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ANNUAL  
REPORT  
2019

GMM GRAMMY PUBLIC COMPANY LIMITED

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“ALWAYS **PLAY** WITH YOU”



GMM-  
GRAMMY

SINCE 1983  
ALWAYS PLAY WITH YOU



# CONTENT

TO BE A LEADER IN FULLY  
INTEGRATED ENTERTAINMENT BUSINESS  
AND TO ENGAGE WITH CONSUMERS  
THROUGH MULTI CHANNELS

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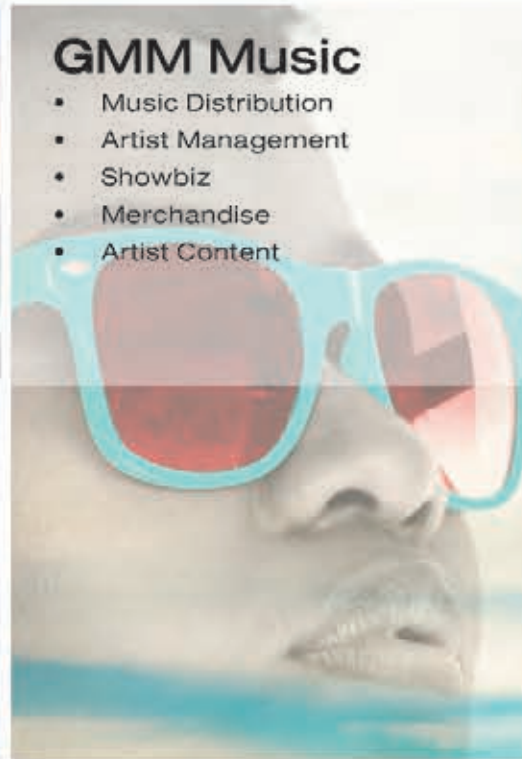


# ALWAYS PLAY WITH YOU



## GMM Music

- Music Distribution
- Artist Management
- Showbiz
- Merchandise
- Artist Content



## GMM Z

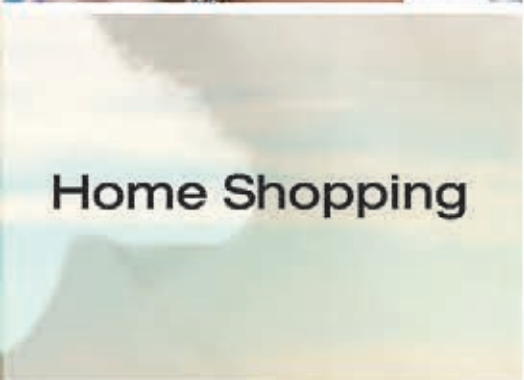


## Joint Venture

- The One Enterprise
- GMM Channel Holding



## Movie



## Home Shopping



The group has always held to the belief that business operations go hand-in-hand with a create balance between economic development society and environment



# GMM MUSIC

Music Distribution  
Artist Management  
Showbiz & Merchandising  
Artist Content



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# Joint Venture

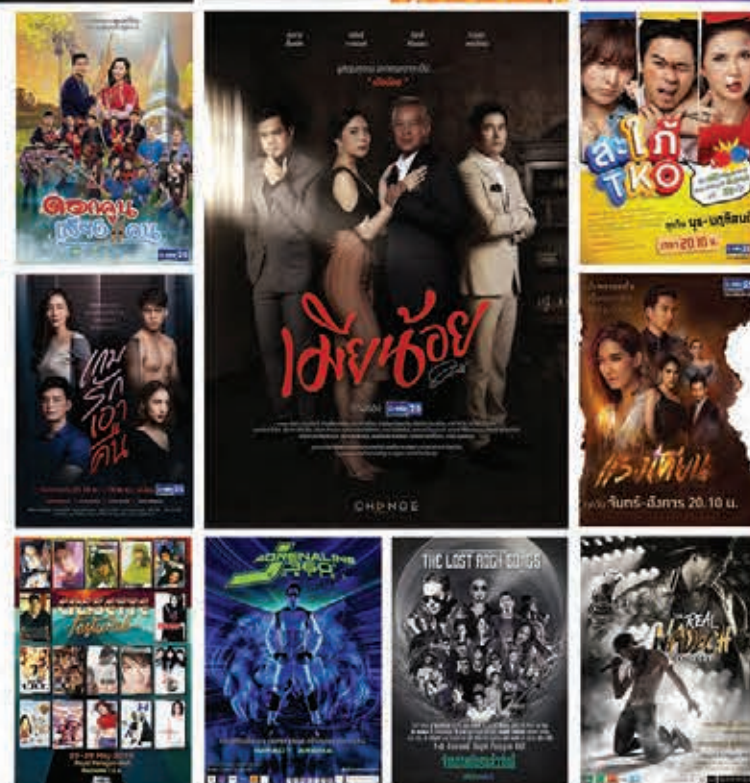


## GMM Channel Holding

Developing quality varied content through a multitude of platforms. Experience engaging entertainment for the modern lifestyle.



CHANGE



## The One Enterprise

Nationally recognized entertainment channel, broadcasting drama, series and variety for the whole family.







# MOVIE



GDH

Providing quality entertainment, top grossing movies and online streaming content both locally and internationally.





# HOME SHOPPING



# GMM Z & OTHERS



O SHOPPING





**Mr. Paiboon Damrongchaitham**  
Chairman



**Miss Boosaba Daorueng**  
Group Chief Executive Officer

**“GMM Grammy proudly delivered operating results yielding the highest net profit in 8 years and resolved to pay dividends for the first time in 8 years”**



# Message from Chairman and Group Chief Executive Officer

ALWAYS PLAY WITH YOU

## Dear Shareholders,

The past year, 2019, GMM Grammy proudly delivered operating results yielding the highest net profit in 8 years and resolved to pay dividends for the first time in 8 years. Driven by the success of our core business, music business which saw solid growth in both revenue and profit, proving our strong presence in the industry.

