	1,264	Note 7
Long-term loans	-	-	-	1,594	-	1,594	Note 24
Liabilities under finance lease agreements	8	21	-	-	-	29	6.00 - 6.50
	590	21	-	2,858	571	4,040	

Foreign currency risk

The exposure of the Group to foreign currency risk relates primarily to its investments in foreign subsidiaries, which currently are not hedged by any derivative financial instrument. However, the Group believes that there will be no material impact on the Group's financial statements because the amounts of its investments in foreign subsidiaries are immateriality.

38.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

39. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 2.73:1 (2014: 3.15:1) and the Company's was 2.12:1 (2014: 1.62:1).

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2016.

Audit Committee Report

GMM Grammy Public Company Limited and Its Subsidiaries

The Audit Committee (“the Committee”) has been appointed by a resolution passed by the Board of Directors which comprise 4 independent directors. Dr. Naris Chaipasoot was appointed Chairman of the Audit Committee and the other members are Mr. Suvit Mapaisansin, Mrs. Veeranuch Thammavaranucupt and Mr. Chanitr Charnchainarong with the Senior Director of the Internal Audit Department serves as the secretary to the Committee.

In 2015, the Committee had performed according to the Audit Committee Charter which complies with the relevant rules and regulations set forth by the Stock Exchange of Thailand and the Good Corporate Governance policy. The Committee conducted 5 meetings, The summary of attendance of Audit Committee members is as follows :

Name	Position	Meeting	Remark
1. Dr. Naris Chaipasoot	Chairman	5/5	-
2. Mr. Suvit Mapaisansin	Member	2/3	Appoint 13 May 2015
3. Mrs. Veeranuch Thammavaranucupt	Member	2/2	Appoint 24 June 2015
4. Mr. Chanitr Charnchainarong	Member	-/-	Appoint 13 November 2015
Mr. Dej Bulsuk	Member	4/4	Resign 1 September 2015
Miss Suvabha Charoenying	Member	1/1	Resign 29 April 2015
Mr. Kudun Sukumanon	Member	1/1	Resign 30 April 2015

The Committee activities could be summarized as follows:

1. Reviewed the quarterly and the annual financial statements for the year 2015 regarding the disclosure of significant information, rendered by the Internal Audit Department, the External Auditors and the Management, to ensure the accuracy, reliability and adequacy.
2. Reviewed the efficiency and the adequacy of the GMM Grammy Group's internal control system, Risk Management system and Internal Audit system in cooperation with the Internal Audit Department, the External Auditors and the Management.
3. Reviewed that the Company abided by the SEC and SET rules and regulations, other related laws, the Company's good corporate governance policy and Code of Ethics, through coordination with Management and Internal Audit Department.
4. Considered and recommended the appointment of external auditors and their audit fee. For the year 2016, The Committee, in coordination with the Internal Audit Department and the Management, Considered the independence and the qualities of the audit task and recommended the reappointment of Mr. Termphong Opanaphan or Mr. Khitsada Lerdwana or Mrs. Poonnard Paocharoen, Certified Public Accountant (Thailand) No. 4501 4958 and 5238 respectively, of EY Office Limited (Formerly known as “Ernst & Young Office Limited”) as the Company's and its' subsidiaries' External Auditors and the audit fee for the fiscal year 2016. The appointment of the External Auditor for the year 2016 was approved by the Board of Directors and will be proposed to the Shareholders for their further approval. For the year 2015, the Committee conducted 1 meeting with External Auditor.

5. Reviewed related transactions or conflict of interest issues to ensure that transactions were reasonable and fair in accordance with the rules or announcements of the SET and the disclosures were correct and complete.
6. Reviewed and acknowledged internal audit results quarterly. Followed up management operations and progresses on the internal and external audit findings and recommendations. Approved the internal audit plan for the year 2016. In addition, the Committee reviewed the Independence of the Internal Audit and considered the appointment, the migration, lay off, evaluation and remunerations of The Head of Internal Audit, concurred to the performance evaluation of the Internal Audit staffs and their remunerations which were assessed and proposed by Group Chief Executive Officer and Head of Internal Audit.
7. Annually reviewed and updated the Charter of Audit Committee and Internal Audit, to ensure that the Charters are still suitable for the Company's business environment.
8. Conducted the Audit Committee self assessment on its composition, qualification, activities in compliance to the audit Committee Charter, training, authority and the independence. For the year 2015, the Committee concluded that the Committee has adequately completed their duty as assigned and reported the assessment results along with the Committee's activities to the Board of Directors Meetings on February 26, 2016.
9. Reviewed that the Company abided by the Good Corporate Governance and Code of Ethics Policies. Cooperated with the Management and internal auditor to reviewed the policy to ensure the appropriateness before rendering them to the Board of Directors for approval.

As a result of the above obligations, the Committee agreed that in general, the internal control system of the company and its subsidiaries was adequate and appropriate to the business operations of the Company. In addition, the Company has provided adequate personnel to follow the system effectively as well as sufficient internal control system for monitoring the operations of the subsidiaries in order to protect the assets of the Company and the subsidiaries from improper conduct of the directors and executives including transactions with persons who may have a conflict of interest and related persons. The Committee and the management recognized the importance of good corporate governance, internal control, and continuous risk management in order to ensure good corporate governance principles of company, acceptable level of internal control and risk management, accuracy and reliability of accounting and financial reporting practices including the compliance with the laws, the rules or announcements of the SET and regulations related to the Company's businesses.



Dr. Naris Chaiyasoot
Chairman of the Audit Committee
February 26, 2016

Risk Management Committee

GMM Grammy Public Company Limited and Its Subsidiaries

The Risk Management Committee was established by the Board of Directors resolution with duties to promote the set-up of an enterprise-wide risk management system for the Company and to embed an organizational culture. This is to provide reasonable assurance among all stakeholders that the Group's strategic operations are geared towards effective and efficient achievement of corporate goals and objectives. As of December 31, 2015, the Committee was comprised of 11 members who are the Board of Directors and top executives with relevant knowledge, competence and experience that is beneficial to the group risk management. The Senior Director of the Internal Audit Department serves as the secretary to the Committee.

The Committee performs their duties as designated by the Board of Directors and within the purview of power and responsibility defined in the Risk Management Committee Charter. In 2015, the Committee held 2 meetings with the following results:

1. Acknowledged the significant corporate risks and approved the related risk responses for the year 2015.
2. Continuously supervised and monitored the implementation of the enterprise-wide risk management systems.
3. Reviewed the guidelines regarding the prevention of corruption involvement and Risk Management Committee Charter to ensure that they are sufficient and appropriate for the nature of the Company's businesses as well as related regulations.
4. Reported regularly to the Board of Directors on the significant risks and their responses.
5. Performed self-assessment for the year 2015 and reported to the Board of Directors on February 26, 2016.

As mentioned previously, the Risk Management Committee has considered that the corporate risk factors have been set-up to cover the core businesses and the risk management process which identified adequately, appropriately and efficiently. In addition, these Risk Management process also complied with the Group's good corporate governance policy, the internal control as well as related laws, rules and regulations.



Miss Boosaba Daorueng
Chairman of Risk Management Committee
February 26, 2016


Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee, GMM Grammy Public Company Limited (“the Committee”), as of December 31, 2015, comprised three directors, two being independent directors and one being an executive director. Dr. Naris Chaikasoot, Independent Directors, being Chairman of the Nomination and Remuneration Committee, Mr. Suvit Mapaisansin, Independent Directors, and Miss Suwimon Chungjotikapisit, Executive Directors, members of the Nomination and Remuneration Committee.

During the year 2015, the Committee, in performing roles in accordance with its charter and the scope of authority, held 3 meetings (with full attendance in each of the meetings) to consider important matters under its duties and responsibilities as assigned by the Board of Directors, which can be summarized as follows:

1. Nomination of persons with qualifications for the Company's directorship to replace 4 directors who would retire by rotation. To enhance and support the Company's good corporate governance policy, the Company welcomed shareholders' proposal for qualified candidates to be appointed as the Company's directors with full qualifications as stipulated by the company. During the period, no shareholder nominated any candidate for consideration. Considering the appropriateness and maximum benefits to the Company, the Committee was of the opinion that the retiring directors had full qualifications as stipulated by the Public Limited Companies Act B.E. 2535 and were well equipped with knowledge, capabilities and experiences useful for the Company's business operations; they also had broad visions, satisfactory performance as directors, good records of meeting attendance and useful opinions proposed at the Board's meetings. The Committee therefore resolved to propose to the Board of Directors' Meeting No. 1/2015 on 27 February 2015 the nomination of the 3 retiring directors for appointment as the Company's directors for another term before submitting to the 2015 Annual General Meeting of Shareholders held on April 29, 2015 for approval.
2. Nomination of a person with qualifications for the Company's directorship to replace the director who resigned and who was due, wished not to carry on the position by using Board Skill Matrix. The Committee considered and proposed to the Board of Directors or Annual General Meeting of Shareholders as follow:
 - 2.1 Mr. Suvit Mapaisansin is appointed as an Executive Independent Director and approved the appointment by the 2015 Annual General Meeting of Shareholders held on April 29, 2015.
 - 2.2 Dr. Lackana Leelayouthayotin is appointed as a Director and approved by the Board of Directors' Meeting No. 3/2015 on June 24, 2015.
 - 2.3 Mrs. Veeranuch Thammavaranucupt is appointed as an Executive Independent Director, Audit Committee and member of the Corporate Governance and Ethics Committee and approved the appointment by the Board of Directors' Meeting No.3/2015 on June 24, 2015.
 - 2.4 Mr. Chanitr Charnchainarong is appointed as an Independent Director and Audit Committee and approved the appointment by the Board of Directors' Meeting No. 5/2015 on November 13, 2015.
3. Determination of directors' remuneration that comprises of meeting allowance and gratuities for the year 2015 with criteria for allocation for submission to the Board of Directors for approval at the 2015 Annual General Meeting of Shareholders held on April 29, 2015.
4. Determination of the Audit Committee's remuneration as annual compensation for the year 2015 with criteria for allocation for submission to the Board of Directors for approval at the 2015 Annual General Meeting of Shareholders held on April 29, 2015. The remuneration of directors and Audit Committee members was determined, with their respective duties and responsibilities for the Company's performances being considered and the remuneration of directors of companies in the same industry being compared, based on the Stock Exchange of Thailand's Report of the Survey on Remuneration of Directors of Listed Companies, for suitability and transparency.
5. Evaluation of the performances of the Group Chief Executive Officer (Group CEO), Miss Boosaba Daorueng, for the year 2015. The Committee deemed it appropriate to rate the Group CEO's performances in 2015 as “Excellent” or 92.62% (within the range of 90-95%), and reported the evaluation result to the Board of Directors' Meeting No. 1/2016 for approval.
6. Giving consent to adjust the policy, rule and process of recruitment of director to be more apparent by defining qualifications of the Nomination Committee to comply with the operation strategy of the company and suitable with current situation.

The Committee reported its performance to the Board of Directors for acknowledgement on a regular basis. Throughout the year 2015, the Committee performed its duties with utmost ability, caution, prudence, transparency and independence, for the best benefit of the Company, shareholders and other stakeholders.



Dr. Naris Chaikasoot
Chairman of the Nomination and Remuneration Committee
February 26, 2016

Report of the Corporate Governance and Ethics Committee

GMM Grammy Public Company Limited

The Board of Directors strongly believes in conducting business according to business ethics and good corporate governance principles and alongside with corporate social responsibility (CSR) to be embedded as part of the organization culture. This is carried by integrating with the Company's vision, mission, strategy, and goal to support efficient and transparent management in order to gain confidence from shareholders, investors and all stakeholders resulting in value added and sustainable growth of the Company.

The Corporate Governance and Ethics Committee still adhered to and seriously developed its policy on corporate governance on a continued basis, thus several awards received from various organizations could be summarized as follows:

1. For evaluation of corporate governance reports of Thai listed companies by the Thai Institute of Directors (IOD), the Company was rated "Very Good" in 2006, 2008, 2009, and 2010, (in 2007, there was no survey on corporate governance of listed companies) and **"Excellent (5 Stars)"** for five consecutive years, since 2011 to 2015.
2. For the evaluation of AGM checklist quality by the Thai Investors Association, the Company was rated *"Very Good"* in 2008, 2010, 2011, 2013 and 2015 and *"Very Good: Should be a Role Model,"* in 2009, 2012, and 2014 (scoring fully 100 points).
3. Assessment of the progress of Anti-Corruption development of Listed Companies by Thaipat Institute for 2014 and 2015 that the Company was ranked in 3rd level (Established) which indicated the demonstration of policy, communication and training on policies and practices against corruption.

In 2015, the Corporate Governance and Ethics Committee reviewed and presented the Corporate Governance and Ethics Manual (6th revision) to the Board of Directors for approval. The main objective of this manual, which will be effective from January 1, 2016 onwards, is to comply with criteria of Corporate Governance Report of Thai Listed Companies (CGR).

The Company will still adhere to the policies on good corporate governance and ethics that the Company has formulated and support its improvement and development as well as continued and suitable disclosure of the results of corporate governance performance, reflecting the efficient, transparent, and ethical management and also promote the Company's corporate governance principles to be up-to-date and consistent with the changes that will raise the standards and practices of corporate governance of the Company.



Mr. Krij Thomas
Chairman of the Corporate Governance and Ethics Committee
February 26, 2016



Corporate Governance

Corporate Governance Policy

The Board of Directors strongly believes in business operations with ethical practice, good corporate governance and corporate social responsibility, which are firmly embedded in the organization culture. It is integrated with the organization vision, mission, strategy and goal to boost confidence to all stakeholders and to bring the Company to business development along with participation in supporting the education, athletics, society and environment.

The Board of Directors initiated the compilation of the first Handbook on corporate governance policy, business ethics and code of conduct (portable version) issued in 2005. It has been set to be revised, added or amended every 2 years or as deemed appropriate to ensure updatedness and alignment with the changing environment, as well as relevance to any additional guidelines issued by the SET or related regulatory bodies, which will enhance the Company's corporate governance up to international standards.

The corporate governance policy of the Company as stipulated in the Corporate Governance and Business Ethics Manual can be concluded as follows:

1. The Board of Directors, executives and employees adhere to performing in compliance with the laws and applying corporate governance principles to business operations by integrating with the vision, mission, strategy and Long term goal of the organization, as well as enhancing the organization to have an efficient administration system, which will help boost confidence of shareholders, investors and all stakeholders.
2. The Board of Directors respects the rights of shareholders, treats all shareholders equally and provides convenience to shareholders in the exercise of rights in various matters.
3. The Board of Directors promotes the process of enhancing good relationship and cooperation between the Company and all stakeholders and sets an appropriate communication channel for the purpose.
4. The Board of Directors sets policy and code of ethics of the Company to be guidelines for all stakeholders such as shareholders, customers and consumers, competitors, trade partners, creditors, employees, the community, the environment and the society.
5. The Board of Directors takes the role of determining vision and mission and approving guidelines for setting of business strategies, policies, plans and budgets, as well as monitoring and supervising the management to take actions according to the policies established in an efficient and effective way, in order to maximize business value and shareholder wealth.
6. The Board of Directors institutes the organization structure with clear delegation of duties and responsibilities of the Board of Directors, Sub-Committees, Group Chief Executive Officer and Chief Executive Officers in each business lines and puts in place appropriate and sufficient internal control and audit system, risk management system, prevention of conflicts of interest and use of insider information.
7. The Board of Directors monitors and ensures that the preparation of financial statements and information of the Company is in accordance with the generally accepted accounting standards, disclosure of information is sufficient and reliable and the Company has capable and independent auditor.
8. The Board of Directors ensures that the Company communicates and discloses important financial or non-financial information relating to the Company sufficiently, accurately, completely, reliably, transparently, thoroughly and in a timely manner, through various channels and the Investor Relations Department, which can be accessed conveniently and equitably.
9. The Board of Directors may appoint Board committees as deemed appropriate to help screen important matters and report operating results to the Board of Directors' meeting regularly, as well as report operating results to the shareholders in the annual report of the Company.
10. The Board of Directors arranges to have annual self-assessment of the Board of Directors and Sub-committees such as the Audit Committee, the Corporate Governance and Ethics Committee, the Risk Management Committee for use as a framework in evaluation of their performance in the previous year, so that rectification and improvement can be made to increase efficiency and the self-assessment results will be reported to the Board meeting for acknowledgement.

11. The Board of Directors puts in place an appropriate, transparent and fair recruitment system for all crucial management positions.
12. The Board of Directors has an important role of arranging for the written Corporate Governance and Business Ethics Manual so that all directors, executives and employees acknowledge, understand and abide by the practice of corporate governance and business ethics in a strict manner and establishing a compliance monitoring measure thereon.

To ensure the implementation of business ethics and code of conduct, the Company has stipulated that the directors, the management and all employees acknowledge, understand and strictly comply with policies and procedures set forth in the Corporate Governance and Business Ethics Manual, executives at all levels in the organization have to be responsible for and treat this matter with great importance so that their subordinates will follow suit in a rigorous manner.

In addition, the Board of Directors has a policy to encourage the dissemination of corporate governance culture in various forms for awareness at all levels and for translation into practice by preparing and disseminating the Corporate Governance and Business Ethics Manual through several channels such as E-mail, the GRAMMY Group's Intranet, the Company's website and training the basic of corporate governance to new employees. Directors, executives and employees will accordingly be aware of and abide by the principles of corporate governance and business ethics in performing their duties with accountability, transparency, integrity, prudence and ethics towards oneself, the organization, the shareholders and other stakeholders. Activities are to be held to enhance knowledge, understanding and conscience in performing duties responsibly, cautiously and honestly under the corporate governance principles and business ethics of the Company.

As the Company has all along adhered to the policy on corporate governance and business ethics in its business operations and has developed its corporate governance practice to be more efficient and suit the Company, the Company has been rated by various agencies as follows:

- **Corporate Governance Report of Listed Companies 2015**

Thai Institute of Directors (IOD) disclosed the result of the Corporate Governance Report Evaluation of Thai Listed Companies, it was revealed that GMM Grammy Public Company Limited was announced to be 1 of 55 listed companies that was rated in the top level of "Excellence : 5 Stars" (Score range 90-100 points) while the average score of all 588 listed companies was 75 points. The Company has been rated as "Excellent" for four consecutive years since 2011 and also recognized as one of the Top Quartile Companies in market-capitalization greater than or equal to 10,000 MB.

- **Quality of Annual General Meeting of Shareholders 2015**

According to the evaluation of the quality of annual general meetings of shareholders (AGM checklist) of listed companies carried out by the Thai Investors Association, the result of the quality evaluation of the Company's 2015 Annual General Meeting of Shareholders was rated at 4 TIA with 98.75 points, while the average score of all 575 listed companies under the survey was 92.68 points.

- **The Assessment of Anti-corruption Process Indicator 2015**

According to the assessment of Anti-corruption Process Indicator for Thai listed companies conducted by SEC and Thai Pat Institute, the Company was rated at level 3 (Established), indicating the policy to oppose government officials bribery and those related to corruption as well as the policy to communicate and educate employees regarding anti-corruption policy and practices.

The Company still committed to continuous development in promoting the Company's corporate governance process, as the Company believes that adherence to the system and process of corporate governance will contribute to sustainable growth.

Corporate Governance

Corporate Governance of company is divided into 5 categories:

- Rights of Shareholders
- Equitable Treatment of Shareholders
- Roles of Stakeholders
- Disclosure and Transparency
- Responsibilities of the Board of Directors

Chapter 1 Rights of Shareholders

The Board of Directors gives high importance to and respects the rights of all shareholders equally and provides convenience to them in exercising their rights in various matters, whether they be their basic rights or the rights they deserve such as the right to sell or transfer stocks, the company profit sharing, the shareholders' right to obtain the adequate information on the Company and in a timely manner, the voting right in the shareholders' meeting to appoint or to demote the directors, the remuneration of the Board of Directors, the appointment of a certified auditor, the approval of the audit fee and other issues which may significance effect the company, etc. and will not act in a way that will violate the shareholders' right.

The Annual General Meeting

The Board of Directors supports organizing of the shareholders' meetings which take into account the rights and equitability of shareholders for the attendance of meetings according to the laws and good corporate governance principles. The annual general meeting of shareholders is set to be held once a year within 4 months from the last day of the fiscal year (The Company's last day of the fiscal year is December 31 of each year). In case where there are urgent matters for special meetings to discuss issues that affect or relate to the shareholders' benefits or are related to regulations, laws that require urgent approval from the shareholders, there will be a call for an extraordinary meeting of shareholders case by case. The Company's guidelines are as follows:

1) Before the date of the shareholders' meeting

- Proposing agenda items, nominations of directors and advanced queries, the Company provided an opportunity for shareholders to propose agenda items and qualified persons to assume the post of director before the Annual General Meeting of Shareholders. In the 2015 Annual General Meeting of Shareholders, shareholders can make proposal from September 30, 2014 until January 15, 2015 on the Company's website on the menu "Corporate Governance", item "Shareholders Information. It has come out that, during the designated period, no shareholder proposed any agenda item or nominated any qualified person to assume the post of director to the Company.
- Presentation and information delivery to shareholders, the Company has appointed Thailand Securities Depository Co., Ltd. (TSD) as its securities registrar to send the meeting invitation notice, documents and other information which is important and necessary for decision-making to shareholders (in English in case of foreign shareholders) in advance before the meeting date and in accordance with laws or/and regulatorys concerned. In the Annual General Meeting of Shareholders, the Company has disseminated the invitation notice and all relevant information (excluding annual report) on its website in Thai and English more than 30 days prior to the meeting so that shareholders will have sufficient time to study the information in advance for decision-making. In addition, the Company advertised meeting notices in newspapers to inform shareholders of the date, time, venue and agenda items in both Thai and English for 3 consecutive days in advance of the meeting.
- Facilitation and encouragement for shareholders to attend the meeting, including institutional investors, with the following policies:
Meeting venue at a suitable location, with enough parking spaces and convenience transportation, with the venue's map being enclosed with the meeting notice.