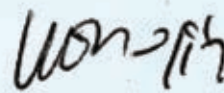
Investments in diverse businesses also reported higher results. Performance of digital TV business improved through our creative content designed to capture audiences nationwide. As for movie business, GDH created successful content for larger audience with top grossing Thai films in 2019. Seeing the potential competitiveness of home shopping business, by end of the year the Company purchased all shares of O Shopping Co., Ltd. from foreign joint ventures. Especially its quality customer base and the continuous trust in O Shopping.

Apart from focusing on business opportunities and strategy implementation. We also put more emphasis on human resource development since human capital is cornerstone of our business. We are committed to good corporate governance and sustainable development. It has been a great pleasure that Thai Institute of Directors (IOD) awarded the company the 'Five Stars' rating which represents the 'highest rank of excellence' from good governance assessment of the listed company in 2019 which continued for ninth consecutive years so far. By doing so, we hope to enhance our ability to generates higher returns to shareholders in immediate futures.

On behalf of the Board of Directors, we would like to express our gratitude to our stakeholders, whether they are our shareholders, customers, business partners, financial institutions, government agencies, media agencies, artists, executives and all employees for all support and contribution. We focus on the Company's excellence in creative production, service and administration in order to deliver a profitable return to shareholders over the long term and moving forward to develop media and entertainment industry for our nation and society.



**Mr. Paiboon Damrongchaitham**  
Chairman



**Miss Boosaba Daorueng**  
Group Chief Executive Officer

# Securities and Shareholders Information

## 1. The Company's Security

As of December 31, 2019, 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 August 27, 2019 are as follows:

Rank	Shareholders	No. of Shares	% Holding
1	Mr. Paiboon Damrongchaitham*	392,834,599	47.910
2	Mr. Thaveechat Jurangkool	133,835,723	16.322
3	Mr. Nuttapol Jurangkool	81,122,700	9.894
4	Bualuang Long-Term Equity Fund	24,437,800	2.980
5	UOB KAY HIAN (HONG KONG) LIMITED - Client Account	22,932,520	2.797
6	Mr. Komol Juangroongruangkit	22,720,000	2.771
7	Bangkok Bank Public Co.,Ltd.	12,278,693	1.497
8	Mr. Fahmai Damrongchaitham*	9,299,200	1.134
9	Mr. Rafha Damrongchaitham*	9,000,000	1.098
10	Miss Fahchai Damrongchaitham*	7,969,873	0.972
11	Miss Ingfah Damrongchaithamm*	7,969,872	0.972
12	Mr. Takonkiet Viravan	6,930,856	0.845
13	Mrs. Hathairatn Jurangkool	5,673,200	0.692
14	Mr. Kitti Ngammaharat	5,326,800	0.650
15	Bualuang Long-Term Equity Fund 75/25 (BLTF75)	5,306,400	0.647
16	Bualuang Equity RMF (BERMF)	5,001,200	0.610
17	Bualuang Flexible RMF (BFLRMF)	4,816,500	0.587
<b>Total</b>		<b>757,455,936</b>	<b>92.378</b>

\* Mr. Paiboon Damrongchaitham Group consists of Mr. Paiboon Damrongchaitham; holding 392,834,599 shares (equivalent to 47.910%), Mr. Fahmai Damrongchaitham; holding 9,299,200 shares (equivalent to 1.134%), Mr. Rafha Damrongchaitham, holding 9,000,000 shares (equivalent to 1.098%), Miss Fahchai Damrongchaitham holding 7,969,873 shares (equivalent to 0.972%) and Miss Ingfah Damrongchaitham, holding 7,969,872 shares (equivalent to 0.972%)

The free float of minority shareholders on March 25, 2019 (the day of the registration book closing by the Company for reporting the "Distribution of Ordinary Shares Report Form" to the SET) amounted to 2,435 shareholders, equivalent to 21.14 % 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 August 27, 2019, is as follows:

The distribution of shareholders separated by nationality and person type

Shareholders	Grand Total			Juristic Person			Ordinary Person		
	*No. of Share-holders	Number of Shares	%	*No. of Share-holders	No. of Shares	%	*No. of Share-holders	No. of Shares	%
Thai Shareholders	2,429	791,172,047	96.49	19	61,993,805	7.56	2,410	729,178,242	88.83
Foreign shareholders	23	28,777,682	3.51	13	28,366,482	3.46	10	411,200	0.05
<b>Total</b>	<b>2,452</b>	<b>819,949,729</b>	<b>100.00</b>	<b>32</b>	<b>90,360,287</b>	<b>11.02</b>	<b>2,420</b>	<b>729,589,442</b>	<b>88.98</b>