Meeting schedule not on a public holiday or during long holidays of at least 3 consecutive days, not too early in the morning or late in the evening.

Proxy: There were 3 types of proxy forms attached with instructions and convenience in sending the valid proxy form together with supporting documents in advance to the Company Secretary prior to the meeting day for the Company's staffs to examine the documents before the proxy's arrival. The Company allowed the Board of Directors to nominate independent directors as proxy holders to attend the meeting and vote on shareholder's behalf.

Staffs and technology are in place to provide services and examine documents for the meeting's participants, for the sake of convenience, speed, accuracy and verifiability.

- Information disclosure of each agenda in the Invitation Notice, opinions of the Board of Directors of each Agenda as well as purposes and reason. Both positive and negative (if any) are clearly indicated. For the shareholders' meeting will have the following agenda items:

Disclosure of Financial Performance to clarify the financial performance in the previous year including assets, revenue, expenses and profit/loss.

Remuneration of directors to clarify the guideline of Remuneration of Director in both monetary (e.g. meeting allowance, annual bonus) and other benefits agreed by the nomination and remuneration committee.

Nomination of directors, the Company indicates the directors' names and summarizes profile of each director to be nominated, such as name and surname, age, education background, work profile, number of companies in which such person is a director by divided into listed companies and other companies, positions in other competitor / related companies which may cause any conflict of interests, nomination criteria and procedure, type of director to be proposed such as Director or Independent Director. In case of nomination of the existing director to reassume the position, details of his/her meeting attendance in the previous year and his/her term/years in office shall also be provided. In case of the appointment of independent directors, the Company shall disclose its definition of "independent director" as defined and determined that the Company's definition is equal to or more concentrate than the minimum requirements of the SEC and the SET, including any information of any conflict of interests of such independent director on the Company, its subsidiaries, affiliates or entities may have a conflict at that time or during the last 2 years.

Nomination of auditor and fixing of audit fees, the Company gives details on the names of certified public accountants and their company to be the auditor, experiences and competence as well as independence of the auditor and qualifications acceptable as the Company's auditor and approved by the SEC. Audit fees and/or other fees (if any) will also be clearly indicated so that shareholders can consider appropriateness before making decision.

Payment of dividends, the Company discloses its dividend payment policy, proposed payment rate and amount comparing to net profit, retained earnings and earnings per share as well as payment rate of the previous year, together with reasons and supporting information. In case of no dividend payment, clear reasons and supporting information will be given.

Other matters with impact on the Company, such as determination and amendment of articles and memorandum of association, decrease or increase of capital and approval of extra items, etc. The Company will clearly indicate objectives, rationale, positive and negative (if any) impact, as well as opinions of the Board of Directors for each agenda item.

For the 2015 Annual General Meeting of Shareholders, the Company sent a meeting notice of at least 1 month in advance to shareholders through various channels, namely, the Company's website, SET portal and notices of shareholders' meeting. The meeting notice contained agenda items, the Board's opinions with other supporting documents such as facts, objectives, reasons of the Board's opinions, the Company's Articles of Association relevant to the meeting for the shareholders to consider in each agenda item, together with the minutes of the previous shareholders' meeting, containing the voting method, vote counts, list of all the directors attending the meeting (including the absent directors), list of executives attending the meeting, the voting inspector who was an outsider witnessing the vote count and the conduct of the meeting, questions from the shareholders and answers in the meeting, meeting's resolutions with the numbers of votes Agree, Disagree and Abstention for each agenda item where voting was required.

2) On the date of the shareholders' meeting

- The Company requires the meeting to be held according to the laws and taking into account convenience as well as rights and equitable treatment of the shareholders. Company staff are to provide convenience by checking documents of the meeting attendees 1 hour and a half before the meeting commencement and barcodes are used to facilitate and expedite registration.

At each shareholders' meeting, the Chairman, the directors, the Group Chief Executive Officer, Chairmen of all sub-committees and the management attend the meeting to allow shareholders to ask questions relating to the Company. The auditor of the Company will perform as the inspector to ensure that the meeting is conducted with transparency, compliance to applicable laws, rules of related regulators and the Company's Articles of Association.

- Before the meeting commences, the Group Chief Executive Officer who chairs the meeting will introduce the attending Board members, Chairmen of sub-committees, the management and the auditor of the Company, to the meeting and assign the Company Secretary to proceed with the meeting.
- The Company Secretary will notify the meeting of the quorum consisting of number of shareholders attending the meeting in person, number of shareholders attending by proxies and number of shareholders authorizing independent directors as their proxies, with clarification of voting and vote counting methods to the shareholders before the meeting commences. According to the Company's Articles of Association and the Public Limited Companies Act, Section 107 (1), 1 share is equivalent to

1 vote. In the event of a tie of votes, the Chairman will have the casting vote. Voting condition for shareholders or proxies is also be explained.

- The Company Secretary would conduct the meeting in accordance with the sequence of agenda items given in the notice of shareholders' meeting (except that the meeting resolves to change the sequence of agenda items in accordance with the provisions of the Public Limited Companies Act that requires the votes of at least 2/3 of the shareholders attending the meeting) and for fairness to shareholders who do not attend the meeting, no other agenda items not specified in the notice of shareholders' meeting shall be added in the agenda. However, to allow shareholders to exercise their rights under law, shareholders who hold a number of shares combined not less than 1/3 of the total number of shares sold may ask the meeting to consider matters other than those specified in the notice of shareholders' meeting.
- The Board of Directors has provided for the use of ballot tickets in every agenda item that requires voting. This is for the purpose of transparency and auditability in case of an objection occurring thereafter, while votes are to be counted and the results thereof are disclosed and the meeting's resolutions are clearly recorded in the meeting's minutes.
- The Chairman allocates sufficient time and opens the floor to the shareholders to voice their opinions, suggestions and questions on each agenda item and regarding the operations of the Company. Important queries, clarifications and opinions shall be noted in the meeting minutes for acknowledgement by the shareholders who cannot attend the meeting.

In 2015, the Company organized the Annual General Meeting of Shareholders on April 29, 2015 at 2.00 pm at the Grand Ballroom, Grande Centre Point Hotel Terminal 21, Sukhumvit Soi 19 (Wattana), Sukhumvit Road, Khlongtoeinuea, Wattana, Bangkok. A total of 11 directors attended the meeting, comprising Chairman of the Board, Vice Chairman of the Board and Chairmen of Sub-committees, together with top management, representative from Legal Department and auditors, where there were 2 directors absent due to abroad business trip. The representative of external auditor would serve as the inspector to ensure the transparency, completely, laws and the Company's Article of Association compliance and in case of dispute arising in respect of examination and voting throughout the meeting. The Chairman of the meeting appointed the Company Secretary to conduct the meeting. The Annual General Meeting of Shareholders resolved to approve all the agenda items proposed.

In the 2015 Annual General Meeting of Shareholders, there were total of 112 shareholders attending in person, representing 417,321,798 shares, and 189 shareholders by proxy, representing 88,327,852 shares. There were 5 shareholders attending the Meeting by proxy granted to the Company's Independent Director, representing 2,894,928 shares. The total number of attendants who were shareholders and proxy holders was equal to 301 persons, representing 505,649,650 shares or 61.6684% of total 819,949,729 subscribed shares. The quorum was thereby constituted according to the Company's Articles of Association. The Company has opened registration for 2 hours before the Meeting.

Besides, in 2015 the Company held an Extraordinary General Meeting of Shareholders on February 10, 2015 at the Grand Ballroom, Grande Centre Point Hotel Terminal 21, Sukhumvit Soi 19 (Wattana), Sukhumvit Road, Khlongtoeinuea, Wattana, Bangkok., aiming mainly to approve the connected transaction and assets disposal. The meeting was held in accordance with laws, the Company's Articles of Association and the principles of good corporate governance, with the shareholders approving every agenda item as proposed.

At the Annual General Meeting and the Extraordinary General Meeting of Shareholders, there were no agenda items of other businesses that had not been specified in the meeting notice.

3) After the shareholders' meeting

- The Board of Directors assigns the Company Secretary to prepare minutes of the shareholders' meeting to be complete and accurate with the following details:

Names and positions of directors, members of Sub-committees, top management and auditor who attend or absent at the meeting (If any).

The meeting quorum consisting of number of shareholders who attend the meeting in person, number of shareholders by proxies and number of shareholders authorizing independent directors as their proxies.

Methods of voting on each agenda item and vote counting before the meeting commences and the way the ballot cards are used to count votes.

Votes which approve, disapprove and abstain on agenda items which requires voting and identifying names and number of shares of persons who are not entitled to vote on each agenda item (If any)

Key questions, clarification and opinions.

- The Company will announce resolutions of the meeting via the news system of the SET by the next business day by identifying approval, disapproval and abstention votes on each agenda item and prepare meeting minutes in both Thai and English and submit them to the SET and relevant agencies within 14 days from the date of the meeting, as well as disseminate the meeting minutes on the Company's website so that shareholders can inspect without waiting until the next meeting. There is also a sound database where meeting minutes are available for inspection and reference. In addition, video recording of Annual General Meeting of Shareholders was prepared to be provided to interested shareholders in form of VCD which was notified to the shareholders via the news system of the SET.

Chapter 2 Equitable Treatment of Shareholders

The Board of Directors has a policy to treat all shareholders equitably and fairly by protecting the rights of shareholders and provide convenience to shareholders in exercising of rights in various matters which shareholders are deserved. The Board of Directors has a policy of equitable treatment of shareholders as follows:

1. The Board of Directors gives the rights to shareholders to cast 1 vote per 1 share. For the same type of shares, they have the right to cast 1 vote per 1 share.
2. The Company allow a shareholder and/or a group of shareholders holding the Company's shares collectively at least 5 percent of voting rights to propose agendas and prospective directors before the Annual General Meetings. This description will be provided through SEC and the Company's website at least 3 months prior to the end of each fiscal year.
3. For the Annual General Meetings, the Company will send the meeting invitation notice and documents to shareholders at least 21 days prior to the meeting date and post the invitation notice and all information on the Company's website (<http://www.gmmgrammy.com>) in Thai and English more than 30 days prior to the meeting so that shareholders will have sufficient time to thoroughly study the meeting information for decision-making before receiving documents from the Company. The Company also advertised meeting notices in newspapers to inform shareholders of the date, time, venue and agenda items in both Thai and English for 3 consecutive days in advance of the meeting.
4. The Board of Directors provides convenience to shareholders who cannot attend the meeting in person by sending them Proxy Form Type A, B and C and attach documents and simple proxy-giving instruction so that proper documents will be prepared and none of difficulties expected. In addition, shareholders also have option to download the proxy form from the company's website.
5. The Board of Directors will nominate at least 1 independent director of the Company as an option of proxy for shareholders. The Company will attach the name and profile of the independent director with the meeting invitation notice.
6. The Board of Directors will conduct the meeting according to the agenda order outlined in the meeting invitation notice and will not add any other meeting agenda without notifying shareholders in advance apart from those specified in the invitation letter except extraordinary cases in order to protect the Company's interest under the governed laws.
7. The Board of Directors will arrange for use of ballots and qualified vote processing program on every agenda item which requires vote casting for transparency and inspection can be made in case debates occur later on. Also, an inspector is prepared for counting of votes and the vote results and resolutions of the meeting shall be disclosed clearly in the meeting minutes.
8. The Board of Directors sets a policy and guidelines of prevention of conflicts of interest and insider trading to seek interest for oneself or others in undue manner in the Corporate Governance and Business Ethics Manual of the Company and disseminates the policy to all directors, executives and employees of the Company for acknowledgement and strict compliance to prevent directors and executives of the Company from trading the Company's shares by using internal information or undertaking related party transactions and selling or buying assets in a manner which may breach or not comply with guidelines of the SET and the SEC.
9. In case of undertaking related party transactions which are required to be disclosed or to seek approval from shareholders according to requirements of the SET, prior to undertaking of the transaction, the Company has disclosed details such as name and relation of related parties, policy of determination of value of the transaction, rationale, as well as opinions on the transaction of the Audit Committee and the Board of Directors to shareholders clearly.

10. The Board of Directors requires directors and executives (according to definitions of the SEC) to comply with Section 89 of the Securities and Exchange Act by reporting their interest and their related persons' (including whenever there is change to information) by assigning the Company Secretary to report interest information (including changes) to the meeting of the Board of Directors for acknowledgement every 6 months to consider transactions of the Company which may have conflicts of interest with the Company. Directors and executives who have any related interest shall not attend the meeting to express opinions and have no rights to make a resolution of such matter.

Connected Transactions

The Board of Directors is aware of the importance of conducting its business with transparency and with due consideration of its stakeholders. As such, the corporate governance policy of the Company has clearly specified that all connected transactions of the Company and subsidiaries must be, at the minimum, approved by the management of the Company. If entering into any connected transactions which fall under the criteria stipulated by the SET regarding disclosure of information and acts of listed companies on connected transactions and/or if entering into transactions of acquisition or disposal of assets of listed companies, the Company shall perform pursuant to the SET criteria and regulations requiring that such transactions are subject to endorsement and/or approval by the management and/or the Board of Directors' meeting and/or the shareholders' meeting, as the case may be, on which related parties will not be entitled to vote.

To prevent conflicts of interest, the Board of Directors is prudent in considering any transactions prone to a conflict of interest by mapping written policy and procedure on approval of connected transactions in the Corporate Authorization Index (CAI) and/or requesting approval from the shareholders according to the SET criteria and regulations. Pursuant to the SET criteria, prices and conditions pertaining to such transactions have to be conducted on an arm's length basis. The Audit Committee will submit the transactions with conflicts of interest and the connected transactions to the Board of Directors on a regular basis.

The Company and subsidiaries have no policy to make any connected transactions unless the Company views that the transaction will yield the highest returns, at the price and under the terms and conditions as generally executed with outside parties. The Company has set for such transactions to be approved by the management and/or the Board of Directors and/or the meeting of shareholders as the case may be.

In addition, the Board of Directors recognizes the importance of prevention of conflicts of interest so it has set to have disclosure of information and transparency relating to undertaking of connected transactions and prevention of possible conflicts of interest by having various relevant reports made available, such as preparation of report on disclosure of transactions prone to conflicts of interest and/or related party transactions, report on securities holding and changes in securities holding and report on vested interest of directors, executives and related persons thereof.

In 2015, the Company did nothing in violation of or against the requirements of the SEC and the SET, whether insider trading, connected transactions or asset trading.

Chapter 3 Roles of Stakeholders

The Board of Directors believes in conducting business with integrity and transparency as well as having roles and responsibilities toward society by giving importance to the rights of all stakeholders of the Company, either internal stakeholders such as directors, employees and executives of the Company, or external stakeholders such as shareholders, customers, trade partners, competitors, the society and the environment, public sector and relevant agencies appropriately for both rights required by laws or those jointly agreed upon. The Board of Directors has set guidelines for directors, executives and employees in the GRAMMY Group's business ethics to be transparent and fair to various stakeholders, details of which are as follows:

Ethics on Treatment of Shareholders

The Board of Directors has a policy and guidelines on equitable and fair treatment of shareholders as follows:

1. Performing duties and conducting business with integrity, transparency and accountability to shareholders on a regular basis and disclose accurate, complete and standard information to shareholders within the legal framework, business ethics and good corporate governance principles.
2. Managing business of the Company for stable progress by using knowledge, competence and experience to the full extent and make any decisions with integrity, honesty, care and justice for the highest benefits of the shareholders.

3. Supervising operations to ensure that the Company has appropriate financial status and management to protect and increase interests of shareholders.
4. Managing assets of the Company not to deteriorate, lose, or waste.
5. Not seeking benefits for oneself and related persons by disclosing internal information of the Company which is confidential and/or not yet disclosed to the public or outsiders which may cause damage to the Company.
6. Respecting the rights of shareholders by reporting status and operating results of the Company as well as information to all shareholders equally, regularly, timely, accurately, completely and factually by having sufficient supporting documents and in accordance with the requirements of the SET and the SEC.
7. Not performing any acts in a manner which may cause conflicts of interest to the Company without notifying the Company.

Ethics on Treatment of Customers and Consumers

The Board of Directors is committed to creating and producing all forms of media and entertainment to bring satisfaction to customers continuously. Policy and Guidelines for treatment towards customers and consumers are as follows:

1. Catering to the needs of customers with good quality of products and services at reasonable prices and with qualified employees and state-of-the-art innovation and technology.
2. Studying, assessing and improving impact of products and/or services which may occur to consumers consistently and monitor and supervise products and services to have quality and meet standards, requirements, consumer protection laws or other relevant laws.
3. Providing information which is accurate, sufficient and beneficial to product and/or service consumers for decision-making by not intending to cover information or giving false information to mislead product and/or service consumers about the quality, quantity, or conditions of the product or service.
4. Respecting the rights of the product and/or service consumers and protect their personal information by not disclosing their personal information without their prior consent or using such information to seek benefits except for information which must be disclosed to the public as required by laws.
5. Arranging for a procedure to which customers can file issues of problems of using products or inappropriate provision of services via electronic mail or call center so that the Company can prevent/resolve problems for the customers quickly and appropriately and use such information to improve or develop other products or services.
6. Contracts between the Company and customers and consumers of the Company must be written clearly and easy to understand and comprising information and agreements which are accurate and sufficient and do not contain any conditions which are not fair or breach the rights of customers and consumers. Also, contracts and conditions mutually agreed upon shall be complied with in a strict manner and in case of failure to comply with any condition, customers shall be notified immediately to help seek resolution on a rationality basis.
7. Supporting activities which promote and maintain good relationship between customers and the Company.

Ethics on Treatment of Competitors

The Board of Directors conducts business within a framework of free and fair competition. Policy and Guidelines for treatment toward competitors are as follows:

1. Treating competitors according to the rule and manner of good and fair competition.
2. Not seeking confidential information of competitors with fraudulent, dishonest, or inappropriate method or in breach of laws.
3. Not intentionally destroying reputation of competitors with groundless slander.
4. Not performing any acts which breach intellectual property and copyright of competitors.

Ethics on Treatment of Trade Partners

The Board of Director treats customers equally and based on mutual benefits. Policy and Guidelines for treatment toward trading partners are as follows:

1. Treating trade partners equally, fairly and based on fair returns acceptable to both parties.
2. Complying with agreements or conditions mutually agreed upon strictly and in case of non-compliance with any conditions, notify customers immediately to jointly seek solutions on a rationality basis.
3. Not asking for or accepting assets or other benefits which are dishonest to trading with trade partners.
4. In case there are grounds to believe that there is request or acceptance of assets or other benefits which are undue, information shall be disclosed to trade partners to jointly seek solutions in no time.
5. Having a policy or measures of checking and screening trade partners of the Company such as producers and contractors and support undertaking of businesses with trade partners who conduct business fairly without violating human rights and realizing the importance of social responsibility. The company executes a purchasing policy and appoint a purchasing committee in order to select trade partners under transparency and accountability.
6. Not giving cooperation to or supporting any persons or organizations which conduct illegal business or are a threat to the society and national security.
7. Being committed to maintaining sustainable relationship with trade partners and contract counterparts on the basis of mutual trust.

Ethics on Treatment of Creditors

The Board of Directors is committed to conducting business to create creditability for creditors. Policy and Guidelines for treatment toward creditors are as follows:

1. Strictly complying with agreements, obligations, covenants and responsibility in the collaterals. In case of non-compliance or default, notifying creditors immediately to jointly explore proper solutions on a rationality basis.
2. Maintaining an appropriate capital structure in order to support the business operation and creditor confidence.
3. Providing creditors transparent information, and allowing them chances for company visits and having meetings with the Company's management.
4. Not giving cooperation to or supporting any persons or organizations which conduct illegal business or are a threat to the society and national security.
5. Being committed to maintaining sustainable relationship with creditors on the basis of mutual trust.

Ethics on Treatment of Employees

The Board of Directors realizes that employees are the most valuable resource of the Company and is a key to success of achieving the Company's goal. Therefore, the Company takes care of and treats employees fairly in terms of opportunities, returns, appointment, transfer, termination of employment, as well as establishment of policies of personnel development and encourages employees to develop and exhibit potential and personal value in order to help the organization grow continuously and sustainably. Policy and guidelines for treatment toward employees are as follows:

1. Treating employees with respect for their honour, dignity and human rights.
2. Appointing, transferring and giving prizes as well as punish employees with sincerity and according to their knowledge, competence, appropriateness and fairness without anti discrimination.
3. Assessing staff performance and progress regularly.
4. Giving remuneration of various types to employees fairly, appropriately and according to their knowledge, competence, experience, positions, responsibilities and individual performance which are taken into consideration in line with the operating results of the Company, economic conditions and social environment.
5. Providing appropriate welfare and other benefits for employees that are comparable to those of other companies in the same or similar business and as prescribed by law, such as provident fund, etc.

6. Giving continuous and regular support and giving importance to knowledge and potential development which is beneficial to employees at all levels for their good career path.
7. Maintaining a good working environment for sanitation and safety to life and properties of employees regularly.
8. Providing appropriate facilities and welfare for disabled employees.
9. Supporting employees to have better quality of life and support development of life of employees' families so that they live a happy life and are able to rely on themselves sustainably according to the philosophy of sufficiency economy.
10. Promoting participation of employees and respecting the rights of gathering of employees to gather to propose or set working guidelines and/or agreements to create benefits for all parties and good working relations, including channel to complaint of any wrong doings, approach to fact finding and protection of the whistle blower.
11. Supporting employees to work together under mutual culture and value and with high unity spirits.
12. Managing works with prudence and avoiding any unfair actions which may have impact on the job security of employees.
13. Complying with rules and regulations in relation to labour law (such as employment, termination of employment, etc) and welfare of employees.

Ethics on Roles and Responsibilities towards Community, the Environment and the Society

The Board of Directors strongly believes in conducting business according to business ethics and good corporate governance principles and alongside corporate social responsibility (CSR) to be embedded as part of the organization culture. This is carried by integrating with the Company's vision, mission, strategy and goal to create sustainable business growth. The Company respects human rights; treats its workforce fairly; is accountable to customers and consumers; supports and takes part in development of the community, the society and the environment; maintains religion; preserves natural resources and energy; and supports education and public activities, so that the community or underprivileged become strong and depend on themselves sustainably. Policy and guidelines on treatment toward the community, the environment and the society are specified in the Corporate Governance and Business Ethics Manual regarding Ethics on Roles and Responsibilities toward Community, Environment and Society, details of which are as follows:

1. Supporting CSR development through co-creation with all stakeholders by participating, inspiring and giving opportunities to other organizations to work together.
2. Supporting provision of knowledge and training for staff to instill conscience of responsibility toward the community, the environment and the society in employees at all levels and encourage employees to participate in activities arranged by the Company.
3. Having social participation by supporting and promoting activities which maintain good tradition and culture and behaving as a good religion follower by supporting religious activities consistently.
4. Participating in supporting activities relating to education, sporting capabilities, development of professional knowledge, for sustainable self-dependence.
5. Having social responsibility relating to public benefits, maintenance of the environment and development of the community as well as creative projects to promote and support better living of underprivileged, the elderly, children and youths.
6. Having social responsibility in different forms such as organizing campaigns against narcotics continuously, hence promotion and support of children and youths to stay away from narcotics, leading to a strong community and narcotic-free society.
7. Holding various projects to assist and relieve misery of people who are in trouble in many ways.
8. Supporting the community surrounding the Company and other communities to be strong and self-dependent in a sustainable manner, give mutual help, have a good quality of life, be happy and live happily in harmony.
9. Campaigning and instilling in employees conscience of preservation and smart and efficient use of resources and energy.
10. Creating and supporting activities which are beneficial to maintenance, preservation and use of natural resources and energy on a consistent basis.

11. Not performing any acts which will impair the reputation of the country, natural resources and the environment.
12. Not cooperating with or support any persons or organizations conducting illegal business or being a threat to the society and national security.
13. Complying or monitoring to ensure strict compliance with relevant regulations and laws.

Ethics on Respecting Human Right Law and Practice

The Board of Directors gives importance to respecting international human rights, to conducting business in compliance with laws, while embracing human rights which are the basic rights ensuring that all human beings are born free and equal in dignity and rights without discrimination against birth, race, nationality, color, gender, religion, age, language, physical and health condition, personal status, economic and social status, social value, education or political opinion. The Board also promotes employees' awareness of their rights, duties and responsibilities to society and other fellows. Policy and Guidelines are as follows:

1. Performing business in strict compliance with human right law and practice and provide employees with knowledge about human right law and practice for their further adoption in their work.
2. Ensuring that all employees familiarize themselves with laws related to their duties and responsibilities and strictly observe such laws.
3. Promoting the respect of and adherence to human right practice on the basis of human dignity.
4. Treating all employees on the basis of human dignity and respect their personal rights and duties.
5. Offering a non-discriminative and equal career opportunity for women, the disabled, incapacitated persons and all other under privileged groups.
6. Neither give a special favor to nor discriminate against any individuals due to race, nationality, color, gender, religion, age, language, physical and health condition, personal status, economic and social status, social value, education and political opinion.
7. Ensuring the incapacitated employees are provided with appropriate facilitating equipment and welfare.
8. Putting in place a policy or measure for screening key trade partners such as suppliers and contractors and ensure that these key trade partners undertake their businesses with fair practices and non-violation of human rights.
9. Encouraging employees' participation and respect their right to unify and come forward with their suggestions or ideas on operational directions and corrective measures that will be beneficial to all parties and strengthen a good working relation and cooperation.
10. Establishing a follow-up and monitoring process to prevent the Company and employees from conducting business, acting or participating in an act or failing to act in such a way that violates human rights.

Ethics on Intellectual Property and Copyright

The Board of Directors has a policy to respect intellectual property rights of other persons by not violating or supporting any acts which can be regarded as violation of intellectual property rights and copyrights of other persons, thus reflecting the Company's strong intention to conduct business with fairness and respect for and compliance with the laws relating to intellectual property rights. Policy and Guidelines are as follows:

1. Supporting development and respect creation or innovation of intellectual property rights and copyrights and evaluate the value of such innovation fairly.
2. Protecting and respecting intellectual property rights and copyrights of the Company and other persons by not violating or supporting any acts which are in violation thereof, such as making duplicates, adapting original material in any way, copying, broadcasting music and pictures, or making distribution to the public or any other acts and not claiming other persons' works as one's own.
3. Supporting and participating in activities which are beneficial to protection and prevention of violation of intellectual property rights and copyrights.
4. Supporting provision of knowledge and training to employees to instill conscience of respect and creation of intellectual property rights and copyrights in employees at all levels, as well as encourage employees to participate in activities held by the Company.

5. Issuing the Company's work regulations by prohibiting employees from behaving in the manner which may tarnish the reputation of the Company by following regulations, notifications and orders of government agencies, or laws relating to intellectual property rights and copyrights such as trademark law, patent law, license law or other relevant laws, as well as announcements, orders, rules and regulations set by the Company.
6. Treating and regarding violation of intellectual property rights and copyrights as a severe offence and if such offence is found, the Company will take penal action against the employee who has been found guilty of such violation according to the Company's work regulations and laws.

In 2015, the Company cooperated with state agencies and related private sector parties in a campaign against piracy titled "Took, Took Jai, Took Gohd Mai" (Cheap, Pleasing, Legal) to raise awareness of copyright protection among the public through various activities. The "Not Buy, Not Sell, Not Use Pirate Goods" slogan aims to encourage the public to be more aware of the intellectual property to help reduce the piracy problem in the long run. The Company joined hands with state agencies and the private sector to prevent piracy and prosecute violators. By the year 2015 the Company and its affiliates have taken legal action against 375 piracy cases composing of 258 lawsuits settlement, 54 prosecution pending cases and 63 judged cases.

Ethics on Vested Interest and Conflict of Interest

The Board of Directors is aware of the importance of conflict of interest prevention and has thus adopted the following policy and guidelines:

1. To safeguard against a conflict of interest, the Board of Directors exercises due care when there occurs any transaction involving a potential conflict of interest by observing a policy and procedure for approval of connected transactions, established in writing in the Authorization and Procedure Manual, and/or seeking approval from shareholders in line with the SET's regulations, as well as complying with the SET's regulations, with transaction price and conditions executed on an arm's length basis.
2. If the connected transaction is subject to approval from the Board of Directors, there must be independent directors or Audit Committee members participating in the relevant Board meeting.
3. The Audit Committee is to regularly propose any conflicted transactions and connected transactions to the Board of Directors and the person with a potential conflict of interest is not entitled to cast vote on or approve any such transactions.
4. Before entering into a connected transaction which is required to be disclosed publicly or be approved by the shareholders in accordance with the SET's regulations, the Company shall clearly disclose to the shareholders details such as names and nature of relationship of the connected persons, policy on determination of transaction price, rationale for entering into the transaction and opinion of the Board of Directors on the transaction.
5. For transactions that involve financial assistance, the Board of Directors has established a guideline on this type of connected transactions in the Corporate Authorization Index which was duly approved by the Board of Directors.
6. The Board of Directors has a guideline to maintain and prevent of use internal information in written. According to the guideline, directors, management and employees, who could access to insider information, are prohibited from trading the Company's securities during a one-month period before a release of the Company's financial statements to the public.
7. The Board of Directors has set a policy requiring that the directors, Executive Committee members and management (according to definitions of the SEC), including their respective related persons according to Section 59 and 258 of the Securities and Exchange Act, report their holding of the Company's securities and that the Company Secretary on quarterly basis is required to submit a summary report on the said securities holding and changes in securities holding in the Company to the Board of Directors' meeting quarterly for acknowledgement.
8. The Board of Directors has stipulated that the directors, management and their related persons (according to definitions of the SEC) must prepare and submit a report on interests to the Company and the Company Secretary has the duty to submit a summary report on the interests of the directors, management and their related persons and any subsequent changes thereof to the Board of Directors' meeting for acknowledgement on a semi-annual basis.
9. The Board of Directors has stipulated that all material connected transactions, with details regarding the conflicted persons, nature of relationship, type of the transactions, conditions for the transactions, pricing policy, transaction value, rationale and necessity of the transactions and opinion rendered by the Audit Committee and/or the Board of Directors, must be revealed in an information memorandum and/or the Company's annual registration statement (Form 56-1) and annual report.

Whistle Blower

The Company has set up a unit to review complains informed by whistleblower in regard to violation of the rights of the stakeholders, corruption, illegal actions, Coporate Governance and Business Ethic Policy, doubtful financial report or even internal control of the group to the Audit Committee. The notice can be issued through the following processes:

- Via normal post to the Audit Committee, 50 GMM Grammy Place, Sukhumvit 21 Rd (Asoke), Khlongtoeinuea, Wattana, Bangkok 10110
- Via E-mail: auditcommittee@gmmgrammy.com

The Secretary of the Audit Committee summarizes and submits the matters to the Audit Committee for further investigation. Then the Audit Committee will report the issue directly to the Board of Directors under the “Confidential Information” and “Protection of the Whistleblower” policies.

In 2015, there was neither complaint nor action in a manner that violated or failed to comply with applicable laws, rules and regulations of the SET and the SEC.

Protection of Whistleblowers

The Board of Directors stipulates Policy and Guidances of Whistle Blower Protection in order to keep whistleblower's information as well as an evidence confidential. Such information will not be disclosed to any irrelevant parties except in the case of disclosure under the duties as required by law.

Chapter 4 Information Disclosure and Transparency

The Board of Directors supervises the Company to communicate and disclose important information relating to the Company, either financial or non-financial information. The Company's key guidelines are as follows:

1. Provision of communication and data distribution channels

The Company has made available communication and data distribution channel so that shareholders, investors and other stakeholders can access information of the Company conveniently, thoroughly and equitably through various channels on a regular basis in both Thai and English such as:

1) The Company's website

The Board of Directors has put in place a communication and data distribution channel that through the Company's website (<http://www.gmmgrammy.com>), which has been developed in a modern form and easy to use with completed.

2) The SET Community Portal or SCP and SET's website

The Board of Directors assign the Corporate Secretary and related department to disclosure of news and information to shareholders, investors and related persons through the SET Community Portal or SCP and SET's website (<http://www.set.or.th>) such as financial statements, press release, etc.

3) Investor relations

The Board of Directors has designated Investor Relations unit to represent the Company in communicating and publicizing the Company's information and activities which are beneficial to shareholders, investors, securities analysts and interested persons to access information of the Company, such as press conference, press release on investment activities and other significant business activities, analyst site visit and participation of activities organized by the SET on a regular basis, etc.

Besides, the Company organize quarterly analyst meeting for investors, analysts and interested persons. The executives will attend the meeting to explain and answer participants' questions.

Investors are welcome to contact Investor Relations Department of the Company at:

Investor Relations Department

GMM Grammy Plc., 50 GMM Grammy Place, 41st Floor, Sukhumvit 21 Rd. (Asoke),

Khlongtoeinuea, Wattana, Bangkok 10110

Tel. (662) 669 9936, (662) 669 9952, (662) 669 8071

Fax. (662) 669 9737

E-mail Address: ir@gmmgrammy.com

4) Office of Corporate Secretary

The Board of Directors has set up Office of Corporate Secretary to be responsible for the Company's high-level meetings, such as the Board of Directors' meeting, shareholders' meetings and Executive Committee meeting to ensure that the Company, the Board of Directors and executives operate in accordance with legal provisions and the requirements of regulatory agencies and serve as the point of contact for communications between shareholders/stakeholders and the Company in disseminating relevant or useful information and activities, as well as receiving recommendations or coordinating the clarification of shareholders' questions on the Company's businesses or operations.

Office of Corporate Secretary

GMM Grammy Plc., 50 GMM Grammy Place, 41st Floor, Sukhumvit 21 Rd. (Asoke),

Khlongtoeinuea, Wattana, Bangkok 10110

Tel. (662) 669 9291, (662) 669 9946

Fax. (662) 669 8137

E-mail Address: cs@gmmgrammy.com

2. Disclosure of information and performance of the Board of Directors and Sub-Committees

The Board of Directors arranges for disclosure of information such as business description, the major shareholders, the committee and executives, corporate governance policy, updated information, acquisition and disposal of assets, connected transactions, issuance of securities, shareholders meeting, and committee resignation. These also includes quaterly and annual report in annual information disclosure (Form 56-1), Annual report, Financial statements, and quarterly analysis in order to provide all stakeholders precise, transparent, reliable information complying laws and corporate governance regulations.

In 2015, the Company submitted quarterly and yearly financial statements and reports by the timeline and pursuant to the criteria of the SET and no instruction has been made by Office of the SEC for the Company to rectify the financial statements.

Chapter 5 Responsibilities of the Board of Directors

The Board of Directors is well aware of its roles, duties and responsibilities for directing the Company's operation, monitoring the Management's operation, performing duties with knowledge, competence, transparency, due care and accountability for the Company and its shareholders and being independent of the Management. Here are the key guidelines on the Board's operations:

Board Composition

- 1) The Board of Directors determines the board composition that fits with the Company's business size, whereby it is set to be composed of at least 5 members, not less than 1/2 of the directors must reside in Thailand and at least one of whom must be experienced in accounting and finance field.

- 2) Of the total number of board members, at least 1/3 and no fewer than 3 persons must be independent directors.
- 3) The Board of Directors must be partially composed of non-executive directors so as to ensure checks and balances against the executive directors and a minimum of 1/3 of the total board members must be independent directors.

Qualifications of Directors

The Company has specified qualifications of the Board of Directors as follows:

- 1) Meeting the qualifications and not possessing the prohibited characteristics prescribed in the Public Limited Companies Act B.E. 2535 or other related laws, as well as the regulations of the SET and the SEC and the Company's Articles of Association.
- 2) Being an expert with knowledge, capability and experience that are beneficial to the Company's operation.
- 3) Having a leadership skill, vision and independent decision-making ability to ensure the maximum benefit to the Company and the shareholders.
- 4) Being responsible to serve as the director and able to spare full time to perform the duty, assuming accountability to shareholders and duty of care and protecting the Company's interests.
- 5) Performing duties with integrity, honesty, ethics and adherence to laws, good corporate governance principles and code of business conduct.

Qualifications of Independent Directors

According to the Board of Directors Meeting No.7/2011, the Meeting had a resolution to acknowledge the qualification of Independent Directors comply with requirements stipulated by the SEC and the SET. Therefore, the qualification of Company's Independent Directors shall be as in the followings:

- 1) Holding shares of not exceeding 1% of total voting shares of the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons, including shares held by related parties.
- 2) Not being or have ever been an executive director, employee, staff, corporate advisor receiving a regular salary, or a controlling person of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries, its major shareholders, or its controlling persons unless the foregoing status has ended for more than 2 years prior to being appointed as Independent Director. Such prohibitions exclude government officer or advisor to any government agency who is major shareholder or controlling person of the Company.
- 3) Not being a person related by blood line or by law in terms of father, mother, spouse, sibling and child, including spouse of the children, of other directors, management, major shareholders, controlling persons, or persons to be nominated as directors, management or controlling persons of the Company or its subsidiaries.
- 4) Not being or have ever been an auditor of the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons and is not a significant shareholder, a controlling person, or a partner of an audit firm which employs auditors of the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons unless the foregoing relationship has ended for more than 2 years prior to being appointed as Independent Director.
- 5) Not being or have had a business relationship with the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons, in the manner that may interfere with his/her independent judgement, or is not or has not ever been a significant shareholder or a controlling person of any person having business relationship with the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons unless the foregoing relationship has ended for more than 2 years prior to being appointed as Independent Director. The term "business relationship" aforementioned includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions which result in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of 3% or more of the net tangible assets of the Company or 20 million baht or more, whichever is lower.

- 6) Not being or have ever been any professional advisor including legal or financial advisor who receives an annual service fee exceeding 2 million baht from the Company, its parent company, its subsidiaries, its associated companies, its major shareholders, or its controlling persons and is not a significant shareholder, a controlling person, or a partner of the professional advisor unless the foregoing relationship has ended for more than 2 years prior to being appointed as Independent Director.

Any person being appointed as Independent Director of the Company may be a person who has or has had a business relationship, or may be a professional advisor receiving amount exceeding those specified in item 5 or 6 in case the Board of Directors has duly considered that relationship will not affect the ability to perform duties and express independent opinions.

- 7) Not being a director representing Board member of the Company's, its major shareholders, or a shareholder who is related to the Company's major shareholders.
- 8) Does not own/run any business similar to or material competing with the Company or its subsidiaries, or not being a significant partner in any partnership, executive director, employee, staff, advisor receiving regular salary, or holds more than 1% of total voting shares of the company similar to or material competing with the Company or its subsidiaries.
- 9) Have no any other characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business.
- 10) After being appointed, Independent Director may be authorized by the Board of Directors to make a collective decision to execute business of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries, its major shareholders, or its controlling persons.

Terms of service of Director

Directors shall hold the terms as stipulated in the Public Limited Companies Act B.E. 2535 and the Company's Articles of Association, which reads "At each annual general meeting of shareholders, 1/3 of the directors, or if the number is not a multiple of 3, then the number nearest to 1/3, must retire from office. The directors who have been the longest in office shall retire first. The retiring directors may be re-elected." The Nomination and Remuneration Committee will select and nominate qualified persons to be directors to the Board of Directors before seeking approval from the shareholders' meeting.

The Board of Directors has stipulated that members of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance and Ethics Committee shall each have a term of 3 years and may be re-appointed as deemed fit by the Board of Directors.

New Director Orientation

The Board of Directors recognizes the importance of new director orientation and had adopted a policy and method on this matter as follows:

1. The Board of Directors has stipulated that all incoming directors must attend an orientation program. The Company Secretary is assigned to provide them with documents and information relevant to the directors' duties such as Directors Guidelines, Corporate Governance and Ethics Manual, Articles of Association, Capital Structure, Shareholder Structure, Operating Results, Related Laws, Best Practices for Directors, relevant rules and regulations, director training courses and other information pertaining to the Company's business in order to enhance the new directors' knowledge and understanding of the Company's operations in all respects.
2. Office of Corporate Secretary shall arrange new company's directors a company visit together with company presentation to create their better understanding about the Company's business operation.

Director Development

The Board of Directors encourages, supports and provides convenience for all parties concerned with the Company's corporate governance processes such as directors, sub-committee members, management, Company Secretary, Investor Relations Department, Accounting Department, etc. to participate in training and seminar programs or activities arranged by Thai Institute of Directors (IOD), the SET, the SEC, Thai Listed Companies Association, Thai Investors Association or other independent organizations on a regular and continuous basis in a bid to enhance their knowledge and operational efficiency. The Board of Directors has assigned the Company Secretary to coordinate with the directors and management and inform them of details about the said training courses.