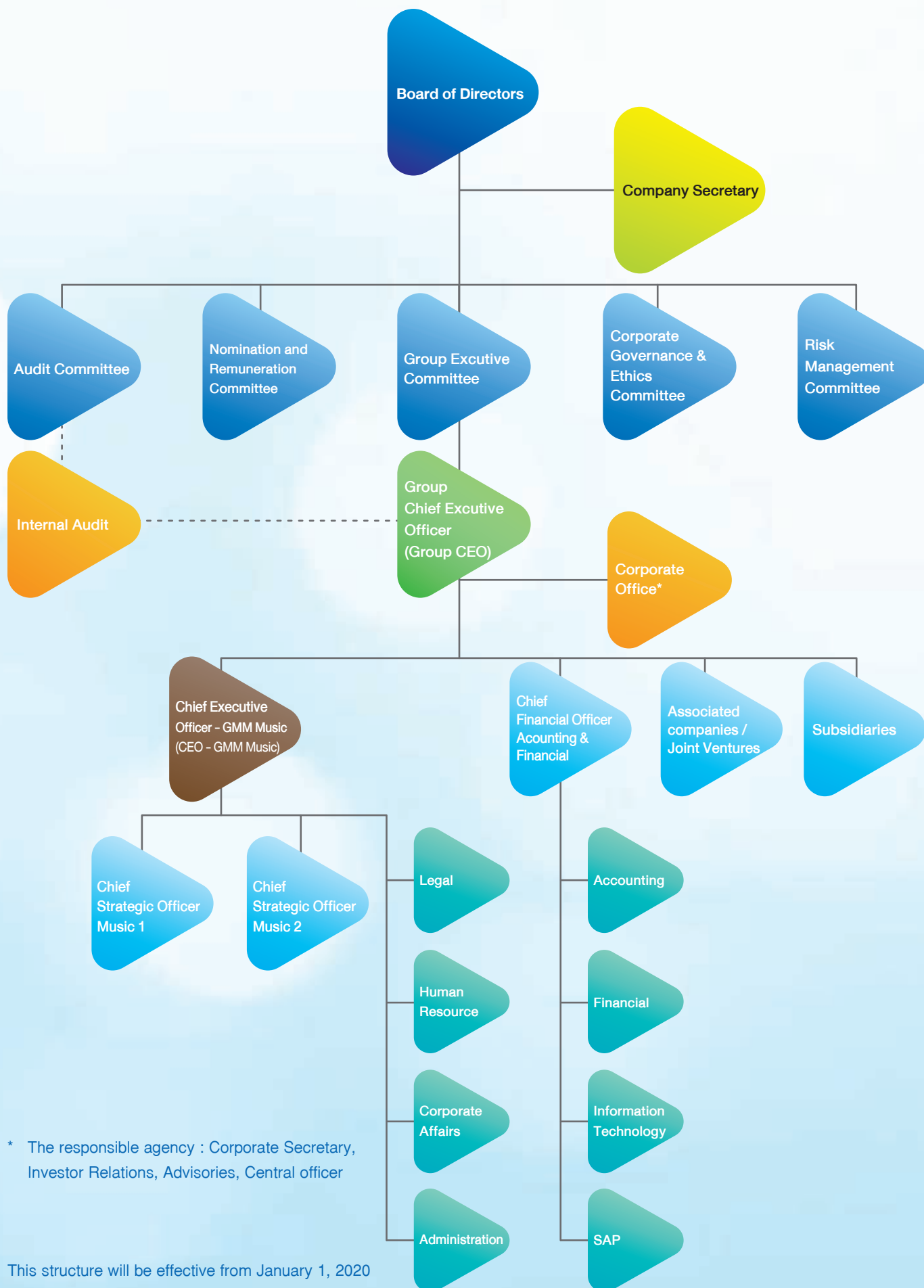
\* Information provided by Thailand Securities Depository Co., Ltd., the number of shareholders will be counted based upon different accounts or addresses.

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 responsible agency : Corporate Secretary, Investor Relations, Advisories, Central officer

This structure will be effective from January 1, 2020



The Company's management structure as of December 31st, 2019 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 of 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, 2019, the Board of Directors consisted of 11 directors whose qualified with extensive skills, knowledge and experiences that are beneficial to the Company's strategy implementation and future success as follows:

- (1) 3 members were executive directors.
- (2) 8 members were non-executive directors, comprised of:
  - 4 independent directors, equivalent to 1/3 of the total number of directors.
  - 4 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 2019, the Board of Directors held 4 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	2017 Annual General Meeting (AGM)	4/4	25 years 9 months
2.	Miss Boosaba	Daorueng	Director / Vice Chairman	2018 Annual General Meeting (AGM)	4/4	25 years 9 months
3.	Dr. Naris	Chaiyasoot	Independent Director	2019 Annual General Meeting (AGM)	4/4	6 years 9 months
4.	Mr. Suvit	Mapaisansin	Independent Director	2018 Annual General Meeting (AGM)	4/4	4 year 8 months
5.	Mr. Warathorn	Wongsawangsi <sup>1,2</sup>	Independent Director	2018 Annual General Meeting (AGM)	2/2	0 year 7 months
6.	Mr. Chanitr	Charnchainarong	Independent Director	2019 Annual General Meeting (AGM)	4/4	4 years 1 month
7.	Mrs. Saithip	Montrikul na Audhaya	Director	2019 Annual General Meeting (AGM)	4/4	17 years 5 months

Name			Title	Appointment Date at AGM	Meeting Attendance (times)	No. of Years for Directorship
8.	Mr. Phawit	Chitrakorn	Director	2017 Annual General Meeting (AGM)	4/4	2 years 8 months
9.	Mr. Fahmai	Damrongchaitham	Director	2019 Annual General Meeting (AGM)	4/4	2 years 7 months
10.	Miss Suwimon	Chungjotikapisit	Director	2018 Annual General Meeting (AGM)	4/4	9 years 1 month
11.	Dr. Lackana	Leelayouthayotin	Director	2017 Annual General Meeting (AGM)	4/4	4 year 6 months
	Mrs. Veeranuch	Thammavaranucupt <sup>1</sup>	Independent Director	2018 Annual General Meeting (AGM)	0/1	4 year 6 months

**Note:**

<sup>1</sup> Mrs. Veeranuch Thammavaranucupt resigned from the Board of Directors effective from May 3, 2019.

<sup>2</sup> Mr. Warathorn Wongsawangisiri was appointed the independent director, according to resolution passed at the Board of Directors' Meeting No.2/2019 effective on May14,2019 to replace the resigned director Mrs. Veeranuch Thammavaranucupt.

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. Phawit Chitrakorn or Mr. Fahmai Damrongchaitham, 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 performs 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 executive 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 executive 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 highly qualified persons and top executives who have knowledge and experience in business lines not less than 5 persons, appointed at the Board of Directors' Meeting No.2/2019 held on May 14, 2019, which passed a resolution to appoint the members of The Group Executive Committee, effective from May 15, 2019 onwards, were noted as follows:

Name		Title	Meeting Attendance (times)
1. Miss Boosaba	Daorueng	Chairman	11/11
2. Mr. Kittisak <sup>1</sup>	Chuangaroon	Vice Chairman	7/7
3. Mr. Krij <sup>2</sup>	Thomas	Vice Chairman	6/7
4. Mr. Phawit	Chitrakorn	Member	11/11
5. Mr. Fahmai	Damrongchaitham	Member	8/11
6. Mr. Sompohb	Budspawanich	Member	9/11
7. Mrs. Karnsuda	Sansuthi	Member	10/11
8. Miss Prapawadee	Thanirananon	Member	8/11
Mrs. Montana <sup>3</sup>	Thawaranont	Member	4/4
Mr. Wichian <sup>4</sup>	Rerkpaisan	Member	0/1

**Note :** Additional information and changes during the year 2019

<sup>1/2</sup> Mr. Kittisak Chuangaroon and Mr. Krij Thomas were appointed the member of The Group Executive Committee, according to the resolution of the Board of Directors' Meeting No.2/2019 on May 14th, 2019.

<sup>3</sup> Mrs. Montana Thawaranont resigned from the member of The Group Executive Committee, according to the resolution of the Board of Directors Meeting No. 2/2019, on May 14th, 2019.

<sup>4</sup> Mr. Wichian Rerkpaisan was appointed the member of The Group Executive Committee, according to the resolution of the Board of Directors' Meeting No.2/2019 on May 14th, 2019, and resigned from the Company, effective on July 1st, 2019.



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

1. Setting and preparation of the Company's business strategies, policies, business plans and budgets to the Board of Directors for approval.
2. 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.
3. Operating and managing business according to the policies and directions issued by the Board of Directors.
4. Monitoring of the executives under supervision of the Group Chief Executive Officer and carry out duties as determined by the Board of Directors.
5. Being responsible for other assignments periodically delegated by the Board of Directors.
6. 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, 2019, 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 6 qualified members as follows:

Name		Title
1. Miss Boosaba	Daorueng	Group Chief Executive Officer
2. Mr. Phawit	Chitrakorn	Chief Executive Officer - GMM Music
3. Mr. Fahmai	Damrongchaitham	Chief Strategic Officer—Music 1
4. Mr. Sompohb	Budspawanich	Chief Strategic Officer—Music 2
5. Mrs. Karnsuda	Sansuthi	Chief Financial Officer

### 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:



1. Implementing vision and mission of the Company and its subsidiaries through specific strategies to achieve maximum benefit.
2. Managing the business of the Group under appropriate cooperation and mutual support in music business, media business, satellite TV business and related business lines.
3. 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.
4. Setting policy on personnel management and supporting operations in all departments for sustainable development with full potential.
5. Providing advice, recommendation, or working experience, guidelines for business strategies to the executive team and employees for the best benefit of the GRAMMY Group.
6. Being responsible for effective financial and budgetary management.
7. 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, Executives and Auditor

As of February 28th, 2020, the figures of individual shares holding (directly and indirectly) compared to February 28th, 2019, were as follows:

No.	Director/Executive/Auditor	Position	Number of Shares Holding As of February 28, 2020	Percentage (%)*	Number of Shares Holding As of February 28, 2019	Percentage (%)**	Number of Share Change Increase/ (Decrease) During the Year
1	Mr. Paiboon Damrongchaitham <sup>\1</sup>	Chairman	392,834,599	47.91	392,834,599	47.91	-
	Spouse/Immature Children		-	-	-	-	-
	Concert Party <sup>\1</sup>		34,247,945	4.18	33,939,745.00	4.14	308,200
	Juristic person that is not related but is a Concert Party <sup>\1</sup> through the holding of 100% children, Geurtfah Co., Ltd.		421,200	0.05	145,200	0.02	276,000
2	Mrs. Boosaba Daorueng	Vice Chairman Group CEO	1,150,120	0.14	1,150,120	0.14	-
	Spouse/Immature Children		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. Suvit Mapaisansin	Independent Director	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
5	Mr. Warathorn Wongsawangsi <sup>\4</sup>	Independent Director	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-



No.	Director/Executive/Auditor	Position	Number of Shares Holding As of February 28, 2020	Percentage (%)*	Number of Shares Holding As of February 28, 2019	Percentage (%)**	Number of Share Change Increase/ (Decrease) During the Year
6	Mr. Chanitr Charnchainarong	Independent Director	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
7	Dr. Lackana Leelayouthayotin	Director	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
8	Ms. Suwimon Chungjotikapisit	Director	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
9	Mrs. Saithip Montrikul Na Audhaya	Director	120	0.00	120	0.00	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
10	Mr. Phawit Chitrakorn	Director CEO GMM Music	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
11	Mr. Fahmai Damrongchaitam <sup>12</sup>	Director Chief Strategic Officer—Music 1	9,308,200.00	1.14	9,000,000.00	1.10	308,200
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
12	Mr. Sompohb Budspawanich	Chief Strategic Officer—Music 2	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
13	Mrs. Karnsuda Sansuthi	Chief Financial Officer	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
14	Mr. Termphong Opanaphan	Auditor (CPA No.4501)	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-
	Mrs. Veeranuch Thammavaranucpt <sup>13</sup>	Independent Director (Resigned, May 3, 2019.)	-	-	-	-	-
	Spouse/Immature Children		-	-	-	-	-
	Related Juristic Person		-	-	-	-	-

**Note:**

<sup>11</sup> <sup>12</sup> Mr. Paiboon Damrongchaitam is the father of Mr. Fahmai Damrongchaitam. (Mr. Paiboon Damrongchaitam Group, who is a concert party group consisting of Mr. Paiboon Damrongchaitam; holding 392,834,599 shares (equivalent to 47.910%), Mr. Fahmai Damrongchaitam; holding 9,308,200 shares (equivalent to 1.135%), Mr. Rafha Damrongchaitam, holding 9,000,000 shares (equivalent to 1.098%), Miss Fahchai Damrongchaitam holding 7,969,873 shares (equivalent to 0.972%), Miss Ingfah Chumrongchaitam, holding 7,969,872 shares (equivalent to 0.972%) and Geutfah Co., Ltd.; holding 421,200 shares (equivalent to 0.051%))

<sup>13</sup> Mrs. Veeranuch Thammavaranucpt resigned from the Board of Directors effective from May 3, 2019.