As of December 31, 2015, the Board of Directors and sub- committees attending courses organized by IOD and by other institutions, as tabulated below:

Name of Director	Title	Courses organized by IOD					Courses organized by other institutes
		CDC	DAP	DCP	ACP	FND	
Dr.Naris Chaiyasoot	Chairman of the Audit Committee Member of the NRC Independent Director	3/2008	32/2005	82/2006	-	19/2005	
Mr. Suvit Mapaisansin	Independent Director Member of the Audit Committee Member of the NRC Member of the CG	-	-	12/2001	37/2011	-	
Mr. Chanitr Charnchainarong	Independent Director Member of the Audit Committee	-	-	52/2004	-	-	1. Capital Market Academy Leader Program, Class 2/2006, Capital Market Academy 2. Public Economics Management for Executives, Class 9/2011, King Prajadhipok's Institute 3. Advanced Management Program (AMP) Class 185/2013 by Harvard Business School Harvard University, USA 4. Senior Executives of Justice Administration, Class 19/2014, Office of the Judicial Training Institute
Dr. Lackana Leelayouthayotin		-	-	-	-	-	1. Global Brand Forum 2. Unleashed the Power Within by Anthony Robbins, Singapore 3. Asia Pacific Chief Executive Grid Seminar, Grid Organization Development and Change Management 4. Advance Executive Program (AEP), Kellogg School of Management, North Western University, USA 5. Data-Based Competitive Benchmark in Marketing, Asia Pacific Marketing Federation, Philippines 6. Update in Strategic Management by University of California Berkley, Singapore 7. Developing the First-Class Manager, Hawksmere, Hong Kong 8. Marketing Manager, Queen's University, Canada
Miss Suwimon Chungjotikapisit	Director Member of the NRC	-	-	12/2001	-	-	
Mr. Sataporn Panichraksapong	Director Member of the NRC	-	-	186/2014	-	-	

NRC = Nomination and Remuneration Committee

CDC = Chartered Director Class

DCP = Director Certification Program

FND = Finance of Non-Finance Director

CG = Corporate Governance and Ethics Committee

DAP = Director Accreditation Program

ACP = Audit Committee Program

Board of Directors' Meetings

The Board of Directors announced the Board meeting's schedule in advance for 1 entire year, to the directors and the relevant parties, requiring that a regular meeting be arranged at least once every quarter (4 times a year), with a special session meeting allowed to be convened as deemed necessary. Agenda items are also pre-determined and are clearly divided into categories such as issues for information, issues for approval and issues for consideration.

The Company screens the proposed items to make certain that all crucial issues are included in the agenda, whereas all board members are entitled to propose agenda items independently. The Company Secretary submits an invitation letter complete with the meeting agenda and accompanied by related documents to all board members at least 7 days ahead of the meeting date to allow the board members sufficient time to consider the issues. Where it is deemed essential or urgent, the meeting request can be notified by other method or the meeting can be arranged sooner. A meeting usually takes 1-2 hours. The Company Secretary takes the minutes of the meeting.

To promote the Board of Directors' performance, the Office of Corporate Secretary determined criteria and forms for the completeness, adequacy and suitability of information submitted to the Board of Directors, aiming to enable the Board of Directors' meetings to proceed smoothly, quickly and efficiently, in accordance with relevant laws and regulations, for all units concerned to use as reference and standards in preparing information before submitting to the Office of Corporate Secretary for compiling as a proposal to each Board of Directors' meeting.

In each meeting, the Chairman allows each director to express his/her opinions freely and allocates time appropriately and efficiently. In case of a director having a stake in a matter being considered, the director shall inform the meeting of such stake and shall not participate in discussing the matter and not exercise the voting right on the matter. At least 2/3 of the total number of directors shall be presented to form a quorum at the time of the Board passing a resolution.

The Board of Directors has a policy to encourage each board member to attend the board meeting consistently, with an average participation of at least 80% of total number of board meetings held in each year. The total number of meetings held and attendance by each member of the Board of Directors and board committees are disclosed in the Company's annual registration statement (Form 56-1) and annual report.

Besides, the Board of Directors has a policy to encourage non-executive directors, independent directors and members of the Audit Committee to hold meetings among themselves as deemed fit in order to discuss about any crucial management issues without the presence of the management. In 2015, the Audit Committee members, held 1 meeting with the external auditor without the presence of the management on February 27, 2015

Merger and Segregation of Duties

The Board of Directors requires that duties be clearly segregated for the purpose of power distribution in decision making and directing, with balance and review in management. This has been continuously improved for suitability and coverage of the Company's activities, in line with changes in the notification or requirements of regulatory agencies, with management power being put under the Corporate Authorization Index for information and action by parties concerned.

Independence of Board of Directors and Management

1. Segregation of Chairman of the Board position and Group Chief Executive Officer position

As a strong advocate of good corporate governance, the Board of Directors has segregated the positions, powers and duties of Chairman of the Board and the Group Chief Executive Officer in conformity with the Corporate Authorization Index which was duly approved by the Board of Directors, so as to ensure the Board of Directors' independent checks and balances against the management.

2. Balance of power

The Board of Directors ensures that it has a proper board composition and a definite segregation of roles, duties and responsibilities between the Board of Directors and the management.

All board members have the freedom of conveying their opinions on the Company's operation with integrity and in the best interest of the Company and without being influenced by any party. They also are held accountable for performing duty in accordance with relevant laws, the Company's Articles of Association and resolutions of the Board of Directors' meeting and the shareholders' meeting.

Directorship in Other Listed Companies

The Board of Directors has established a policy on directorship in other listed companies as follows:

1. Directorship in other listed company held by the Company's directors

- 1) Each director is allowed to hold directorship in other listed companies not more than 5 listed companies, inclusive of the Company, to ensure the directors' efficiency and sufficient allocation of time to serve on the Company's Board of Directors.
- 2) Directors should avoid holding directorship in any other listed company that could create a conflict of interest with the Company and in performing their duty as the Company's director.

2. Directorship in other listed company held by Group Chief Executive Officer and Top Management

The Board of Directors allows the Group Chief Executive Officer and top executives to take directorship in other companies and most of them are appointed as directors of companies in the Group; in all it is of benefit to the Company, not affecting the performance of their respective duties and responsibilities.

Annual Self-Assessment

1. The Board of Directors' Self-assessment

The Board of Directors regularly conducts a yearly Board and Director self-assessment to be a framework to monitor the performance of the duties of the Board. Including reconsider Processing commentaries on various issues Related to the operations of the Company. And duties of the Board during the past year, a summary of the Company Secretary . And present the findings to the Board of Directors. To be used to edit and enhance performance.

The Board self-assessment is divided into 5 rankings: 4 = Excellent, 3 = Very Good, 2 = Good, 1 = Unfavourable, 0 = Needs Improvement.

The ranking results of Board self-assessment, broken down into 6 categories, for 2014 were as shown below:

	Board Assessment	Director Assessment
Assessment Category	1. Structure and qualifications of the Board of Directors 2. Roles and responsibilities of the Board of Directors 3. Board of Directors' meetings 4. Performance as a director 5. Relationship with the management team 6. Director's personal development and development of the management	1. Qualifications, knowledge, ability 2. Independence 3. Performance as a director 4. Attention to duty and responsibility 5. Director's personal development
Average Score	3.66	3.62

2. The Sub-committees' Self-assessment

In 2015, the Board of Directors required that self-assessment apply to all Sub-committees, namely, the Audit Committee, Risk Management Committee, Corporate Governance and Ethics Committee and Nomination and Remuneration Committee; formerly this applied to only the Audit Committee. The self assessment results were reported to the Board of Directors on a yearly basis for review of the committees' performance, including opinions on issues related to their performance of duties during the past year, with an aim to make improvements and enhance work efficiencies. The performance assessment forms were determined according to each committee's scope of duties and responsibilities. For the Audit Committee, the performance assessment was also based on the Best Practice Guidelines for Audit Committee, developed by the SET, the Thai Institute of Directors (IOD) and companies with good ratings on good corporate governance, where applicable to the Company.

In 2015, all the Sub-committees performed their duties well with knowledge and abilities in accordance with the scopes of duties and responsibilities given in their respective charters and line with the regulator's best practice guidelines. The Company Secretary summarized the results of each Sub-committee's performance assessment for submission to the Board of Directors at the Board's Meeting No.1/2016 on February 26, 2016. The Sub-Committees assessment is divided into 5 rankings: 4 = Excellent, 3 = Very Good, 2 = Good, 1 = Unfavourable, 0 = Needs Improvement

Results of the self-assessment

Sub Committee	Average Score in 2015
1. Audit Committee	3.99
2. Nomination and Remuneration Committee	3.66
3. Risk Management Committee	3.61
4. Corporate Governance and Ethics Committee	3.49

3. Group Chief Executive Officer's Evaluation

The Board of Directors has assigned the Nomination and Remuneration Committee to evaluate the performance of the top executive in the organization's structure (Group CEO) on a yearly basis, for use as a guide in determining the top executive's remuneration and submit the result of the evaluation to a meeting of the Board of Directors for acknowledgement and approval.

In 2012, the Nomination and Remuneration Committee agreed to improve the evaluation form of the performance of Group CEO to suit the current situation, based on the evaluation form of the performance of the top executive of the Corporate Governance Center, The Stock Exchange of Thailand.

The Group Chief Executive Officer evaluation is divided into 5 rankings: 4 = Performed excellently, 3 = Performed very well, 2 = Performed reasonably, 1 = Performed partially, 0 = Not yet performed.

The overall evaluation, with total scores of 100%, can be classified into 5 levels:

More than 95%	=	Excellent
90% - 95%	=	Very Good
80% - 89%	=	Good
70% - 79%	=	Fair
Below 70%	=	Needs Improvement

In 2015, the Nomination and Remuneration Committee evaluated the performance of the Miss Boosaba Daorueng, the Group Chief Executive Officer for 2015 and reported to the Board of Directors' meeting No. 1/2015, held on February 26, 2015, that the overall evaluation of the Group Chief Executive Officer was rated "Very Good", or equivalent to the average score of 92.62%.

Succession Plans

The Board of Directors sees the importance and need to support the development of a succession plan for the top executive, Chief Executive Officer and/or other key management positions, which is part of the Company's human resources management strategy. The Development planning of talented personnel is aimed to cope with any unexpected incapability or vacancy of those key positions to ensure uninterrupted operation.

Sub-Committees

The Board of Directors has appointed various sub-committees to help screen crucial issues with due care and efficiency. These committees hold meetings and report their findings to the Board of Directors for acknowledgement, approval or consideration, as the case may be, on a regular basis and report their performance for the shareholders' information in the annual report. This helps to support and enables the Company's overall operation to attain the established goals and comply with good corporate governance principles. The Board of Directors has approved the charter of each committee, clearly stipulating therein the committee objectives, qualifications, composition, terms of service, scope of power, duty and responsibility, reporting and meetings. The charter of each committee will be reviewed from time to time to ensure its appropriateness and is posted on the Company's Website (the details of the Board of Directors and Management Team are presented in the title "Management Structure"). There are 4 sub-committees as follows:

1. Audit Committee

The Audit Committee's composition and qualifications fully conform to the SET and the SEC's guidelines. It is composed of no fewer than 3 independent directors, at least one of whom has knowledge and understanding or experience in accounting or finance field sufficient for reviewing a financial statement. The committee members have terms of 3 years and may be re-appointed as deemed fit by the Board of Directors.

The Audit Committee holds or calls a meeting as deemed appropriate at least once every quarter (4 times a year). The meeting agenda is clearly pre-determined. Relevant documents are delivered in advance to the committee members and other attendees to allow them sufficient time to consider the issues or request additional information. The agenda covers all matters as assigned by the Board of Directors and as required by laws and/or regulations of the regulator bodies.

The Audit Committee performs duties as designated by the Board of Directors and within the purview of power, duties and responsibilities defined in the Audit Committee Charter, which is in conformity with the scope of main activities prescribed by the regulator bodies. The Company has a policy to disseminate the Company's Audit Committee Charter through the GRAMMY Group's Intranet to ensure it is communicated to all people across the organization.

As of December 31, 2015, the Audit Committee comprised 4 independent directors who possessed qualifications as required by the SET and the SEC. In 2014, the Audit Committee held a total of 5 meetings. Members of the committee, appointment term and their attendance at the meeting are as follows:

Name	Title	Meeting Attendance (Times)	Note
1. Dr. Naris Chaiyasoot ¹¹	Chairman	5/5	-
2. Mr. Suvit Mapaisansin ¹¹	Member	2/3	Was appointed, effective on May 13, 2015
3. Mrs. Veeranuch Thammavaranucupt	Member	2/2	Was appointed, effective on June 24, 2015
4. Mr. Chanitr Charnchainarong	Member	-/-	Was appointed, effective on November 13, 2015
Miss Suvabha Charoenying	Member	1/1	Completed Term, April 29, 2015
Mr. Kudun Sukhumananda	Member	1/1	Resigned, effective on April 30, 2015
Mr. Dej Bulsuk	Member	4/4	Resigned, effective on September 1, 2015

¹¹ Dr. Naris Chaiyasoot and Mr. Suvit Mapaisansin are the members of the Audit Committee who are knowledgeable and experienced in financial statement review.

The Audit Committee had performed its duty knowledgeably and to the best of its ability, within its scope of authority in accordance with the Audit Committee Charter and good corporate governance for Audit Committees. The meeting minutes have been duly recorded and endorsed by the members of the Committee, in readiness for inspection by any member of the Committee and related personnel.

Duties and Responsibilities of the Audit Committee

- 1) Ensuring the accuracy, completeness and reliability of the financial statements and that sufficient information is disclosed.
- 2) Ensuring that the Company has sufficient, appropriate and effective internal controls, risk management and internal audit systems.
- 3) Ensuring that the Company appropriately and effectively abides by the Good Corporate Governance Policy and Code of Ethics.
- 4) Ensuring that the Company abides by all relevant the SEC and the SET rules and regulations and other regulations and laws related to the Company's businesses.
- 5) Proposing and terminating the Company's auditors and determine their compensation.
- 6) Evaluating connected transactions so they comply with the law and regulations stipulated by the SET and that the transactions are reasonable and benefit the Company.
- 7) Supervising the Internal Audit Unit policies and operations so that they are aligned with the Internal Audit Charter, by evaluating the independence of its audits, the scope of work and audit schedules.
- 8) Evaluating and appoint, transfer and terminate the head of Internal Audit Department, as well as assess the performance of the head of Internal Audit Department and approve compensation for the Internal Audit Department, as initially appraised by the top Management.
- 9) Reviewing both the external and internal audit and recommendations conducted by the external Auditor and the Internal Audit Department, as well as monitor the management team to ensure that recommendations have been sufficiently followed and effective action has been taken within an appropriate timeframe.
- 10) The Audit Committee can request that any member of the management or any employee to report or present information, attend meetings or deliver documents as deemed relevant and necessary.
- 11) The Audit Committee can request assistance from external advisors or experts related to the Audit, at the Company's expense, in accordance with the Company's Articles of Association, as necessary.
- 12) Considering and amending the Audit Committee Charter at least once a year or as necessary, so it is up-to-date and appropriate to the Company's environment and to present the results to the Board of Directors for approval.
- 13) Preparing an Audit Committee's Report, attached in the Company's annual report, signed by the Chairman of the Audit Committee.
- 14) Executing other tasks as assigned by the Board of Directors, as agreed to by the Audit Committee.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of at least 3 members, a majority of whom (more than half of the total members) must be independent directors with one of them serving as the committee chairman. The committee composition is regularly reviewed to fit with the Company's organization structure and nature of business.

The Nomination and Remuneration Committee holds or calls a meeting as deemed appropriate at least once a year and has the power to additionally call a meeting as deemed fit.

The Nomination and Remuneration Committee performs duties as designated by the Board of Directors and within the purview of power, duties and responsibilities defined in the Nomination and Remuneration Committee Charter. The Company has a policy to disseminate the Company's Nomination and Remuneration Committee Charter through the GRAMMY Group's Intranet to ensure it is communicated to all people across the organization.

As of December 31, 2015, the Nomination and Remuneration Committee's 3 reputable members comprised 1 Director and 2 Independent Directors. In 2015, the Nomination and Remuneration Committee held a total of 3 times. Members of the committee and their attendance at the meeting are as follows:

Name	Title	Meeting Attendance (times)	Note
1. Dr. Naris Chaiyasoot	Chairman	3/3	-
2. Miss Suwimon Chungjotikapisit	Member	3/3	-
3. Mr. Suvit Mapaisansin	Member	-/-	Was appointed, effective on November 13, 2015
Mr. Dej Bulsuk	Chairman	2/2	Resigned, effective on September 1, 2015

For each of the Nomination and Remuneration Committee's Meeting, the Committee's Secretary was responsible to send out the meeting notice including all agendas to the directors 7 days prior to the meeting date. All matters discussed in the meetings had been duly recorded in detail and minutes of the meetings were adopted by the Committee in readiness for inspection by any Committee's member and related parties.

Duties and Responsibilities of the Nomination and Remuneration Committee

Nomination

1. Setting guidelines and policies in nominating Board of Directors and other Committee members by considering what would be the appropriate number, structure and composition of members and outlining necessary directors' qualifications and proposing these ideas for approval by the Board of Directors and/or Shareholders Meeting as appropriate.
2. Searching, selecting and proposing appropriate persons to assume the position of the Company's directors whose term have expired and/or became vacant, including newly appointed director.
3. Executing other tasks related to nominations as assigned by the Board of Directors.
4. Evaluating the performance of the top management and reporting to the Board of Directors for their consent.

Remuneration

1. Preparing guidelines and policies in determining the Board of Directors and other committees' remuneration and proposing it to the Board of Directors and/or Shareholders Meeting for approval as appropriate.
2. Determining necessary and appropriate monetary and non-monetary remuneration, for individual members of the Board of Directors and the top management each year, for the director's remuneration by taking into consideration each director's duties and responsibilities, performance and comparisons against similar businesses and the benefits expected in return from each director. The report will be submitted to the Board of Directors for consent and to the Shareholders' Meeting for approval.
3. Taking responsibility to support the Board of Directors and being responsible for explaining and answering any questions regarding the Board of Directors' remuneration in the Shareholders Meeting.
4. Reporting policies and principles/reasons in determining the remuneration of directors and management according to the SET guidelines by disclosing them in the Company's annual information disclosure (Form 56-1) and annual report.
5. Being responsible for any other tasks related to the remuneration as assigned by the Board of Directors.

3 Risk Management Committee

The Risk Management Committee is composed of at least 3 members appointed from the Company's directors and top executives with relevant knowledge, competence and experience that enable achievement of objectives. The committee composition is regularly reviewed to fit with the Company's organization structure and nature of business.

The Risk Management Committee holds or calls a meeting as deemed appropriate at least twice a year and has the power to additionally call a meeting as deemed fit.

The Risk Management Committee performs duties as designated by the Board of Directors and within the purview of power, duties and responsibilities defined in the Risk Management Committee Charter.

Moreover, the Board of Directors on February 28, 2008 approved GRAMMY Group's Risk Management Policy and Framework to serve as a guideline on group-wide risk management system development. The said policy and framework will be regularly reviewed to fit with the Company's organization structure and nature of business.

As of December 31, 2015, the Risk Management Committee comprised 11 members whose terms last 3 years according to the Corporate Governance and Business Ethics Manual of the Company. In 2015, the Risk Management Committee held on 2 meetings. Members of the committee and their attendance at the meeting are as follows:

Name	Position	Meeting Attendance (Times)	Note
1. Miss Boosaba Daorueng	Chairman	2/2	-
2. Mrs. Saithip Montrikul Na Ayudhaya	Member	1/2	-
3. Mr. Krij Thomas	Member	2/2	-
4. Mr. Takonkiet Viravan	Member	-/2	-
5. Mr. Premon Pinskul	Member	2/2	-
6. Mrs. Jiraporn Rungsrithong	Member	2/2	-
7. Mr. Suwat Damrongchaitham	Member	1/2	-
8. Mr. Sataporn Panichraksapong	Member	2/2	-
9. Miss Chitralada Hengyotmark	Member	2/2	-
10. Mr. Fahmai Damrongchaitham	Member	1/2	-
11. Mrs. Montana Thawaranont	Member	1/1	Was appointed, effective on February 27, 2015.
Mr. Dew Woratangtaoon	Member	1/1	Resigned, effective on March 24, 2015

Duties and Responsibilities of the Risk Management Committee

1. Assessing and presenting policies, set risk management policy and framework and propose to the Board of Directors for approval.
2. Examining and agreeing on acceptable risk levels, approve risk management plans and present to the Board of Directors.
3. Continuously monitoring, develop and comply with policies and the risk management framework so the GRAMMY Group will have a risk management system that is uniformly effective throughout the organization to ensure that policies continue to be observed.

4. Assessing risk identification and assessment procedures, report on significant risk management activities and enforce procedures to ensure that the organization has sufficient and appropriate risk management systems in place.
5. Coordinating with the Audit Committee about significant risk factors and appoint an internal risk assessment team to ensure that the GRAMMY Group's risk management system is appropriate to the exposure, adapted as needed and adopted throughout the organization.
6. Continually reporting to the Board of Directors on significant risks and risk management solutions.
7. Recommending and advising the Risk Management Committee and/or departments and/or the relevant working committees about significant risks about risk management, as well as evaluate the appropriate means to improve various databases that are related to the development of risk management solutions.
8. Appointing Sub-Committees and/or additional related personnel, or replacements in the Risk Management Committee and/or the Department and/or the working team that is related to managing risks as necessary, as well as determine their roles and responsibilities in order to achieve the objectives.
9. Executing other activities that pertain to managing risks as assigned by the Board of Directors.

4. Corporate Governance and Ethics Committee

The Corporate Governance and Ethics Committee composes 4 Company's directors with relevant knowledge, competence and experience in various business lines which is reviewed to fit with the Company's organization structure and nature of business.

The Corporate Governance and Ethics Committee holds or calls a meeting as deemed appropriate at least 2 times a year and has the power to additionally call a meeting as deemed fit and performs duties as designated by the Board of Directors and within the purview of power, duties and responsibilities defined in the Corporate Governance and Ethics Committee Charter.