<sup>14</sup> Mr. Warathorn Wongsawangsi was appointed the independent director, according to resolution passed at the Board of Directors' Meeting No.2/2019 effective on May 14, 2019 to replace the resigned director Mrs. Veeranuch Thammavaranucpt.



## Company Secretary

Mrs. Somsuda Ruampumsuk, Director 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.

## The person taking the highest responsibility in finance and accounting (CFO) and the person supervising accounting (Chief Accountant)

### The person taking the highest responsibility in finance and accounting

Mrs. Karnsuda Sansuthi, Chief Financial Officer (CFO), as the person taking the highest responsibility in finance and accounting, effective as of January 21, 2016. 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 CFO. Mrs. Karnsuda completed 12 hours orientation program in 2017, attended continuous accounting knowledge enhancement training of 25.30 hours in 2018 and attended continuous accounting knowledge enhancement training of 22 hours in 2019.

### The person supervising accounting

Miss Kadearoon Uppathamp, Accounting Director, as the person supervising accounting, effective as of December 13, 2016. 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 Chief Accountant with criteria specified by Department of Business Development.

In 2019, Miss Kadearoon attended continuous training programs in accounting of 6 hours and seminar organized by Dharmniti Seminar and Training on knowledge about Tax Planning Corporate income tax and Value added tax of 6 hours. Total training in 2019 was 12 hours.

## Remuneration of Directors and Executives

### 1) Remuneration of Directors and Sub-committees

#### 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 2019 was in accordance with the resolution from the 2019 annual shareholders' meeting on April 26th, 2019 at the amount of 6,650,000 baht based upon changing the remuneration criteria comprising of the monthly remuneration, the meeting allowance and annual bonus, for the Chairman of the Company, Independent Directors and Non-Executive Directors except the Executive Directors that will not receive monthly remuneration and meeting allowance because they already receive salary from being an employee of the Company, same as last year; summarized as follows:

##### 1.1.1 Monthly Remuneration (paid for directors every month)

Unit: Baht/Person/Time

Position	Monthly Remuneration
Chairman	50,000
Independent Director	20,000
Director	20,000
Executive Director*	-

**Remark:** \* Because Executive Directors already receive salary from being an employee of the Company

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

Unit: Baht/Person/Time

Position	Meeting Allowance
Chairman	20,000
Independent Director	20,000
Director	20,000
Executive Director*	-

**Remark:** \* Because Executive Directors already receive salary from being an employee of the Company



1.1.3 Annual Bonus (Once per year) The allocation was according to the shareholders' meeting resolutions as follows:

Total annual bonus in 2019 for the Board was being paid from the amount approved by the shareholders as mentioned above, deducted by total monthly remuneration and meeting allowances paid to directors and independent directors during the year. The annual bonus was proportionated according to individual attendance records for the year, with an allocation rate for Chairman applied twice the number of attendance; while an allocation rate for independent director, director and executive director applied at one time the number of attendance by consideration and approval of Chairman of the Nomination and Remuneration Committee

1.1.4 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 as follows:

1.2.1.1 Monthly Remuneration (paid for directors every month)

Unit: Baht/Person/Time

Position	Monthly Remuneration for for the Audit Committee
Chairman of Audit Committee	30,000
Audit Committee (per person)	10,000

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

Unit: Baht/Person/Time

Position	Meeting Allowance for the Audit Committee
Chairman of Audit Committee	20,000
Audit Committee (per person)	20,000

1.2.1.3 Non-monetary/ Other benefits

None

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 2019, remuneration for 11 directors of the Board, was amounting to 6,650,000 baht in total, with details as follows:

Name	Title	Remuneration for the Board of Directors			Remuneration for the Audit Committee		Non Monetary	Total Remuneration 2019 (Baht)
		Meeting Allowance 2019 (Baht)	Monthly Remuneration 2019 (Baht)	Director's Annual Gratuity 2019 (Baht)	Meeting Allowance 2019 (Baht)	Monthly Remuneration 2019 (Baht)		
1. Mr. Paiboon Damrongchaitham	Chairman	80,000	600,000	483,927			None	1,163,927
2. Dr. Naris Chaiyasoot	Chairman of the Audit Committee+ Independent Director	80,000	240,000	241,964	80,000	360,000	None	1,001,964
3. Mr. Chanitr Charnchainarong	Member of the Audit Committee+ Independent Director	80,000	240,000	241,964	80,000	120,000	None	761,964
4. Mr. Suvit Mapaisansin	Member of the Audit Committee+ Independent Director	80,000	240,000	241,964	80,000	120,000	None	761,964
5. Mrs. Veeranuch Thammavaranucpt <sup>1</sup>	Member of the Audit Committee+ Independent Director	-	80,000	-	-	40,000	None	120,000
6. Mr. Warathorn Wongsawangsi <sup>2</sup>	Member of the Audit Committee+ Independent Director	40,000	151,613	120,982	40,000	75,806	None	428,401
7. Miss Suwimon Chungjotkapisit	Non-Executive Director	80,000	240,000	241,964			None	561,964
8. Dr. Lackana Leelayouthayotin	Non-Executive Director	80,000	240,000	241,964			None	561,964
9. Mrs. Saithip Montrikul Na Audhaya	Non-Executive Director	80,000	240,000	241,964			None	561,964
10. Miss Boosaba Daorueng	Director / Executive Director	-	-	241,964			None	241,964
11. Mr. Phawit Chitrakorn	Director / Executive Director	-	-	241,964			None	241,964
12. Mr. Fahmai Damrongchaitham	Director / Executive Director	-	-	241,964			None	241,964
Total(Baht)		600,000	2,271,613	2,782,581	280,000	715,806		6,650,000

**Note:**

<sup>1</sup> Mrs. Veeranuch Thammavaranucpt resigned from the Board of Directors effective from May 3, 2019.