As of December 31, 2015, the Corporate Governance and Ethics Committee had 4 qualified members, comprising 2 independent directors and 2 directors from management team) with a 3 year term according to the Company's Corporate Governance and Business Ethics Manual. There were a total of 2 meetings in 2015. Members of the committee and their attendance are as follows:

Name	Position	Meeting Attendance (Times)	Note
1. Mr. Krij Thomas	Chairman	2/2	-
2. Mr. Sataporn Panichraksapong	Member	2/2	-
3. Mr. Suvit Mapaisansin		2/2	Was appointed, effective on May 13, 2015
4. Mrs. Veeranuch Thammavaranucupt	Member	2/2	Was appointed, effective on June 24, 2015
Miss Suvabha Charoenying	Member	-/-	Completed Term, April 29, 2015
Mr. Kudun Sukhumananda	Member	-/-	Resigned, effective April 1, 2015

Duties and Responsibilities of the Corporate Governance and Ethics Committee

1. Proposing Corporate Governance Policies and a Code of Ethics of the Group to the Board of Directors for approval.
2. Monitoring and supervising the Group to ensure that corporate governance policies and business ethics specified by the Company are complied with.
3. Continuously assessing the Group's corporate governance policies and code of ethics to ensure that they comply with international standards and/or recommendations from related government organizations and propose these findings for approval from the Board of Directors.
4. Evaluating and proposing a Code of Best Practices to the Board of Directors and/or smaller committees in the Group.
5. Encouraging the dissemination of the good corporate governance culture across the organization and ensure that it is actually practiced.
6. Evaluating appointing and outlining the working team's roles in supporting the monitoring and supervision of business operations and ethics, as appropriate.
7. Performing other duties as assigned by the Board of Directors.

Nomination and Appointment of Directors and Executives

(1) Nomination and Appointment of Directors

1. Policy and Criteria for Nomination and Appointment of New Directors
 - a. A composition, structure, qualifications and board diversity of the directors to fill any vacancies and/or to fill additional board seats which takes into account the lack of necessary skills on the Board in order to lead the Company to achieve business objectives under management with good corporate governance of international standards.
 - b. A qualified person as per the laws and regulating agencies, and the Company's announcement.
 - c. A qualified person with knowledge, leadership, courage to express opinions, decision making with information and reasons, morality and ethics, unblemished records.
2. Policy and Criteria for Nomination and Appointment of Current Directors who shall retired by rotation in each year
 - a. Understanding of the Company's business, meeting agendas, and ability to provide useful information.
 - b. His/Her dedication to the Company, such as, meeting attended, and activities participation.

Director nomination and appointment procedures

In nominating or selecting directors, the Nomination and Remuneration Committee follows the procedures as follows:

1. Preparing the Board Skill Matrix for determining the qualifications of a director according to the Company's policies and criterias of the selection process.
2. Selecting qualified directors who are suitable with the Company's business from the following sources:
 - 2.1) The proposing of nominations of directors by the shareholders in the Annual General Meeting of Shareholders which the Company inform shareholders through the SET and company's website.
 - 2.2) The list in the IOD Chartered Director database.
 - 2.3) Internal executives, outsiders who have the required qualifications.
3. The Nomination and Remuneration Committee approaches, interviews and discusses with the persons possessing the required qualifications to ensure that the persons will be willing to take directorship with the Company if appointed by the Board of Directors or a shareholders' meeting, as the case may be.
4. The Nomination and Remuneration Committee proposes the person who meets the nomination criteria to the Board of Directors for appointment or endorsement before submission to a shareholders' meeting for appointment individually, on the basis of

4.1) share held is equivalent to 1 vote.

4.2) Each shareholder may use all votes in clause 1 to elect 1 person or several persons as directors but cannot divide the votes for any persons.

4.3) Persons who receive the highest number of votes respectively shall be appointed as directors in the number of directors that have to be elected.

In case persons who have been elected in the following order have equal votes which will make the number of directors elected exceeds the number required, the Chairman of the meeting shall have a second vote.

5. Appointing directors in accordance with the Company's Articles of Association.

In the event that the positions on the Board become vacant for some other reason than the normal expiration of a director's term of service such as resignation, the Nomination and Remuneration Committee may then propose an appropriate person to the Board of Directors to elect as a replacement in the meeting of the Board of Directors within the time stipulated by law or regulators, to fill that position only for the remaining term, unless the remaining period is less than two months. However, the resolution of the designation shall receive votes of not less than 3/4 of the remaining directors.

(2) Nomination and Appointment of Executives

Human Resource Unit will recruit and select qualified individuals with knowledge, experience, skill and understanding of business and propose to authorized persons for consideration.

Executives shall be nominated and appointed in line with the Corporate Authorization Index as follows:

1. The appointment of Group Chief Executive Officer and/or Chief Executive Office must be proposed to the Board of Directors for approval.
2. The appointment of executives (C-Level); Chief Finance Officer, Chief Investment Officer, Chief Administrative Officer), shall be approved by Group Executive Committee.
3. Appointment of executives below the level specified in 2, shall be approved by Group Chief Executive Officer and below level-executives (depending on the case).

Supervision of Subsidiaries and Associated Companies' Operations

The Board of Directors has mechanisms to supervise and control the operations of subsidiaries and associated companies as follows:

1. Sending the Company's high-level executives with knowledge, abilities and experiences related to the business and management to be directors or executives of those companies at least in proportion to the number of shares held, with consent of the Board of Directors, Group Chief Executive Officer or Chief Executive Officer of each business line in accordance with the Corporate Authorization Index as specified in the scopes of duties and responsibilities of directors or executives representing the Company.
2. Requiring that a meeting of high-level executives be held once a month to jointly determine policies, strategies, operating guidelines, follow up on operations in accordance with the set strategies and report the operating results, problems and obstacles to the management to participate in determining policies on business operations. The meeting is divided into groups, such as Group Executive Committee Meeting, Corporate Management Meeting, Corporate Strategy Meeting, Executive Committee Meeting of each business line and Executive Committee Meeting of associate companies, etc.
3. The Board of Directors has determined the Group's Authorization Index, specifying approval power in supervising subsidiaries and associated companies, such as management power, investment, financial management, approval of connected transactions, etc.
4. Determining regulations for important functions such as Human Resources Management Regulation, Purchasing Regulation, Asset Management Regulation, Advance Payment Regulation, etc., so as to provide the Group with definitive operating guidelines as standards for supervision and control.

5. Sending teams to randomly inspect operations of subsidiaries on a regular basis.
6. Operation and expense control by centralizing, finance, accounting and operations departments of subsidiaries and determining payment ceilings and authorized persons for payment with co-signers for review purpose and supporting documents in place.
7. Requiring that subsidiaries and associated companies prepare annual budgets, with budget review and adjustment for operating controls on a regular basis.
8. Disclosure of financial information, the Company's overall operating results, consolidated financial statement and financial information, prepared in accordance with generally-accepted accounting standards and audited by reliable auditors and disclosure of other important information, such as investment structures, risk factors and connected transactions.

Confidentiality and Treatment of Insider Information

The Board of Directors is committed to conducting business with integrity, transparency, fairness and equal treatment of all stakeholders and adopts a policy on confidentiality and treatment of insider information by instituting a code of ethics on confidentiality, protection of information and treatment of insider information in the Company's Corporate Governance and Business Ethics Manual, which could be summarized as follows:

1. The Company shall provide the directors and management with knowledge and understanding about reporting of their securities holding and changes in securities holding in the Company to the SEC according to Section 59 and 258 of the Securities and Exchange Act B.E. 2535, whereby they must also provide such report to the Company Secretary for further notification to concerned parties. They must also be informed of punishment clauses for any violation or non-compliance with the said regulation.
2. The directors, members of Group Executive Committee and management (according to definitions of the SEC), including their respective related persons according to Section 59 and 258 of the Securities and Exchange Act, have the duty to report their holding of the Company's securities at the first chance of their being appointed to assume such position and upon any later change in their said securities holding. The Company Secretary is to submit a summary report on the said securities holding and changes in securities holding in the Company to the Board of Directors' meeting quarterly for acknowledgement.
3. It is stated in the employment contract, working principles and employee best practices towards the Company and also is deemed to be employees' business ethics, that employees shall strictly protect confidential information and shall not, due to their position in the Company, seek to benefit themselves or their related parties by unethically using or publicly disclosing the Company's information or news which is confidential and has not yet been released to the public, or to cause a decrease in the Company's benefits, or take any actions that create conflicts of interest.
4. Importance is attached to the strict and consistent protection of customers' confidential information and prevention of the use of such information for personal benefits or related parties' benefits, except for the information that must be disclosed publicly according to relevant laws.
5. In cases where external parties are involved in special projects dealing with information undisclosed to the public and is in the negotiation stage, such projects fall into the scope of insider information as it may affect the price of the Company's securities. These external parties must sign a confidentiality agreement with the Company until the information is disclosed to the SET and the SEC.
6. The Company has established a code of ethics on the use of computers, information and communication technology so as to control and protect data security in information systems and/or prevent outsiders from gaining access to such information. The Company also sets the levels of employees' data accessibility according to their authority and responsibility.
7. The Company will levy, according to its regulations, the maximum penalty on any member of the Management, employees or related parties found to have unethically used insider information or behaved in such a way that could cause damage to the Company.
8. The Management will report any unethical use of insider information or behavior that could cause damage to the Company to the Board of Directors for information on a yearly basis.

In 2015, the Company's approach to prevention of unethical use of insider information was still effective.

Compensation of External Auditor

Compensation paid by the Company and its subsidiaries to external auditors

1. Auditing fees

In 2015, the Group appointed EY Office Limited and Pro Trinity Ltd. as the Group's external auditors with auditing fees, amounting to 10,415,000 baht with a breakdown as follows:

- Auditing fees for EY Office Limited, amounting to 10,280,000 baht
- Auditing fees for Pro Trinity Ltd., amounting to 135,000 baht

2. Compensation for other services

There was no compensation for other services, whether in the past accounting period or in the future for unfinished services agreed in the past year accounting period.

Other Operations Under the Principles of Good Corporate Governance

In 2015, there are several matters that have not been disclosed or complied with the principles of good corporate governance as stipulated by the SET as follows:

Responsibilities of the Board of Directors

1. The Board of Directors should have independent directors who comment on the performance of the management independently. The number of independent directors should meet or exceed the SEC requirements. The remaining directors should be representatives of each group of shareholders. In case of the chairman is not an independent director, the number of directors should be proportionate to the ownership of each group. The independent directors should make up more than 50% of the Board.
 - The Independent Directors consist of 4 persons or one-third of total directors which is in compliance with the composition of the number of directors as defined by the Company.
2. Terms of service of directors should be clearly stated in the Company's CG policies.
 - The Board of Directors does not stipulate the working terms of directors due to the fact that a person qualified for the director position is difficult to find, especially a person with experience in entertainment industry. Term limits may cause the loss of experience and expertise important to the optimal operation of the Board.
3. The chairman of the Board of Directors should be an independent director.
 - The Board of Directors does not elect an independent director as a committee chairman due to the fact that there is no qualified person with appropriate experience, knowledge and business skills which is consistent to the Company's strategy.
4. The Board of Directors should clearly state the policies and procedures regarding board positions in other firms held by the Company's managing director and/or top executives, both in terms of director type (i.e., executive, outside, or independent) and the number of board positions that can be held. For example, the board of Directors may state that any board position held in other firms by the Company's managing director must be approved by the board of Directors.
 - The Board of Directors stipulates the policy regarding holding director position in other companies by the managing director and top executives in general without prior approval from the Board of Directors. As most of the cases, the Board of Directors designates each director to the company group which generates benefit to the Company and such designation does not impact their current duties and responsibilities. Such directorship must not breach the laws or prohibition of regulators.

5. The majority of remuneration committee members should be independent directors, including its chairman. This committee is responsible for setting the criteria and the form of payment to directors and top executives and presenting the results to the Board of Directors. While the Board of Directors approves executives' remuneration, the shareholders must approve those of directors.
 - The Nomination and Remuneration Committee is responsible for setting the criteria and the form of payment to directors and Group Chief Executive Officer. While the criteria and form of payment to other top executives; Chief Executive Officer of Business Group; Chief Financial Officer; Chief Investment Officer, are based on the evaluation of their work performance which is connected to the operating result of the Company. The Human Resource Department will process and submit the result of the evaluation to the Group Chief Executive Officer for acknowledgement and approval.
6. The Nomination and Remuneration Committee should be comprised entirely of independent directors. It is responsible for setting the criteria and process of nominating directors and top executives, selecting qualified candidates according to the predetermined criteria and process and presenting the results to the Board of Directors. Then, the Board of Directors will present the results to the shareholders' meeting for election. Therefore, the criteria used in selecting and the process followed in appointing new directors and senior management should be disclosed.
 - The Nomination and Remuneration Committee is composed of 2 independent directors and 1 executive director with one of the independent committee serving as the committee chairman. The duties of Nomination and Remuneration Committee are seeking and selecting appropriate persons to assume the position of the Company's directors as stipulated in the criteria and procedures disclosed. In regard to the nomination of top executives, the Human Resource Department will seek, select and propose to the Group Executive Committee or the Board of Directors for approval.
7. The Board of Directors should appoint an external consultant to facilitate a board assessment at least once every three years and assessment results should be disclosed in the annual report.
 - The Company has no policy because the expense is high.
8. Remuneration of the managing director and top executives should be in accordance with the board policy and within the limit approved by shareholders. For the best interests of the Company, executives' salaries, bonuses and other long-term compensation should correspond to the performance of each given executive. Type and level of compensation should be related to shareholders' benefit and the sustainability of the Company.
 - Remuneration of the managing director (Group Chief Executive Officer) and top executives is in accordance with the principles and policy stipulated by the Board of Directors based on the evaluation form of the operation result of the Company and performance of each executive, thus, the matter is not proposed to the meeting of shareholder for approval.



Internal Control and Risk Management

Recognizing the importance of an internal control system, the Board of Directors has put in place an internal control system that governs the financial, management and operational aspects for greater effectiveness and efficiency in accordance with related laws and regulations. Meanwhile, an emphasis is placed on continuous improvement according to COSO (The Committee of Sponsoring Organizations of Treadway Commission) with respect to organizational and control environment, risk assessment, control activities, information and communication and monitoring activities.

The Board of Directors has clearly defined in writing the duties and approval authority for the Management, and has controlled and ensured an efficient utilization of the Company's assets. To maintain proper checks and balances, the roles and duties of front-line operators, supervisors and evaluators are clearly delineated. In addition, the Company ensures that there is a financial reporting to those in the direct line of responsibility.

There is also the Audit Committee, which was appointed by the Board of Directors, by the Stock Exchange of Thailand's guidelines which currently consists of 4 independent directors and the Senior Director of Internal Audit Department acts as Secretary of the Audit Committee. The Audit Committee has the duties and responsibilities of auditing financial statements, disclosure of the financial reports and related transactions or any matters with conflicts of interest to be accurate, complete, reliable, and coordinate with the Internal Audit Department, auditors and management of the Company to review the internal control system and ensuring compliance with the relevant laws and regulations, as well as, to consider and approve an audit plan, performance evaluation and compensation of the Internal Audit Department, including selection and appointment of the auditor and audit fee. The Audit Committee shall also perform other duties as assigned by the Board of Directors, and conduct self-assessment to evaluate their performance to ensure that the Audit Committee has performed their duties effectively and completely.

The Board of Directors has implemented the Assessment Form of the Securities and Exchange Commission as a guideline to assess the adequacy of the internal control systems of the Company and subsidiaries and a reporting of the assessment results to the Board of Directors' meeting on a yearly basis. The assessment results are also to be disclosed in the Company's annual registration statement (Form 56-1) and annual report.

All Board of Directors members and the Management, had collaboratively evaluated the sufficiency of internal control during 2015. The Board of Directors' Meeting on February 26, 2016 comprising of the Board of Directors, the Audit Committee, and the Management convened a meeting for the adequacy of the internal control systems of the Company and its subsidiaries as set up by the Management in five areas, namely, internal control, risk assessment, operation control, information and communication system and monitoring system. The Board of Directors and the Audit Committee shared the same opinion that:

"In general, the internal control system of the company and its subsidiaries was adequate and appropriate to the business operations of the Company. In addition, the Company has provided adequate personnel to follow the system effectively, as well as the internal control system for monitoring the operations of the subsidiaries in order to protect the assets of the Company and the subsidiaries from wrongful action of the directors and executives including transactions with persons who may have a conflict of interest and related persons. The Committee and the Management recognized the importance of good corporate governance, internal control, and continuous risk management, which would ensure good corporate governance principles of company, acceptable level of internal control and risk management, accurate and reliable accounting and financial reporting practices, together with compliance with the laws, the rules or announcements of the SET and regulations related to the Company's businesses."

Head of Internal Audit Department

The Board of Directors' Meeting No.3/2006 held on May 15, 2006 appointed Mr. Wichai Santadanuwat as a Secretary to the Audit Committee and Head of Internal Audit Department. The Audit Committee has considered and agreed that Mr. Wichai Santadanuwat has experience in performing the audit of the Company's business for 14 years including an understanding of the activities and operations of the Company as well, so that it is appropriate for him to perform such functions.

The appointment, termination and transfer, as well as performance evaluation and compensation for the Head of Internal Audit Department must be approved by the Audit committee. The qualifications of Head of Internal Audit Department appear in the attachment. NOTE: Details of the Head of Internal Audit and Head of Compliance appear in "Details about the Head of Internal Audit, Company Secretary and Head of Compliance".

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Connected Transactions

1. Parties which may have conflicts of interest that have entered into connected transactions with the Company and its subsidiaries

In 2015, The Company and its subsidiaries entered into connected transactions with the Company and connected persons where conflicts of interest may have occurred. These included both transactions which were the normal course of business by the Company and subsidiaries, and transactions which were not. Business that conducted connected transactions are divided into 3 categories as follows:

A) The Group

The Group composes of the Company and subsidiaries of the Company.

Details of the Group are as follows:

Company	Business Type	% Holding by the Company (As at December 31, 2015)
GMM Grammy Public Company Limited	Fully-integrate entertainment businesses, including music business, media business, broadcasting business, digital TV business and others entertainment business	-
<u>Subsidiaries Directly held by the Company</u>		
GMM Media Public Company Limited	Production of radio programs	99.92%
GMM Holdings Company Limited	Holding company	100%
GMM Music Publishing International Company Limited	Management of music copyrights	100%
GMM Thai Hub Company Limited	Production of films and television programs	51%
Fan TV Company Limited (Another 49% is held by GMM Holdings, a subsidiary)	Production of satellite television programmes	51%
3-RD Company Limited	Providing customer service via telephone	50%
GR Vocal Studio Company Limited	Vocal and music schools	100%
GMM CJ O Shopping Company Limited	Wholesale and retail by using advertising media and phone orders service	51%
GDC Company Limited	Providing service to games members, distribution of games playing cards	100%
Z Trading Company Limited (Formerly known as "GMM Z Trading Company Limited")	Production and distribution of satellite television and digital TV receivers	100%
GMM Channel Trading Company Limited (Formerly known as "GMM SD Digital TV Trading Company Limited")	Production of television programs and digital on-air	100%
Digistream Company Limited	Providing music in streaming	100%
MGA Company Limited	Currently inactive	100%
Digital Gen Company Limited	Currently inactive	100%

Company	Business Type	% Holding by the Company (As at December 31, 2015)
<u>Subsidiaries Directly held by the Company (continued)</u>		
Extraorganizer Company Limited	Currently inactive	100%
More Music Company Limited	Currently inactive	100%
GMM TV Company Limited (2014: 100% is held by GMM Media Public Company Limited, a subsidiary)	Production of television programs	100%
Deetalk Company Limited (2014: 100% is held by GMM Media Public Company Limited, a subsidiary)	Production of television programs	100%
GDH559 Company Limited	Production of film and television programs	51%
<u>Subsidiaries held by GMM Media Public Company Limited</u>		
A - Time Media Company Limited	Radio stations sub-leasing	100%
Teen Talk Company Limited	Currently inactive	100%
Bliss Publishing Company Limited	Production and distribution of pocket books	100%
Exact Company Limited	Production of television programs	100%
<u>Subsidiaries held by GMM Holding Company Limited</u>		
GMM Studio Company Limited	Studio service	100%
Grammy Publishing House Company Limited	Distribution of education publication	100%
GMM Fitness Club Company Limited	Currently inactive	100%
Mifa Company Limited	Currently inactive	100%
GMM Digital Domain Company Limited	Currently inactive	100%
Magic Film Company Limited	Currently inactive	90.91%
Global Music and Media (China) Limited	Currently inactive	100%
<u>Subsidiary held by GMM Digital Domain Company Limited</u>		
Digital Arms Company Limited	Currently inactive	100%
<u>Subsidiaries held by GMM Tai Hub Company Limited</u>		
Good Thing Happen Company Limited	Media advertising, public relations consulting, and organizer	51%

Company	Business Type	% Holding by the Company (As at December 31, 2015)
<u>Subsidiaries held by Z Trading Company Limited</u>		
G S-one Company Limited	Currently inactive	100%
GMM Z Company Limited	Providing of satellite television network	100%
<u>Subsidiary held by GMM Channel Trading Company Limited</u>		
GMM Channel Company Limited (Formerly known as "GMM SD Digital TV Company Limited")	Production of television programs and digital on-air	100%

B) Associated Companies

Company	Business Type	% Holding by the Company (As at December 31, 2015)
<u>Associated companies held by the Company</u>		
Family Know-how Company Limited	Production of television programs and publishing media	50%
Lucks (666) Satellite Co., Ltd.	Production of satellite television programs	25%
<u>Associated company held by GMM Media Public Company Limited</u>		
Scenario Company Limited	Production of television programs and plays	25%
<u>Associated companies held by GMM Tai Hub Company Limited</u>		
Na Dao Bangkok Company Limited	Films production and talent agency services	30%
Sawasdee Thaweesuk Company Limited	Production post and design of advertising media and films and public relations for films	25%
Siengdee Thaweesuk Co., Ltd.	Provider of recording movie sound and movie advertisement, produce sound and music for movie	45%
The Secret Farm Company Limited	Design and post production of advertising media	35%
Ngandee Thaweesuk Company Limited	Provision of public relation and organizer	40%
<u>Associated companies held by GDH559 Company Limited</u>		
Parbdee Thaweesuk Company Limited (Another 10% is held by Good Thing Happen Company Limited)	Production of television programs	50%
<u>Joint Venture held by the Company</u>		
The One Enterprise Company Limited (Formerly known as "GMM One TV Trading")	Production of television programs on digital TV	51%

C) Related Companies through Common Directors

Company	Type of Business	Relationship
Hou Yuu Company Limited	Japanese restaurant	<ul style="list-style-type: none"> - Mr. Paiboon Damrongchaitham, a director of the Company, is also a director with signing authority at Hou Yuu Company Limited. - Mr. Paiboon Damrongchaitham, the major shareholder of the Company, is also major shareholder of Hou Yuu Company Limited. - Miss Suwimon Chungjotikapisit, a director of the Company, is also an authorized director of Hou Yuu Company Limited.
Geurt Fah Company Limited	Property rental and related services	<ul style="list-style-type: none"> - Mr. Paiboon Damrongchaitham, a director of the Company, is also an authorized director of Geurt Fah Company Limited - Mr. Paiboon Damrongchaitham, a major shareholder of the Company, is also the major shareholder of Geurt Fah Company Limited. - Miss Suwimon Chungjotikapisit, a director of the Company, is also an authorized director of Geurt Fah Company Limited.
Methee 1 Company Limited	Produces and directs theatrical plays on radio, television. Produces magnetic picture and sound recordings	Mr. Takonkiet Viravan, is an authorized director of the Company's subsidiary, is also a major shareholder (99.95%) of Methee 1 Company Limited.

2. Characteristics of Connected Transactions

The Company operates the fully-integrate entertainment businesses, such as music business, digital terrestrial TV business, media business, etc. Many of the Company's subsidiaries operate a variety of media businesses to support the core business. Therefore, there are many connected transactions between the Company and its subsidiaries, as well as with the Group, associated companies and related companies with common directors.

Connected transactions can be divided into 2 major categories, as follows:

- Transactions which are the normal course of business consists of revenue from the sale of music products and copyrights, production and distribution of motion pictures, advertising fees, public relations and sales promotions, profit sharing from CDs VCDs DVDs sales, studio rental fees, artist management fees, production fees, rental of radio stations, event organization fees, etc.
- Transactions which are not the normal course of business such as rental of office space, loans to subsidiaries, shared administrative management fees, professional fees and purchase of assets which are not related to the Company's normal course of business.

3. Measures or procedures on approval of connected transaction

By virtue of Section 89/12 of the Securities and Exchange Act B.E. 2551 (No.4) which states that a director, executive or related person can enter into the transaction with the Company or its subsidiary only under approval by the meeting except for commercial transaction with terms as those an ordinary person would agree with any unrelated counter party under similar circumstances and/or criteria which has already been approved by the Board of Directors. In the Board of Directors' Meeting No. 1/2011, held on February 25, 2011, assembly passed its resolution to approve agreement and conditions of commercial transaction with related person. In addition, the Company has determined the Corporate Authorization Index (CAI) No. 1/2555 regarding the execution of connected transaction to be in compliance with the notifications of the Stock Exchange of Thailand.

4. Policy or Trend of Future Connected Transactions

The Company, on regular basis, enters into transactions which is considered as normal course of business operation or business supporting such as advertisement, publicity, sales promotion, distribution of copyrights, recording commission, studio service, artist management, hire of work, radio station rental, concert hosting service, activity hosting, production of video clips, production of stage play, lights and sound equipment rental. It is Company's determination that the future connected transactions will be executed as a normal commercial business, by taking into account the highest benefit of the Company.

The connected transaction which is not considered as normal business course, which may occur in the future such as grant of loan to the subsidiaries, central management expense and profession service fee, acquisition-disposal of assets irrelevant to normal business transaction or the price and commercial terms are not in compliance with general markets, must be reviewed and approved by the resolution of Board of Directors. In addition, the meeting requires Audit Committee's attendance to ensure the fair execution of connected transaction and appropriate pricing policy. The directors of interest will be waived the right to vote for such transaction. The Company at its best effort, will execute such connected transaction to be in compliance with notifications of the Stock Exchange Commission and the Stock Exchange of Thailand, regulations on disclosure of connected transactions and acquisition and disposal of assets of the Company and its subsidiaries, as well as the accounting standards stipulated by the Federation of Accounting Professions.

Connected transactions between the Group and Related Companies with Common Directors, which are the normal course of business

Parties that may have conflicts of interest	Parties that may have conflicts of interest 1) Hou Yuu Company Limited (Operates a Japanese restaurant) 2) Geurt Fah Company Limited (Property rental and related services) 3) Methee 1 Company Limited (Produces and directs stage plays)	Relationship shown in 1. C) Relationship shown in 1. C) Relationship shown in 1. C)
Types of Transaction	Service related expenses for the Company consists of: 1) Food expenses for entertainment and meetings 2) Utilities, parking fees and parking space 3) Creative agency, director	
Total Consideration	149.42 million baht, with reference to a market price and based contract agreement, and mutual agreement. (divided into the Company's service expenses of 35.12 million baht and subsidiaries' service expenses of 114.30 million baht).	
Outstanding Accounts Payables	As at December 31, 2015, the amount is 5.88 million baht. (Company's accounts payable of 3.50 million baht and subsidiaries' accounts payable of 2.38 million baht).	
Opinion of the Audit Committee	Referring to the executives and management of the Company that has reviewed the other expenses upon market price and creative hiring under contract agreement, agreed that the prices are determined by market rates and the contract prices are according to the normal course of business. The Audit Committee has the opinion that such price setting is likely to be appropriate and reasonable, as agreed by the management.	

Connected transactions between the Group and Associated Companies, which are the normal course of business

Parties that may have conflicts of interest	<ol style="list-style-type: none"> 1) Scenario Company Limited (Production of television programs and plays) 2) Big Event Company Limited (Production of films and television programs) 3) The Secret Farm Company Limited (Design and post production of advertising media) 4) Na Dao Bangkok Company Limited (Films production and talent agency services) 5) Family Knowhow Company Limited (Production of television programs and publishing media) 6) Ngandee Thaweesuk Company Limited (Provision of public relation and organizer) 7) Sawasdee Thaweesuk Company Limited (Production post and design of advertising media and films and public relations for films) 8) Siengdee Thaweesuk Company Limited (Provider of recording movie sound and movie advertisement, produce sound and music for movie) 9) The One Enterprise Company Limited (Production of television programs on digital TV) 	<p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p> <p>Relationship shown in 1. B)</p>
Types of Transaction	<ol style="list-style-type: none"> 1) Revenue from selling products 2) Revenue from producing television programs that generate revenue from advertisement sales 3) Revenue from producing satellite television programs that generate revenue from channel management 4) Revenue from producing digital TV programs 5) Revenue from organizing concerts and staging theatrical performances 6) Revenue from copyright fees 7) Revenue from artist management 8) Revenue from studio rental, event organization 9) Revenue from management and advisory fee 10) Revenue from interest 11) Revenue from other revenue 	
Total Consideration	In the amount of 408.58 million baht, the price is based on mutual agreement with reference to a market price. (Revenue belonging to the Company is 59.23 million baht and 349.35 million baht goes to its subsidiaries.)	
Outstanding Accounts Receivable	As of December 31, 2015 the amount is 51.19 million baht (The Company is a trade creditor owed 27.52 million baht while its subsidiaries owed 23.67 million baht.)	
Opinion of the Audit Committee	Audit Committee has the opinion that the revenues derived as above is based on mutual agreement which refers to the market price and is according to the normal course of business. The Audit Committee agreed that such price setting is reasonable and fair.	

Connected transactions between the Group and Associated Companies, which are the normal course of business (Continued)

Types of Transaction	<p>Service expenses, consisting of:</p> <ol style="list-style-type: none"> 1. Cost of advertisement spots on television and sponsorship fees. 2. Share of copyrights from the sale of television programs such as dramas and drama soundtracks on CDs VCDs and DVDs. 3. Media cost and time rental for program production. 4. Soap opera production cost, event organization and property rental. 5. Operating costs in sourcing artists. 6. Fees for program hosts.
Total Consideration	The amount is 324.84 million baht. The price depends on negotiations between the service recipient and service provider which refers to market price. (The Company's cost of services is 106.53 million baht and 218.31 million baht to its subsidiaries).
Account payables and other payables	As of December 31, 2015, 40.48 million baht (These companies are trade creditors of the Company and its subsidiaries at 23.98 million baht and 16.50 million baht).
Opinion of the Audit Committee	The Audit Committee has the opinion that the service expenses as above are based on mutual agreement which refers to market price. The Audit Committee agreed that such price setting is reasonable and fair.

Connected transactions between the Company and its subsidiaries with directors

Parties that may have conflicts of interest	Directors in the Company and its subsidiaries who are skilled in composing music, serving as program hosts, directing and writing scripts.
Types of Transaction	The Group paid copyright fees, program host fees, director's fees and screenwriter's fees to these Directors.
Total Consideration	Amount of 2.69 million baht. Prices are determined by the unit cost of products/goods sold at market prices. Prices also depend on the quality and services received. The final service fee will depend on negotiations between the companies receiving the services and service providers (All Company's expense.)
Trade payables and other payables	As of December 31, 2015, 1.17 million baht (The Company owed this entire amount)
Opinion of the Audit Committee	The Audit Committee has the opinion that the composing songs and providing other services by the directors who possess extensive expertise and experience in the business has benefited the Company. Therefore, fees to compose music and other services depends on many factors such as the scope and complexity of the work, creativity, reputation and experience of the service provider. The Company has taken these factors into consideration in setting the preliminary price, but the final price depends on negotiations between the customer and service provider. The Audit Committee agreed that setting prices by taking into consideration the scope and level of difficulty of the work, and the creativity, the price setting is reasonable and fair.

Connected transactions that are not the normal course of business between the Group and Related Companies with Common Directors

Lessee:	The Group
Lessor (Company or Individual that may of Conflicts of Interest)	Geurt Fah Company Limited
Relationship:	<ol style="list-style-type: none"> 1. Mr. Paiboon Damrongchaitham is a director of the Company, is also an authorized director of Geurt Fah Company Limited. 2. Mr. Paiboon Damrongchaitham who is a major shareholder of the Company. 3. Miss Suwimon Chungjotikapisit, a Director of the Company, is also an authorized director of Geurt Fah Company Limited.
Characteristic of connected transaction:	The Group rents a 43 storey office building, located at 50 Asoke Road (Sukhumvit Soi 21), Khlongtoeinuea, Wattana, Bangkok from Geurt Fah Company Limited.
Size of rented space:	Approximately 33,600 sq.m., accounting for 82% of total rental space.
Contract tenure:	3 years (from May 1, 2013 to April 30, 2016), where the lessee can renew the lease another 3 times, for a period of 3 years each time.
Rental and service rates:	Increased by 5% from original rental and service rate of 479 baht per sq.m. per month to 503 baht per sq.m. per month.
Price setting policy:	In compliance with the original contract conditions of having renewal options every 3 years at market rates, except for the first rental renewal, where the rental and service rates increase cannot exceed 15%.
Total rent and service fees that the Group pays to Geurt Fah in 2013	151.62 million baht (The rental and service fees from the Company in the amount of 96.41 million baht and subsidiaries in the amount of 55.21 million baht).
Total consideration:	Approximately 579.8 million baht throughout the 3 year period (excluding VAT and related taxes).
Opinion of the Audit Committee :	The Audit Committee has the opinion that the rental rate which the Company and subsidiaries paid to Geurt Fah Company Limited in the amount ranging between 456 - 503 baht per sq.m. per month is reasonable and fair. This rate is in the range of market rental rates, which currently runs between 450 - 700 baht per sq.m. per month, according to an appraisal report by Siam Appraisal and Services Company Limited, an independent appraiser on the SEC's approved list.



Corporate Social Responsibilities (CSR)

Policy

The Board of Directors defined in the Company's business ethics for being norm of the Company to all stakeholders as the Corporate Governance and Business Ethics Policy and Manual ([http://www.gmmgrammy.com/cg-e-book/CG% 20 Manual% 205-2556.pdf](http://www.gmmgrammy.com/cg-e-book/CG%20Manual%205-2556.pdf)) which is distributed through the various channels such as E-mail, the Group's intranet and the Company's website. Board of Directors has the policies and regulations about Ethics on Roles and Responsibilities towards Community, the Environment and the Society as follows:

01



Supporting CSR development through co-creation with all stakeholders by participating, inspiring and giving opportunities to other organizations to work together

02



Supporting provision of knowledge and training for staff to instill conscience of responsibility toward the community, the environment and the society in employees at all levels and encourage employees to participate in activities arranged by the Company

03



Having social participation by supporting and promoting activities which maintain good tradition and culture and behaving as a good religion follower by supporting religious activities consistently

04



Participating in supporting activities relating to education, sporting capabilities, development of professional knowledge, for sustainable self-dependence

05



Having social responsibility relating to public benefits, maintenance of the environment and development of the community as well as creative projects to promote and support better living of underprivileged, the elderly, children and youths

06



Having social responsibility in different forms such as organizing campaigns against narcotics continuously, hence promotion and support of children and youths to stay away from narcotics, leading to a healthy community and narcotic-free society

07



Holding various projects to assist and relieve misery of people who are in trouble in many ways

08



Supporting the community surrounding the Company and other communities to be strong and self-dependent in a sustainable manner, give mutual help, have a good quality of life, be happy and live happily in harmony

09



Campaigning and instilling in employees conscience of preservation and smart and efficient use of resources and energy

10



Creating and supporting activities which are beneficial to maintenance, preservation and use of natural resources and energy on a consistent basis

11



Not performing any acts which will impair the reputation of the country, natural resources and the environment

12



Not cooperating with or support any persons or organizations conducting illegal business or being a threat to the society and national security

13



Complying and monitoring to ensure strict compliance with relevant regulations and laws

Operations and Report

The Group discloses information on corporate social responsibility in accordance with the Integrated CSR Reporting Framework, Version 2, set by Thaipat Institute and the Corporate Social Responsibility Guidelines prepared by the Working Group for the Promotion of Corporate Social Responsibility and Environment in Listed Companies.

Stakeholders

Stakeholders are the persons that involve with the Company in the value chain and should be treated with care following by their rights stated in relevant laws and regulations. The Company should not do any acts which can be regarded as violation of stakeholder rights and coordinate with them to create mutual prosperity, stability and sustainability. The Company separates Stakeholders into 2 major groups as follows:

1. Primary Stakeholders such as shareholders, customers, suppliers, creditors, employees, etc.
2. Secondary Stakeholders such as regulatory agencies, government etc.

Stakeholders	Prospect	Activity/Channel of relationships in 2015
Shareholders Investors	<ul style="list-style-type: none"> Return (dividends or stock dividends) and sustainable organizational growth The Board of Directors have normative ethics 	<ul style="list-style-type: none"> Organized Annual shareholder's meeting Organized 1 extraordinary shareholder's meeting Joined the activities of SET Made press Release on the Company's investment or every significant business activities Presented the Company's information and overall industrial condition to the domestic institutional investors for 6 times and and foreign institutional investors for 5 times Organized site visit 2 times Gave information and answered questions by E-mail, letter, phones
Business Partner	<ul style="list-style-type: none"> Financial strength Personnel's knowledge and expertise Fair and transparent business 	<ul style="list-style-type: none"> Meeting Company's visit Complaints filing and channels for submitting complaints, suggestions and recommendations
Analysts	<ul style="list-style-type: none"> Complete, correct and updated information used to analyze and recommend for investors 	<ul style="list-style-type: none"> Organized quarterly analyst meeting Welcomed analysts who visit the Company to enquire about its operating results 19 times Organized site visit 3 times. Made press release on the Company's investment or every significant business activities Gave information and answered questions by E-mail, letter, phones
Customers Consumers	<ul style="list-style-type: none"> Good products and services delivered in time with fair price 	<ul style="list-style-type: none"> Assigned sale representative to visit customers' shop Gave information, answered questions and gathered the claims via call center and sales

Stakeholders	Prospect	Activity/Channel of relationships in 2015
Competitors	<ul style="list-style-type: none"> Regulatory compliance among fair and moral competitions Non-infringement of intellectual property rights 	<ul style="list-style-type: none"> Met at business meetings on various occasions
Trade Partners	<ul style="list-style-type: none"> Fulfil obligations under the business contracts Fair trading practice 	<ul style="list-style-type: none"> Organized partner agreement discussion Organized business partner meetings with the executive Joined the social activities
Creditors	<ul style="list-style-type: none"> Fulfil the obligations under the loan contracts Receive the loan payment in time 	<ul style="list-style-type: none"> Organized meeting with banks and financial institutions Welcomed bank to meet the executive at least once a month Company's visit Made press release for new business Joined the quarterly analyst meeting Joined the partner agreement discussion
Employees	<ul style="list-style-type: none"> Compensation and privileges Promotion Seminars and trainings to develop employee skill Adequate facility, healthy and safety workplace 	<ul style="list-style-type: none"> Organized GMM Songkran festival with the executives Made merit in the Company anniversary Organized fire drill and first aid training Provided the channels and processes for any complaints Offered employees to attend seminars and trainings Monitored the operation of each business every month Communication channels such as intranet, E-mail
Community	<ul style="list-style-type: none"> Transparent disclosure Safety and environmental preservation Corporate responsibility to improve quality of life 	<ul style="list-style-type: none"> Provided the channels and processes for any complaints Organized CSR activities such as "Music Therapy" to encourage prisoners to return to society with good deed every year Company's visit
Auditors	<ul style="list-style-type: none"> Fair compensation Complete and correct information 	<ul style="list-style-type: none"> Provided the meeting with the Audit Committee without the executives at least once a year Cooperated to give the information
Regulators Government	<ul style="list-style-type: none"> Compliance with laws and regulations Supporting the government projects 	<ul style="list-style-type: none"> Joined the event named "Thank You Thailand" under the concept of appreciating our country, "Tub Fah Khu Thai Puar Chaipattana", etc.
Media	<ul style="list-style-type: none"> Transparent disclosure 	<ul style="list-style-type: none"> Made press release on the Company's investment or every significant business activities

Strategy for Sustainable Development

The Board of Director strongly believes in conducting business according to business ethics and good corporate governance principles alongside corporate social responsibility. This is carried by integrating with prospects of all stakeholders to define strategy for sustainable development for creating shared values between corporate and social which will create sustainable business growth.

The Group reinforces its role as a “content provider” covering television, radio, music, movies and showbiz. It is now ready to develop an online platform as a part of its “Total Media Solutions” strategy. In 2015, the company revised the management structure within each business segment in order to enhance its strength. For sustainable development, operating strategies include 3 aspects.

Economic

1. Branding by creating the relationship between business and customers with the impression, making customers feel happy and bound to the company.
2. Collaboration with domestic and international partners in order to expand contents to international markets including China, Korea, ASEAN and other countries.
3. Being the content provider and trendsetter in media industry, the Group targets to create high quality contents in term of commercial, art and culture in order to build up mutual benefit for both the corporate and society.
4. Creating the quality of product/service at the fair price and creating shared value between the business and society.
5. Seeking investment opportunities to grow steadily.
6. Good corporate governance abide by business ethics includes transparent, fair and traceable operations to laws and regulations

Social

1. Improving the quality of life of the communities and societies with attention, care and share.
2. Having social responsibility in organizing campaigns against narcotics continuously, hence promotion and support of children and youths to stay away from narcotics, leading to a healthy community and narcotic-free society
3. Supporting and promoting activities which maintain good tradition and culture and behaving as a good religion follower by supporting religious activities consistently
4. Holding various projects to assist and relieve misery of people who are in trouble in many ways

Environment

1. Training, campaigning and instilling in employees conscience of preservation and smart and efficient use of resources and energy
2. Creating and supporting activities which are beneficial to maintenance, preservation and use of natural resources and energy on a consistent basis

The Group has conducted business according to business ethics and good corporate governance principles alongside with corporate social responsibility as follows:

1. Fair Business Operation

The Board of Directors has been adhering to the business operation under business ethics, related laws, standards and code of best practices as defined in the Corporate Governance and Business Ethics Manual and there are other actions as follows:

- 1.1 The Company has definite policies and practices on the treatments of all stakeholders as specified in the ethics of treatment of shareholders, ethics of treatment of customers and consumers, ethics of treatment of competitors, ethics of treatment of trading partners, ethics of treatment of creditors and ethics of treatment of employees, without a preference for any particular groups or persons.
- 1.2 The Company has definite operating procedures and practices for various matters such as purchasing and employment, with approval authorization powers clearly defined for respective matters so that operations can be carried out with transparency, justice and accountability.
- 1.3 Opening opportunity for all stakeholders to express their opinions for improvement of the Company's business operations at various occasions, such as annual general meetings of shareholders, business visits, press conferences, analyst meetings, etc.
- 1.4 The Board of Directors is committed to conduct business with integrity, transparency, fairness and equal treatment of all stakeholders and adopts a policy on confidentiality and treatment of insider information by instituting a code of ethics on confidentiality, protection of information and treatment of insider information.
- 1.5 The Board of Directors has a policy to respect intellectual property rights of other persons by not violating or supporting any acts which can be regarded as violation of intellectual property rights and copyrights of other persons, thus reflecting the Company's strong intention to conduct business with fairness and respect for and compliance with the laws relating to intellectual property rights, by instituting a code of Ethics on Intellectual Property and Copyright and the company has a policy to promote the use of legal products by cooperating with state agencies and related private sector parties in a campaign against piracy titled "Took, Took Jai, Took Gohd Mai" (Cheap, Pleasing, Legal) to raise awareness of copyright protection among the public through various activities. The "Not Buy, Not Sell, Not Use Pirate Goods" slogan aims to encourage the public to be more aware of the intellectual property to help reduce the piracy problem in the long run.