<sup>2</sup> Mr. Warathorn Wongsawangsi was appointed the independent director, according to resolution passed at the Board of Directors' Meeting No.2/2019 effective on May14,2019 to replace the resigned director Mrs. Veeranuch Thammavaranucpt.

## 2) Remuneration of Group Executive Committee Members and Top Executives (as defined by the SEC)

In 2019, the Company has evaluated the performance of top executives. (and all employees) in term 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. The Board of Directors considers that the remuneration structure for top executives is appropriate for their responsibilities and can motivate executive directors and top executives to lead the organization to meet both short-term and long-term goals, and can compare with the level that is practiced in the same industry

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 2019, the total monetary remuneration for Group Executive Committee member and top executives in total 8 persons amounted to 81,654,955 Baht.

Remuneration Description	Amount (Baht)
Salary and Bonus	78,550,555
Other Benefits:	
• Provident Fund (Depend on the period of employment)	2,672,400
• Others	432,000
<b>Total</b>	<b>81,654,955</b>

## Human Resources

The Group's total numbers of workforce, both full-time and part-time employees (with a definite contract term), as of December 31st, 2019 was 1,214.

Company	2019		(Unit: Person)
	Full-time	Part-time	Total
GMM Grammy Plc.	639	66	705
Subsidiaries	502	7	509
<b>Total</b>	<b>1,141</b>	<b>73</b>	<b>1,214</b>

**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 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 2019, total salaries, bonuses and employer's contributions paid to the entire Group were amounting to 937.27 million Baht, details are as follows:

Company	2019			(Unit: Million Baht)
	Salaries	Bonuses	Employer's contributions	Total
GMM Grammy Plc.	521.57	111.03	17.04	649.63
Subsidiaries	230.60	50.10	6.93	287.63
<b>Total</b>	<b>752.16</b>	<b>161.13</b>	<b>23.98</b>	<b>937.27</b>

## 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 themselves and tax deduction at all times, while data security is adequately and properly in place.

In 2019, the Company reviewed and ensured that the Human Resources Management Policies, Company Employment Regulations and Welfare Manual were fully and constantly being complied.

# ADRENALINE 360° CONCERT

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3,000 / 2,000 / 1,500 บาท

  CHANGESHOWBIZ





## Board of Directors



**Mr. Paiboon Damrongchaitham**  
Chairman



**Miss Boosaba Daorueng**  
Vice-Chairman



**Dr. Naris Chaiyasoot**  
Independent Director



**Mr. Suvit Mapaisansin**  
Independent Director



**Mr. Chanitr Charnchainarong**  
Independent Director



Mr. Warathorn Wongsawangsi  
Independent Director



Miss Suwimon Jhungjotikapisit  
Director



Dr. Lackana Leelayouthayotin  
Director



Mrs. Saithip Montrikul na Audhaya  
Director



Mr. Phawit Chitrakorn  
Director



Mr. Fahmai Damrongchaitham  
Director



## Executive Team



**Miss Boosaba Daorueng**  
Group Chief Executive Officer

**Mr. Phawit Chitrakorn**  
Chief Executive Officer  
(CEO)–GMM Music

**Mr. Fahmai Damrongchaitham**  
Chief Strategic Officer  
Music 1



**Mr. Sompohb Budspawanich**  
Chief Strategic Officer  
Music 2

**Mrs. Karnsuda Sansuthi**  
Chief Financial Officer (CFO)

## Mr. Paiboon Damrongchaitham (Age: 70 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

### 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 - Jul 2011	Chairman of the Nomination and Remuneration Committee, GMM Grammy Plc.
1998 - 2008	Chairman of the Executive Committee Advisor, GMM Grammy Plc.

#### Other Companies

21 Dec 2019 - Present	Chairman of the Executive Committee, GMM Channel Holding Co., Ltd
11 Apr 2018 - Present	Director, GDH 559 Co., Ltd
12 Jan 2018 - Present	Director(Authorized Director), GMM Media Plc.
7 Dec 2017 - Present	Director(Authorized Director), GMM Channel Holding Co., Ltd
31 May 2017 - Present	Chairman of the Board, The One Enterprise Co., Ltd
2009 - Present	Director, Ruamfah Deawkan Co.,Ltd
2005 - Present	Director, Trinaga Co.,Ltd
2001 - Present	Director, Geurtfah Co.,Ltd
1998 - Present	Director, Global Music and Media (China) Co.,Ltd.
1998 - Present	Chairman/Founder, Damrongchaitham Foundation

### Seminar Accomplishment

The National Broadcasting and Telecommunications Commission.

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

### Number of Share Holding (%) as 28/2/2020

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

1987 - Present	Director, Ruamfah Co.,Ltd
21 Dec 2017 - 20 Dec 2019	Chairman of the Board, GMM Channel Holding Co., Ltd
Apr 2015 - 9 Dec 2019	Director, Jutdangton Co., Ltd (Liquidation Completed)
Nov 2011 - 4 Dec 2019	Chairman of the Board, GMM CJ O Shopping Co., Ltd
2009 - 26 Dec 2018	Vice Chairman, Family Know-how Co., Ltd (Dissolution)
2002 - 12 Nov 2018	Director, H.Y. Infinite Co., Ltd (Formerly Hou Yuu Co., Ltd) (Liquidation Completed)
2008 - 20 June 2017	Chairman of the Company Advisory, GMM Media Plc.
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 (Age: 67 years)

Vice Chairman of the Board (Authorized Director)

Chairman of the Risk Management Committee

Chairman of the Corporate Governance and Ethics 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 28/2/2020

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

## Experience

### Listed Companies

13 May 2017 - Present	Chairman of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
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 of the Board, 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

17 Aug 2018 - Present	Director, OSP TV Co.,Ltd
18 Apr 2018 - Present	Director, GS ONE Co.,Ltd
29 Mar 2018 - Present	Director, Teen Talk Co.,Ltd
29 Mar 2018 - Present	Director, EXACT Co.,Ltd
19 Apr 2017 - Present	Director, Z Trading Co.,Ltd
21 Jul 2016 - Present	Director, Good Things Happen Co., Ltd