- 1.6 The Group promotes free trade competition under fair play rules, not seeking confidential information of business competitors in a dishonest manner.
- 1.7 Treating trading partners equitably and fairly, not demanding or receiving any dishonest assets or benefits from trading partners, having definite operating procedures and purchasing committees responsible for the selection of trading partners and not cooperating with or supporting any persons or organizations engaged in illegal businesses or posing threats to society and national security.
- 1.8 Maintaining agreements and foster sustainable relationships with trading partners and contracting parties, adhering to trading conditions or agreements made with each other in a strict manner.

2. Anti-corruption

The Board of Directors adheres to transparent business operations under legal frameworks, principle of ethics and good corporate governance guidelines, supporting anti-corruption campaigns, with full awareness that corruption is detrimental to the development of the country's economic, social and national security systems as defined in the Corporate Governance and Business Ethics Manual.

The Company has supervisory measures in place to ensure that employees comply with anti-corruption policies and practices and provides channels where complaints and information on dishonest practices can be sent to the Audit Committee, which comprises independent directors, by posting and e-mail to auditcommittee@gmmgrammy.com, as given in the Company's website, Annual Information Report Form (Form 56-1), the Company's Annual Report and Good Corporate Governance and Business Ethics Manual for processing and submission to the Board of Directors. The Company also has a policy to protect the provider of information or clues and treat the information with strict confidentiality, with measures on investigation and punishment under relevant regulations. In 2015, there were no reports or cases of fraudulent activities involving the Company and/or affiliated companies.

The Group sets forth anti-corruption policy with regular training program and seminar annually. In 2015, the Company organized a training session related to cash advances since disbursements of cash could potentially lead to material fraud, therefore, it is necessary to make a protocol for employee to provide understanding of individual roles and responsibilities as well as to collaborate and prevent corruption. Moreover, the employees and executives were participated in the seminar under topic "Roles of Executives in fostering Anti-Corruption Policy" organized by Thai Listed Companies Association (TLCA).

3. Respecting Human Right

The Board of Directors gives importance to respecting human right law and practice, as indicated in the Corporate Governance and Business Ethics Manual Re: Respect of Human Right Law and Practice. This could well signify the Board's commitment to conducting business in compliance with laws, while embracing human rights which are the basic rights ensuring that all human beings are born free and equal in dignity and rights without discrimination against birth, race, nationality, skin color, gender, religion, age, language, physical and health condition, personal status, economic and social status, social value, education or political opinion. The Board also promotes employees' awareness of their rights, duties and responsibilities to society and other fellows. In the past year, the Company treated all stakeholders equitably without discrimination as the policies and regulations about Ethics on Respecting Law and Human Right in the Corporate Governance and Business Ethics Manual, such as

- Among the Company's executives and employees are males and females, Buddhists, Christians and Muslims, who work together in a reconciliatory manner. Without discrimination, everyone has opportunity for promotion, based primarily on performance.
- As for receptions organized for employees and shareholders on various occasions, the Company places importance on the selection of foods for guests of all religions or vegetarians, at all times.
- The Company is not opposed to political expressions and exercises of rights under provisions of laws by employees at all levels.

4. Fair Treatment of Labor

The Board of Directors is conscious of the value of every employee as given in the policies and practices in the ethics on Treatment of Employees in the Corporate Governance and Business Ethics Manual, In 2015 the Group organized welfare-related activities on personnel promotion and development in various areas, as follows:

- 4.1 Annual health check-up was arranged for employees with health examination choices suitable to the age of each employee and special health examination at discount prices at the Company's premises and provisions. The Company also encourage members of the employees' families to have special health examinations with discount prices.
- 4.2 Employee welfare in various forms, such as medical expenses (inpatient, outpatients, dental care, optical care), treatment room service, life insurance and group accident insurance, financial assistance and other welfare (financial assistance in case of the death of employees and the death of their parents, children or spouses under law; employee's marriage, employee's ordination, etc.)
- 4.3 Providing housing loan sources with special interest rates and benefits in other transactions with banks for employees.
- 4.4 Supporting and providing knowledge to employees on financial investment, tax management and savings for the future, by inviting experts from financial institutions to lecture on investment in interesting funds that have tax benefits such as Long-term Equity Funds (LTF), Retirement Mutual Funds (RMF).
- 4.5 Arrangement of 11 in-house training courses (58 hours) and dispatched its employees to attend 20 external courses (163 hours) conducted by various institutions, focusing on managerial, professional and team-working skill development. The company's training course is divided into 2 parts;
- The back office staffs were trained by several training courses. The training average hours are 5.5 hours/person/year.
 - The front office staffs were trained in term of on the job training individually. The supervisor guide, teach and pass on knowledge and techniques to the staffs directly. This has more advantage than attending training course as they can practice, understand the process and solve the problems in real situation, but the training hours could not be recorded evidently.
- 4.6 Encouraging employees to participate in an array of activities regularly arranged by the Group.



- 4.7 Employees may lodge complaints or provide clues on suspicious cases of right infringement, fraudulent action breaches of laws and policies on good governance and business ethics, to the Audit Committee by e-mail at auditcommittee@gmmgrammy.com for investigation and submission to the Board of Directors.

Besides, the Company has provided other assistance to the employees when needed, for instance, the Company decided to grant subsidy and accommodation at work during the previous heavy flood.

The Board of Directors has realized about safety and health at workplace as stated in Ethics on Workplace Safety and Health Policy to provide a safe and hygienic working atmosphere for management and employees.

In 2015, the Company took measures to ensure safety and health as follows:

- 1) Spraying insecticide at the office every month to prevent contagion insects.
- 2) Purchasing Automatic Electric Defibrillator -AED, which assists basic rescue and emergency victims in case of heart attack. It increases survival rates for these cases since the treatment begins before arrival in hospital. Also, arranging a training course instructing in the use of the AED and basic rescue 'CPR' (Cardiopulmonary resuscitation) by a professional.
- 3) Organizing First Aid Training courses by Samitivej Hospital.
- 4) Organizing training courses on fire drill and first aid for staffs who trapped in the building on a yearly basis both Head Office at GMM Grammy Place and Distribution Center.



With commitment to the safety and health of employees, in 2015 the Company did not have any report on injury or illness as a result of work.

5. Responsibility to Customers and Consumers

The Board of Directors is committed to create and produce all media and entertainment forms to bring satisfaction for customers continuously, provide distribution channels for all groups of customers to access goods and services at sufficient quantities and fair prices, as given in the policies and practices on customers and consumers in the ethics on treatment of customers and consumers in the Corporate Governance and Business Ethics Manual.

The Company is committed to the distribution of quality goods and services to customers by:

- 5.1 Disclosing detailed information of goods and services. The goods are not hazardous to consumers and can be returned in case of defects or failed behind the information on the label and advertisement, or they can be returned under normal commercial conditions of certain types of business. There are multiple channels for the changes or the returns of goods, depending on the characteristics of the distribution. Following are examples of the changes or returns of goods in the past by the Company.
 - Returns of concert tickets which was cancelled by the Company ,the audiences were informed in advance through various channels and allowed to return the tickets at the 13 main counters of Thaiticketmajor, or Call Center (662) 262 3456 or GMM Live at GMM Grammy Place, Asoke, call (662) 669 8846.
 - Set-top boxes of GMM Z Trading Co., Ltd. can be changed within 1-year warranty conditions, new set-top box would be delivered to the customers free of charge within 15 days of the date of change agreement. Customers may contact sale agent shops for change or directly return the boxes to GMM Z Trading Co., Ltd. via Post Box 88, Phra Khanong, Bangkok, while wholesale customers have to contact sales representatives.
 - Change or return of defective or obsolete magazines of GMM Inter Publishing company limited, the stores can be made through the Distribution Agent within three months after the date of delivery.
 - Change of damaged CDs, VCDs or DVDs of Imagine shops, the Company's retail shops, can be made in seven days, with the shop's receipt being presented.

- Return of damaged or outdated CDs, VCDs, or DVDs, in case of wholesale, can be made through the Company's sales representatives under the agreement made between the customers and the Company.
 - Change or return of goods of GMM CJ O Shopping Co., Ltd. can be made under the condition and time period for each product on a case by case basis such as errors in delivery, losses during delivery, change of color or size (for fashion goods). The Company is responsible for the delivery cost in case of change if the error is made by the Company. In case of the change of color or size is made by the request of the customer, the delivery cost shall be borne by the customer. The customer may return goods by arranging for a pickup at the customer's residence, return by parcel post, or return to the Company's warehouse. Call (662) 817 9988 or e-mail care@gcj.co.th.
- 5.2 The Group is committed to developing goods and services of all categories, aiming to access every customer and bring about customer satisfaction by offering quality goods and services on a continued basis.
- 5.3 Considering the importance of the safety of employees, the Company takes measures to deal with violence activities. For example, for concert shows, the Company has plans in place and rehearses all staffs to brace for violence that may occur, such as deployment of staff to take care of the audience and escort them to safe places in case of a violent incident. Insurance is also bought to cover such activities.
- 5.4 The Group has a record of customers database and customer category in order to give discounts, privileges or offers sales promotion activities. The Company has a security system to protect the database. No information can be shared with others without consent of the customer.
- 5.5 With diverse businesses and customer databases, the Group has set up a call center to provide advices and information, answers, receiving complaints and solving problems for customers and interest parties. Customers can call the Group's call center at (662) 669 9000 and directly call each business's call center such as the call center for set-top boxes of GMM Z at 1629 and the call center of A-Time Media Co., Ltd. at (662) 669 9500. Besides, the Group has other communications channels such as e-mail and post, as may be deemed convenient to the customers.
- 5.6 With commitment to the development of goods and services, the Company does not only consider the profits but also responsibility to society and environment. Therefore, the Company introduce its professionalism to help solving social problems or social development to create economic and social values, such as:
- Bring back smile with "O hug love health" campaign. That is when purchasing O Shopping products, the Company will donate 5 baht to buy the Fitness Equipment and jacket for "Vej Loei Rajanagarindra" Psychiatric Hospital at Loei province Thailand.
 - Songs in honor of His Majesty the King such as "Ton Mai Khong Phor" (Tree of the Father), "Khong Khwan Jak Kon Din" (Gift from the Soil), "Roop Thi Mee Yoo Thuk Baan" (The Photo Belonging to Every House), and "Phra Racha Phu Songtham" (The Virtuous King). On the occasion of Her Majesty the Queen's 83rd birthday on 12 August, 2015, the company released two special songs in order to express our loyalty for the royal institution which are the "Rak Tee Ying Gwa Rak" song, Meaning '*the love bigger than love*,' the song expresses our love for all our mothers and represents Thai citizens' loyalty for Her Majesty Queen Sirikit together with "Chai Hua Jai Nam Tang" song, which means '*follow your heart*' and compares life with a bike cycling on the trail to explore new things, experience the beauty of life, catch up with fellow travelers, and overcome obstacles in order to reach the destination.
 - Songs to create willpower give spirit and shape mindset, leading life from the past until the present, such as "Tham Dee Dai Dee" (Do Good, Receive Good), "Phalang Namjai Thai" (Power of Thai Spirit), "Cheewit Pen Khong Rao" (Life is Ours), "Saeng Sud Thai" (The Last Light) and "Rua Lek Khwan Ok Jak Fang" (Small Boats Should Leave the Shore), "Dharmajati" (The Natural).

- Preserving traditional Thai country music. As one of Thailand's cultural heritages, the Thai Country music has unique characteristics, including the pronunciation and the way of use of language. Thai traditional country songs present Thai lifestyle, beliefs and society, which all contribute to the country's heritage. We elaborately composed quality Thai country songs with touching lyrics and symphonic melodies and those songs have become timelessly renowned, for instance Nak Rong Baan Nok, Rak Khon Tro Ma, Tong Mee Sak Wan, Palangnan Jon, Kor Jai thur Laek Ber Tro, etc.
- Radio station, Green Wave F.M. 106.5, owned by A-Time Media Company Limited, is a radio station which is the first and only station in Thailand focuses on environmental reporting. Green Wave also plays music which appeals to every generation and enjoys the longest streak of popularity, focusing on reporting social and environmental information. It also campaigns for a healthy and green Earth. Green Wave organizes these activities by inviting listeners to do good deeds together, helping, and giving back to the community, like donating blood, giving unneeded items to be reused, providing public relations campaigns to raise funds for the sick, poor, and unfortunate and taking care of the environment as well.
- To Be Number 1 Project (as detailed in "The Anti-drug project).
- Programs on digital TV channels. Apart from dramas, variety shows, sitcoms, and game shows, they also offer news and documentaries which accounted not less than 25% for example:
 - The "**Fang Pleng Banleng Dharma**" program, of which the title means '*listen to the music that conveys dharma*,' presents dharma lessons in an entertaining way. Hit songs are analyzed in order to preach the dharma truth thoughtfully and humorously.
 - The "**Ngern Tong Mai Tong Kriad**" program, of which the title means '*no stress about money*,' proclaims itself as an 'investment entertainer.' It provides comprehensive and practical knowledge about personal finance.
 - The "**Wit Wee Wit Wittaya Za**" program, of which the title means '*Scienza*,' turns science into fun.
 - The "**Dream Journey**" program, a travel reality show in which famous artists help making children's dreams come true. The program aims at inspiring, empowering and encouraging youngsters to live their lives boldly. It also inspires the audience to take action and pursue their dreams, just like the kids do.
 - The "**English Room**" program, an English classroom that is sure to boost your English skills.
 - The "**Teun Ma Tew**" program, of which the title means '*Wake Up for Tutoring Session*,' is an entertaining tutoring program aiming to help high school students secure a place in a university. Our young, active tutors provide all lessons necessary for the university entrance examination.
 - The "**Arn Khao Sen**" program, of which the title means '*Bookworms*,' aims at instilling the love for reading among the audience. We believe reading can change and turn your life around.

6. Environment Conservation

Considering the importance of environment protection, especially energy conservation (which will be discussed under Innovations and the Dissemination of Innovations in Corporate Social Responsibility Operations), the campaign and creation of awareness among employees in energy conservation and the wise and efficient use of resources and energy has been applied. The Board also creates useful activities for environment protection and supports the use of resources, environment and energy on a continued basis, where all employees are duty-bound to prevent the property under their care from degradation, loss or damage, as well as efficient use of other resources of the Company and the country. The Company has prepared guidelines for management and campaigns in various forms, with emphasis on the use of energy as necessary to reduce the waste of resources.

In 2015, The Group assigned staff members to research on the "Green Office" project in order to improve the effectiveness of energy and resource use, and to organize the work environment in order to make it clean and hygienic, in line with international standards.

Aside from this, the group creates and supports useful activities to the conservation of natural resources/environment. This is done by organizing activities of GMM SAVE WATER which the staffs were told to produce a 1-minute video clip regarding water saving. The activity aimed at promoting water conservation, so that staff members would use water more carefully and effectively.

We organized the “Green Fan Club: Green Bike” activity. We rode our bicycles to do the forestation in the area where will be a new source of ozone for residents in Bangkok, on the occasion of Her Royal Highness Princess Maha Chakri Sirindhorn's 60th birthday. By cycling that day, we helped reduce carbon emission by 7.52 kilo carbon. We also planted 42 big trees and 250 Korean banyan trees, which will help retain 4.15 tons of carbon every year.

7. Community and Social Development

During the past years, the Group had important roles on social responsibility and environment, with key persons in various areas taking part in activities as operators, organizers or supporters, aiming to enable communities to be self dependent, help each other, have good quality of life and live together with happiness continuously. In 2015, the Group's major projects on community and social responsibility were as follows:

Blood Donation Project

The Company has regularly held a ‘blood donation’ activity to offer a chance to the Company's employees, organizations and nearby communities and interested persons, to join this great giving activity four times a year since 2005. In 2015, total number of blood donors was 884. To celebrate Valentine's Day, the Green Wave FM 106.5 radio station encouraged its listeners to join artists and celebrities by giving away their love at the Thai Red Cross Society's National Blood Center; 1,975 of them donated blood, while 58, 44 and 40 people registered for becoming donors of eyes, organs and bodies, respectively.



Anti - Drugs and Addictive Substances Project

Today, the spread of illegal drugs is becoming a national problem or even a global. The situation is getting more serious as time goes by and results in additional problems as knock-on effects. For example, crime, theft, and family problems - all of which impact economic and social stability. To solve these problems, cooperation from every party of society is required. It must be done systematically and continuously to fight against these issues and revitalize the affected.

Through the past years, the Group had followed and realized the key issues of surrounding illegal drugs. Therefore, they came into the role of campaigning; and supporting activities against illegal drugs of all kinds by having the artists to be idols or role model for society - especially for at-risk youth and pooling energizing people to help address the issues. The ‘Just Say No’ Project or ‘To be No. 1’ Project are good examples to create a tide of opinion against illegal drugs, to imply to people - that the expression of your potential in the correct way is positive things in your life. Let them know that they can be number one without being dependent on illegal drugs. The project also consists rehabilitation procedure “Whoever is addicted to drugs, raise your hand.” with aim to return better person to the society.



Just Say No Project

“Just Say No” is a project to campaign against drugs that the Company has played a leading role continuously. With awareness of drug problems that can pose serious threats to society and national security, the Company has implemented various campaign projects such as “World No Tobacco Day”, “World Drug Campaign”, “No Alcohol Day,” etc.



To Be Number One Project

The Company participated in “To Be Number One” Project in the anti-drug campaign project initiated by Mental Health Department, Ministry of Public Health, by sending artists to join the concert shows with members of To Be Number One club, marking the 13th anniversary of To Be Number One Project.

Concerts to show love for youngsters and prevent them from drug abuse

Artists “Pi Saderd” organized and performed in concerts aiming to educate young people about the harms of drug abuse. He also gave them advice on how to live away from drugs. And this is not the first time he did so. Over the past decade, Pi Saderd and his team have always been eager and determined to play a part in protecting young people from drugs. On this latest occasion, the concerts were held at two educational institutions: Chumphae Suksa School in Khon Kaen province and Mahasarakham Technical College in Mahasarakham. It was such a great honour that Phra Maha Sompong joined the event to preach students at Mahasarakham Technical College about the harms of drug addiction.

This activity was initiated by Pi Saderd himself in order to motivate and encourage youngsters to have dreams and stay away from drug abuse as drugs are among the nation’s and the world’s major problems. The activity targets schoolchildren, because a school provides a life foundation for young individuals, who are in the ages of turning points of their lives. He wants them to keep away from drugs and, instead, pursue their dreams. By doing this, they will spread their power to drive the nation to prosper in the right way.



The Music Therapy Project – To return better person to Society

Grammy Gold organized this project to encourage good people to return to society by using musical artists to encourage and raise awareness to help former inmates so they can have normal lives when they return to society and not get back to jail. Since 2012, similar activities have been arranged at prisons in several provinces, such as Sisaket, Nakhon Ratchasima, Ubon Ratchathani and Buriram. In 2015, an activity was held at the 114-year-old Phuket Prison, which holds approximately 3,000 inmates. Artists, including Earn Surattikarn, Pai Pongsatorn, Siriporn Umpaipong and Go Kai, entertained the attending inmates with music, singing and other recreation activities.

As a result of striving to campaign and support activities to fight illegal drugs of all kinds, the Group has earned variety of awards from many different organizations. (See in “Awards in 2015”).



The project for traditional and cultural support and practice of good Buddhism

The Group support and encourage continuing traditional cultural and good practice of Buddhism (Receiving awards for supporting the Religious Art and Culture shown as “Awards in 2015”), for example

- “Merit Making Ceremony giving alms to 9 temples” for employees and managers to make merit together by giving alms to monks to create auspiciousness and luck on New Year’s Day and is to be held annually.

- Organizing an event “GMM Songkran Rejoice!” annually to have the employees preserve and continue the tradition of “Rod Nam Dam Hua” to enable employees’ chance to meet and be blessed by senior management.
- Arranging the project “Show your carefree spirit!” to allow the employees to practice meditation; 4 times a year.
- Organizing the third annual “Parade Circulating Goodness.” held at Klong Toei Nok Temple presented by Tai Orathai, Powali Porpimon, San Naga, David Intee, Korn Phalakul, Urnkhawan Woranna, James Chinakrij, etc. The Actress promote the Thai traditional by wearing a Thai sarong together with drum parade from Thai Prasitsart School and fan club also joined to make merit, bring candles and money for temple maintenance, total 199 fishes were also released.

The project for supporting the quality of life in society





Awards in 2015

The Group and their artists were examples of good people in society. They were conspicuously beneficial to society by earning awards and honors. They also earned the public's trust as leaders of campaigns and models. In 2015 many awards were received as shown below.



- **GMM Grammy Public Company Limited** received an award from the Ministry of Culture as an organization that generates benefits for the Ministry and promotes religions, arts and cultures. The award ceremony took place at GMM Grammy Place.
- **GMM Grammy Public Company Limited** received a commemorative plaque from Her Royal Highness Princess Soamsawali on the World No Tobacco Day in 2015 as 'an organization that helps and supports the control of tobacco consumption'.
- **GMM Grammy Public Company Limited** was given a trophy from Her Royal Highness Princess Soamsawali as an organization that supports the Aids Research Center at the fair "Thien Song Chai" 2015.
- **A-Time Media and GMM25**, the subsidiary of **GMM Grammy Public Company Limited** won the **Nataraja Awards**. The winners included the Green Wave FM 106.5 station; "DJ Aom" Sunisa Sukboonsung from the Chill FM 89 station; Club Friday The Series as well as the Johjai program, which is broadcast on One 31 Channel, and the "Chan Kor Rak Kong Chan" song by New-Jiew. The awards ensure the audiences of the quality of our professionals in both music and digital TV business.
- **Yinglee- Thidarat Srijumpol, Toomtam-Yuthana PuengKlarn, Grand-Panwarot Duaysianklao, Pi Saderd, Earnkhun Waranya and Teerapron Srikiyarat (Aom Maimuang)** were given an award of Outstanding Artist in the campaign "Non-Smoking Thai Society 6th" of year 2015 from the Anti-Smoking Network and Thai Health Promotion Foundation (THPO).
- **Jaruwat Cheawaram (Dome -The Star 8)** was given a trophy and certificate of outstanding youth in the field of media preventing social problems from Child and Youth Development Promotion Division, Ministry of Social and Development and Human Security.
- **Yinglee - Thidarat Srijumpol and "Gun" Napat Injaiuea** won the "Child with Great Gratitude for Mother" awards from the National Council on Social Welfare of Thailand (NCSWT). They received the awards from Her Royal Highness Princess Soamsawali on Mother's Day in 2015.

- **Kangsom-Tanatat Chaiat** received “Diamond Song” award from the National Council on Social Welfare of Thailand (NCSWT) on National Thai Language’s Day in 2015
- **Tum-Warawut Poyim** was selected to be a presenter of World AIDS Day 2015 by Aids Research Center, Thai Red Cross Society

8. Innovation and the Dissemination of Innovation through Corporate Social Responsibility

The Company cooperated with Geurt Fah Company Limited, the owner of GMM Grammy Place building, has joined a campaign on producing personnel for building energy conservation or Building Energy Awards of Thailand 2010 Project (BEAT 2010), aiming to instill awareness on energy conservation among the public, produce personnel on energy conservation as an important force for the country in the long run and encourage the general public to become aware of energy conservation from real examples of known buildings. As the detail of measures in the Company’s annual registration statement (Form 56-1)

Company has received awards from the projects as follows:

1. ESCO Project Award 2012, No. 1, under the energy service company promotion project for the success in energy conservation through the use of ESCO system of the Institute of Industrial Energy, the Federation of Thai Industries and the Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy on January 17, 2012.
2. The Ministry of Energy’s BEAT Awards 2010 on innovation and creation of mass awareness on energy conservation on March 8, 2012.

Dissemination of innovation

The Company has disseminated innovation on energy conservation to the mass of people by

1. Publication of works in the book, “Join Forces to Conserve Building Energy,” published by Energy Policy and Planning Office, Ministry of Energy
2. Publication of works in Eworld Magazine, Issue 2013-02 of February 2013, under the topic, “GMM Grammy uniting all green building sciences for sustainable energy saving”
3. Sending representatives to join hands with the Federation of Thai Industries in giving lectures on the topic, “Break Energy Crisis by ESCO Service,” in various regions such as Bangkok, Pattaya, Nakhon Ratchasima, Rayong, Phetchaburi, etc.
4. Sending representatives to give lectures on energy conservation technology transfer to graduate students on energy conservation at Thammasat University
5. Welcoming interested parties from various sectors, including universities and business, to visit the Company’s Energy Conservation Project in GMM Grammy Place Building, such as

- Airports of Thailand Public Company Limited	- PTT Public Company Limited
- CP All Public Company Limited	- Tesco Lotus Company Limited
- Siam Paragon Department Stores	- Thammasat University
- Energy Policy and Planning Office, Ministry of Energy	- King Mongkut’s University of Technology Thonburi
- Bangkok Metro Public Company Limited	

The Group is committed to the implementation of various activities on a continue basis for sustainable development of Thai society throughout the time.

Business Operations with Impacts on Social Responsibility

The Board of Directors adheres to business operations in accordance with the principle of ethics and guidelines on good corporate governance, with responsibility to community, society and environment and therefore has never breached laws related to social responsibility operations.

Activities Beneficial to Society and Environment

The Group and its artists have carried out activities for society and environment; these include donations, charitable activities for society, anti-drug campaigns, support to the Thai Red Cross Society's activities, party organizing for children at welfare centers and support to brave soldiers, as given in the Company's website under "Corporate Social Responsibility."

Additional Guidelines on the Prevention of Corruption Involvement

The Risk Management Committee has determined additional guidelines on the prevention of corruption involvement, with three measures as follows:

Fraud risk assessment process

The Company has put in place a risk management system suitable to the Company's business nature, aiming to prevent and combat fraud and corruption by identifying incidents of high fraud and corruption risks that may arise from business operations, estimating possibility and impact determining proper measures to combat fraud and corruption, suitable to the assessed risks, methods to measure the success and resources utilized in risk mitigation and evaluating the performance under the established risk management plan.

Supervision and control practices to prevent and monitor fraud risk

The Company has established supervision and control practices to prevent and monitor fraud and corruption risks, which can be summarized as follows:

1. Put in place the audit process, internal control and risk management systems covering key operating systems, such as, sales and marketing, purchasing, contract preparation, account recording, payment systems, etc., aiming to prevent and monitor fraud and corruption risk and provide suitable guidelines in solving problems.
2. Provide channels for receiving information, clues or complaints on breaches of laws or the Company's business ethics or guidelines on the prevention of corruption involvement or suspicious abuse in financial reports or internal control systems, with a policy to protect the providers of information or clues and treat the received information with confidentiality, including measures on investigation and punishment under the Company's discipline and/or related laws. In case the provider of information or clues or the complainant can be contacted, the Company will give a written reply on the Company's action for information.
3. The relevant department's head is responsible for monitoring the action, correcting the error (if any) and reporting to the authorized person.

Guidelines on monitoring and evaluating compliance on the prevention of corruption involvement

The Company has determined guidelines on monitoring and evaluating compliance on the prevention of corruption involvement as follows:

1. Executives and employees are required to regularly appraise their own performance on compliance with the Good Corporate Governance and Business Ethics Manual of the Company, which contains policies on good corporate governance, business ethics, ethics on support to fraud and corruption counteracting, guidelines on the prevention of corruption involvement and employees' ethics and code of conduct.
2. Internal Audit Office is set up to oversee the internal control system, risk management and corporate governance, to provide recommendations continuously by conducting audit in accordance with the annual audit plan approved by the Audit Committee and report significant results with recommendations to the Audit Committee.
3. Risk Management and Internal Control Department is responsible for testing and evaluating fraud and corruption risk on a regular basis to ensure that anti-corruption measures are implemented effectively, including monitoring, reviewing and improving anti-corruption measures on a continued basis, with the assessment results being presented to the Risk Management Committee and reported to the Board of Directors regularly, on a timely basis.
4. In case of the facts from the investigation or complaints present the evidence with a reasonable cause to believe that there exists a transaction or abuse that may have a significant impact on the Company's financial position or operations, including an offense or breach of laws or the Company's business ethics or guidelines on the prevention of corruption involvement or suspicious abuse in financial reports or internal control system, the Audit Committee will report the findings to the Board of Directors for correction and improvement within a period of time deemed appropriate by the Audit Committee.

The Company has provided various channels for the communication of guidelines on the prevention of corruption involvement, such as the Group's intranet and the Company's website so that all executives and employees can acknowledge and follow.

Details of Head of Internal Audit, Company Secretary and Head of Compliance

As of December 31, 2015

Mr. Wichai Santadanuwat (40 Years)

Head of Internal Audit

Education

- Master of Business Administration (MBA), Bangkok University
- Bachelor of Accounting, Bangkok University

Seminar Accomplishment:

The Thai Institute of Directors (IOD):

- Anti-Corruption: The Practical Guide (ACPG) 2014
- Handling Conflict of Interest: What the Board Should do? (2008)

The Institute of Certified Accountants and Auditors of Thailand (ICAAT):

- Fundamental SAP R3 Auditing (2007)
- Risk Assessment for Better Audit Planning (2007)
- Introductory to Computer Assisted in Auditing (2003)

Thai Listed Companies Association (TLCA):

- Risk Management Conference (2009)

Other Institutes:

- IT Audit for Non IT Audit, NSTDA Academy (2012)
- Cyber Defense Initiative Conference (CDIC), ACIS Professional Center (2009)
- Risk Management, Price Waterhouse Coopers (2004)
- New COSO Enterprise Risk Management, Price Waterhouse Coopers (2004)

Number of Share Holding (%)

-None-

Experience during the past 5 years

Listed Companies

Sep 2014 - Present	Internal Audit Senior Director/ Secretary of the Audit Committee GMM Grammy Plc.
Jan 2007 - Aug 2014	Internal Audit Director/ Secretary of the Audit Committee GMM Grammy Plc.
Jan 2005 - Dec 2006	Internal Audit Department Manager GMM Grammy Plc.
Jan 2004 - Dec 2004	Internal Audit Division Manager GMM Grammy Plc.
May 2001 - Dec 2003	Internal Audit Supervisor GMM Grammy Plc.
Mar 1997 - Apr 2001	Internal Audit Staff Charoen Pokkaphan Food Plc.

Other Companies

Jun 1996 - Mar 1997	Internal Audit Staff Bara winsor Co., Ltd
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Mrs. Somsuda Ruampumsuk (43 Years)

Corporate Secretary and Head of Compliance

Education

- Bachelor of Engineering Computer Engineering
King Mongkut's Institute of Technology Ladkrabang

Seminar Accomplishment:

TLCA Executive Development Program (TLCA):

- Fundamentals for Corporate Secretaries
- Advances for Corporate Secretaries

The Securities and Exchange Commission

- Smart Disclosure Program (SDP)

Thai Investor Association

- AGM Assessment Project

Number of Share Holding (%)

-None-

Experience during the past 5 years

Listed Companies

13 May 2015 - Present	Corporate Secretary/ Office of Corporate Secretary Manager GMM Grammy Plc.
Mar 2013 - May 2015	Coordinator Manager GMM Grammy Plc.
Jun 2012 - Aug 2013	Procurement Director TT&T Plc.
2009 - 2012	Acting Regulatory Affair Director TT&T Plc.
2005 - 2009	Concession Management Manager TT&T Plc.
1994 - 2005	Engineer TT&T Plc.

Duties and Responsibilities of the Company Secretary (and acting as Head of Compliance)

- Being a Secretary to the Board of Directors by coordinating with all parties in organizing Board of Directors Meetings and Shareholders Meetings so that they adhere to principles of Good Corporate Governance and related regulations, the Company's Articles of Associations and best practices, and related laws such as the Securities and Exchange Act and the Public Limited Company Act B.E. 2535.
- Being responsible for disclosing the Company's information in line with SET's and SEC's regulations, and other regulatory bodies.
- Providing basic advice to the Board of Directors and Management who have to follow the Company's Articles of Association, rules of SEC and SET, and any new regulations that may be relevant to the Company.
- Preparing and storing important documents such as the registration of the Company's directors, the invitation letter and minutes of the Board of Directors Meeting, the invitation letter and minutes of the Shareholders Meeting, the Annual Report, shares holding report of directors and management team, and reports of conflicts of interest filed by directors and the management.
- Supervising various activities and events performed by the Board of Directors to ensure the efficiency and effectiveness of their works, and the greatest benefits to the Company.
- Coordinating with related parties to ensure that the resolutions from the Board of Directors Meetings and the Shareholders Meetings are carried out.
- Executing additional duties as assigned by the Board of Directors.

General and Other Information

General Information

Company Name	:	GMM Grammy Public Company Limited (“The Company”)
Head Office	:	50 GMM Grammy Place, Sukhumvit 21 Road (Asoke), Khlongtoeinuea, Wattana, Bangkok 10110
Business	:	Entertainment and media
Company Registration	:	PCL. 0107537000955
Telephone	:	(66) 2669 9000
Facsimile	:	(66) 2669 9009
Company Homepage	:	http://www.gmmgrammy.com
Authorized capital	:	819,949,729 baht consisting of 819,949,729 common shares with a par value of 1 baht each (as December 31, 2015)
Authorized & Paid-up capital	:	819,949,729 baht consisting of 819,949,729 common shares with a par value of 1 baht each (as December 31, 2015)

Companies in which GMM Grammy holds more than 10% of their shares

GMM Grammy Public Company Limited, and its subsidiaries

Company	Business Type	Issued Shares	
		Type	Number
Parent company			
GMM Grammy Plc.	Fully-integrate entertainment businesses, including music business, media business, broadcasting business, digital TV business and other entertainment businesses	Common Shares	819,949,729
Subsidiaries			
1 GMM Music Publishing International Co., Ltd.	Management of music copyrights	Common Shares	50,000
2 Fan TV Co., Ltd.	Production of satellite television programmes	Common Shares	2,000,000
3 GDH 559 Co., Ltd.	Production of films and television programmes	Common Shares	50,000
4 GMM Tai Hub Co., Ltd.	Production of films and television programmes	Common Shares	30,000,000
5 Good Things Happen Co., Ltd.	Media advertising, public relations consulting, and organizer	Common Shares	50,000
6 GMM Studio Co., Ltd.	Studio service	Common Shares	500,000
7 GR Vocal Studio Co., Ltd.	Vocal and music schools	Common Shares	50,000
8 3-RD Co., Ltd.	Providing customer service via telephone	Common Shares	180,000
9 GMM Holding Co., Ltd.	Holding company	Common Shares	2,500,000
10 GMM Media Plc.	Production of radio programmes	Common Shares	200,255,500
11 A-Time Media Co., Ltd.	Radio stations sub-leasing	Common Shares	10,000
12 Exact Co., Ltd.	Production of television programmes	Common Shares	600,000
13 GMM TV Co., Ltd.	Production of television programmes	Common Shares	200,000
14 Deetalk Co., Ltd.	Production of television programmes	Common Shares	10,000
15 GMM Z Co., Ltd.	Production of satellite television programmes	Common Shares	6,400,000
16 Z Trading Co., Ltd.	Production and distribution of satellite television and digital TV receivers	Common Shares	59,350,000
17 GDC Co., Ltd.	Providing service to games members, distribution of games playing cards	Common Shares	500,000
18 GMM Channel Co., Ltd.	Production of television programmes and digital on-air	Common Shares	6,000,000
19 GMM Channel Trading Co., Ltd.	Being a representaive in the distribution of advertising time and programmes production on digital TV	Common Shares	6,000,000
20 GMM CJ O Shopping Co., Ltd.	Wholesale and retail by using advertising media and phone orders service and receiving phone orders	Common Shares	5,400,000
21 Digistream Co., Ltd.	Providing music in streaming	Common Shares	10,000
22 Grammy Publishing House Co., Ltd.	Distribution of education publication	Common Shares	1,650,000
23 Bliss Publishing Co., Ltd.	Production and distribution of pocket books	Common Shares	425,000
24 MGA Co., Ltd.	Currently non-active	Common Shares	1,200,000
25 More Music Co., Ltd.	Currently non-active	Common Shares	160,000
26 GMM Digital Domain Co., Ltd.	Currently non-active	Common Shares	500,000

Company	Business Type	Issued Shares	
		Type	Number
27 Digital Arms Co., Ltd.	Currently non-active	Common Shares	7,000,000
28 Digital Gen Co., Ltd.	Currently non-active	Common Shares	50,000
29 Global Music and Media (China) Limited	Currently non-active	Common Shares	1,507,500
30 Extraorganizer Co., Ltd.	Currently non-active	Common Shares	10,000
31 Magic Film Co., Ltd.	Currently non-active	Common Shares	22,000
32 G S-one Co., Ltd.	Currently non-active	Common Shares	1,150,000
33 Mifah Co., Ltd.	Currently non-active	Common Shares	450,000
34 GMM Fitness Club Co., Ltd.	Currently non-active	Common Shares	4,000,000
35 Teen Talk Co., Ltd.	Currently non-active	Common Shares	400,000
Associated companies			
1 Scenario Co., Ltd.	Production of television programmes and plays	Common Shares	14,000,000
2 Nadao Bangkok Co., Ltd.	Films production and talent agency services	Common Shares	20,000
3 Sawasdee Thaweesuk Co., Ltd.	Production post and design of advertising media and films and public relations for films	Common Shares	50,000
4 Siengdee Thaweesuk Co., Ltd.	Provider of recording movie sound and movie advertisement, produce sound and music for movie	Common Shares	1,200,000
5 Ngandee Thaweesuk Co., Ltd.	Provision of public relations and organizer	Common Shares	100,000
6 Parbdee Thaweesuk Co., Ltd.	Production of television programmes	Common Shares	50,000
7 The Secret Farm Co., Ltd.	Design and post production of advertising media	Common Shares	20,000
8 Family Know-How Co., Ltd.	Production of television programmes and publishing media	Common Shares	2,500,000
9 Lucks (666) Satellite Co., Ltd.	Production of satellite television programmes	Common Shares	200,000
Joint Ventures			
1 GMM One TV Co., Ltd.	Production of television programmes and digital on-air	Common Shares	12,000,000
2 The ONE Enterprise Co., Ltd. (Formerly known as "GMM One TV Trading")	Being a representative in the distribution of advertising time and programmes production on digital TV	Common Shares	19,050,000
3 Acts Studio Co., Ltd.	Studio leasing	Common Shares	4,050,000
4 Me Miti Co., Ltd.	Production of television programmes	Common Shares	60,000
5 Exact Scenario Co., Ltd. (Formerly known as "The News TV")	Artist managements	Common Shares	10,000
Other companies			
1 A-Time Traveller Co., Ltd.	Domestic and international trip service provider	Common Shares	50,000

1. GMM Grammy Plc., subsidiaries and associated companies have registered office at 50 GMM Grammy Place, Sukumvit 21 Rd. (Asoke), Khlongtoeinua, Wattana, Bangkok except the following companies

1.1 GDH 559 Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.2 GMM Tai Hub Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.3 Good Things Happen Co., Ltd.	Office : 222/331 Soi Ruammit-pattana Yaek 5, Tarang, Bang Khen, Bangkok
1.4 Acts Studio Co., Ltd.	Office : 9/9 Moo 1, Bang khu wat, Mueng Pathumthani, Pathumthani
1.5 3-RD Co., Ltd	Office : 222 14 th -16 th Fl., Voravit Building, Sipraya, Bangrak, Bangkok
1.6 GMM CJ O Shopping Co., Ltd.	Office : 88/8 Rama 9 Rd., Huaykwang, Bangkok
1.7 MGA Co., Ltd.	Office : 38 Chawanich Building Soi Sukhumvit 69 (Saleenimitr), Sukhumvit Rd., North Prakanong, Wattana, Bangkok
1.8 Global Music and Media (China) Limited	Office : 6 th Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong
1.9 Nadao Bangkok Co., Ltd.	Office : 92/14 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.10 Sawasdee Thaweesuk Co., Ltd.	Office : 92/44 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.11 Siengdee Thaweesuk Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.12 Ngandee Thaweesuk Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.13 Parbdee Thaweesuk Co., Ltd.	Office : 105 Soi Sukhumvit 39, Klongtonnua, Wattana, Bangkok
1.14 The Secret Farm Co., Ltd.	Office : 357 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
1.15 Family Know-How Co., Ltd.	Office : 93 Ratchadaphisek Rd., Khlongtoei, Bangkok
1.16 Lucks (666) Satellite Co., Ltd.	Office : 1417 Soi Ladprow 94 (Panjamitr), Plub-Pla, Wangthonglang, Bangkok

2. The registered office of the other companies are follows;

2.1 A-Time Traveller Co., Ltd.	Office : 50 GMM Grammy Place, Sukumvit 21 Rd. (Asoke), Khlongtoeinua, Wattana, Bangkok
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Other Reference Persons

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