15 Jul 2016 - Present	Director, Sawasdee Thaweesuk Co., Ltd
15 Jul 2016 - Present	Director, Siangdee Thaweesuk Co., Ltd
15 Jul 2016 - Present	Director, Nadao Bangkok Co., Ltd
14 Dec 2015 - Present	Director, GDH 559 Co., Ltd
27 May 2015 - Present	Director, Ngandee Thaweesuk Co., Ltd
Jul 2013 - Present	Director, Digistream Co., Ltd
Oct 2012 - Present	Director, GDC Co., Ltd
Oct 2010 - Present	Director, GR Vocal Studio Co., Ltd
Jul 2005 - Present	Director, Fan TV Co., Ltd
Apr 2004 - Present	Director, Scenario Co., Ltd
2004 - Present	Director, Deetalk Co., Ltd
Jul 2003 - Present	Director, Digital Arms Co., Ltd
May 2000 - Present	Director, GMM Holding Co., Ltd
Dec 1998 - Present	Director, GMM Digital Domain Co., Ltd
Nov 1998 - Present	Director, MGA Co., Ltd
Nov 1998 - Present	Director, Grammy Publishing House Co., Ltd
Aug 1998 - Present	Director, GMM Music Publishing International Co., Ltd

1998 - Present	Director, Global Music and Media (China) 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
Feb 2006 - 2 Mar 2020	Director, GMM Goods Co., Ltd
Apr 2004 - 27 Jun 2019	Director, GMM Tai Hub Co., Ltd (Dissolution)
Nov 1998 - 5 Aug 2019	Director, Digital Gen Co., Ltd (Liquidation Completed)
Jan 1997 - 5 Aug 2019	Director, GMM Studio Co., Ltd (Liquidation Completed)
Aug 1999 - 24 Sep 2018	Director, GBroadcast Co., Ltd (Formerly Mifah Co., Ltd)
20 Apr 2018 - 24 Sep 2018	Director, Change2561 Co.,Ltd
4 Apr 2018 - 24 Sep 2018	Director, A-Time Media Co., Ltd
4 Apr 2018 - 24 Sep 2018	Director, GMM TV Co., Ltd
4 Apr 2018 - 20 Sep 2018	Chairman of the Board / Director, GMM Media Plc.
4 Apr 2018 - 20 Sep 2018	Director, GMM Channel Co.,Ltd
4 Apr 2018 - 14 Sep 2018	Director / Chief Executive Officer , GMM Channel Holding Co.,Ltd (Formerly GMM Channel Trading Co., Ltd)
Aug 2015 - 12 Jan 2018	Director, A-Time Media Co., Ltd
Aug 2015 - 12 Jan 2018	Director, GMM TV Co., Ltd
2015 - 12 Jan 2018	Director, GMM Media Plc.
Sep 2013- 12 Jan 2018	Director, GMM Channel Co., Ltd

Aug 2015 - 7 Dec 2017	Director, GMM Channel Trading Co., Ltd
May 2010 - 2 Jun 2017	Director, Acts Studio Co., Ltd
Sep 2015 - 1 Jun 2017	Director, Exact Scenario Co.,Ltd
Sep 2013 - 1 Jun 2017	Director, GMM One TV Co., Ltd
21 Jul 2015 - 31 May 2017	Director, The One Enterprise Co., Ltd
Sep 2015 - 3 Mar 2017	Director, Memiti Co., Ltd
Sep 2004 - 20 Jan 2016	Director, Luckdee Thaweesuk Co.,Ltd (Liquidation Completed)
Nov 1998 - 31 Jan 2017	Director, GTH On-air Co., Ltd (Liquidation Completed)
Jul 2005 - 1 Jul 2015	Director, Index Creative Village Plc. (Former Index Event Agency Plc.)
2003 - 2008	Advisor to the Executive Committee and the Board of Directors, GMM Media Plc.



## Dr. Naris Chaayasoot (Age: 64 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.

### Experience

#### Listed Companies

May 2016 - Present	Chairman of the Board, AP (Thailand) Plc.
13 Nov 2015 - Present	Chairman of the Nomination and Remuneration Committee, GMM Grammy Plc.
Aug 2015 - Present	Chairman of the Board / Audit Committee, Banpu Power Plc.
Mar 2013 - Present	Chairman of the Audit Committee / Independent Director, GMM Grammy Plc.
Dec 2012 - 18 Apr 2018	Chairman of the Audit Committee / Independent Director, 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

20 Jan 2018 - Present	Chairman, Function International Co., Ltd
Oct 2015 - Present	Chairman, RX manufacturing Co., Ltd
Oct 2015 - Present	Advisor, Organization for Researches in art, culture, urban and leisure development (ORAC), Japan

### Seminar Accomplishment

The Thai Institute of Directors (IOD) )

- Advanced Audit Committee Program (AACP) , Class 29/2018
- 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 28/2/2020

- None -

May 2016 - 2017	Chairman of the Board, Thai Credit Guarantee Corporation
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 (Age: 61 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

### Experience

#### Listed Companies

13 Nov 2015 - Present	Member of the Nomination and Remuneration Committee, GMM Grammy Plc.
13 May 2015 - Present	Member of the 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.
2012 - Present	Director, Kiatnakin Public Co., Ltd
2009 - Present	Director, Phatra Securities Public Co., Ltd.
3 Apr 2014 -1 Feb 2017	Independent Director/Member of the Audit Committee, Golden Lime Plc.
2011 - 2012	Chairman of the Audit Committee / Member of the Audit Committee, Krungthai Card Plc.
2009 - 2012	Independent Director, Krungthai Card Plc.
2003 - 2009	Chief Executive Officer, Phatra Securities Plc

### Seminar Accomplishment

The Thai Institute of Directors (IOD)

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

### Number of Share Holding (%) as of 28/2/2020

- None -

#### Other Companies

3 Sep 2018 - Present	Director, Alpha Absolute Co., Ltd
2010 - Present	Director, Phatra Capital Public Company Limited
2011 - 2 Apr 2014	Independent Director / Member of the Audit Committee, Golden Lime Co., Ltd
2012 - 2014	Chairman of the Board of Directors, Phatra Asset Management Co., Ltd
2012 - 2014	Chairman of the Board of Directors, KK TRADE Securities Co., Ltd
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



## Mr. Chanitr Charnchainarong (Age: 56 years)

Independent Director / Member of the Audit Committee

### Date of Directorship

November 13, 2015

### Education Background

- Bachelor of Science (Electrical Engineering), Purdue University, U.S.A.
- Master of Science (Electrical Engineering), Purdue University, U.S.A.
- Chartered Financial Analyst (CFA), CFA Institute, U.S.A.

### Experience

#### Listed Companies

Aug 2019 - Present	Independent Director / Member of the Audit Committee , Global Connections Plc.
May 2018 - Present	Chairman of the Board / Independent Director, Northeast Rubber Plc.
Nov 2015 - Present	Independent Director / Member of the Audit Committee, GMM Grammy Plc.
Oct 2015 - Dec 2018	Independent Director / Chairman of the Board, Comanche International Plc.

### 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, U.S.A.
- 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 28/2/2020

- None -

#### Other Companies

Jul 2016 - Present	Independent Director, Strategic Property Investors Co.,Ltd
2016 - Present	Senior Executive Vice President, Central Group.
May 2015 - Present	Independent Director, UOB (Thailand) Plc.
May 2015 - Nov 2016	Advisor, Vnet Capital Co., Ltd
Apr 2015 - Jul 2016	Member of University Council, Kasetsart University
2015 - 2016	Director, CA Infomedia Co., Ltd
May 2015 - Apr 2016	Senior Advisor, The Quant Group Co., Ltd
Aug 2011 - Apr 2015	Vice President, The Stock Exchange of Thailand (SET)
Feb 2006 - Feb 2014	President, Market for Alternative Investment (mai)

## Mr. Warathorn Wongsawangsi (Age: 37 years)

Independent Director

Member of the Audit Committee

Member of the Corporate Governance and Ethics Committee

### Date of Directorship

May 14, 2019

### Education Background

- LL.B. (1st Class Honors), Chulalongkorn University, 2004
- LL.M. (Honors), Northwestern University School of Law, USA, 2010
- Thai Barrister-at-Law, Thai Bar Association, 2005

### Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Course Director Certification Program Class (DCP) 2018

### Number of Share Holding (%) as of 28/2/2020

- None -

## Experience

### Listed Companies

14 May 2019 - Present	Independent Director /Member of the Audit Committee/Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
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### Other Companies

Nov 2019 - Present	Director (Authorized Director) Herbert Smith Freehills (Thailand) Co., Ltd
Sep 2019 - Present	Partner, Herbert Smith Freehills (Thailand) Co., Ltd
Jan 2017 - Present	Lecturer, The Thai Institute of Directors Association (IOD)
Jan 2016 - Aug 2019	Partner, Weerawong, Chinnavat and Partners Co., Ltd
Jan 2015 - Jun 2019	Director, Chulalongkorn Law School Alumni Association (C.L.S.A.A.)
Jan 2012 - Dec 2015	Senior Associate, Weerawong, Chinnavat & Peangpanor Co., Ltd



# Dr. Lackana Leelayouthayotin (Age: 66 years)

Director

## 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

The Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AACP), Class 30/2018
- Director Certification Program (DCP), Class 225/2016

## Seminar Accomplishment (Continued)

Other Institutes

- Cyber Resilience by Bank of Thailand (August 21, 2019)
- 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, Philippines (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 28/2/2020

- None -

## Experience

### Listed Companies

5 Apr 2019 - Present	Independent Director and Member of the Executive Committee, Siam Commercial Bank Public Company
26 Feb 2016 - Present	Chairman of the Audit Committee/Independent Director/Member of Nomination and Remuneration Committee, Techno Medical Public Co., Ltd
24 Jun 2015 - Present	Director, GMM Grammy Plc.
Apr 2015 - Present	Independent Director, Lam Soon (Thailand) Plc.
2015 - 2017	Company Advisor, GMM Grammy Plc.

### Other Companies

Dec 2019 - Present	Chairman of the Board, Aisance Co., Ltd
Jun 2019 - Present	Vice president, Chulalongkorn University Alumni Association under the King's Patronage
Aug 2018 - Present	Funds for patients and hospitals Somdet Phra Yanasawon Foundation Patriarch Wat Bowornniwet Vihara, Royal Patronage.
2017 - Present	Independent Director, Bangchak Retail Co., Ltd
2017 - Present	Director, Aisance Co., Ltd
8 Aug 2016 - Present	Independent Director/Member of Audit Committee, Shera Plc. (former is Mahaphant Fibre—Cement Plc.)
25 Jan 2016 - Present	Managing Director, Advisor and Beyond Co., Ltd
15 Sep 2015 - Present	Advisor to the Strategy Subcommittee, Thailand Institute of Nuclear Technology (Public Organization)

25 Jul 2014 - Present	Chairman, The Foundation for Education of The Marketing Association of Thailand
Jul 2013 - Present	Company Advisor, Brand's Suntory (Thailand) Co. Ltd (former is Cerebos (Thailand) Co., Ltd Renamed since 22 May 2017)
1997 - Present	Member of Committee for The Recruitment and Promotion of Voluntary Blood Donor and, Chairman of Subcommittee on Increasing Blood Donors, National Blood Centre Thai Red Cross Society
15 Sep 2015 - Jun 2019	Chairman of the Audit Committee, Thailand Institute of Nuclear Technology (Public Organization)
Aug 2015 - 12 Jan 2018	Director, GMM Channel Co., Ltd
21 Jul 2015 - 31 May 2017	Director, The One Enterprise Co., Ltd
Oct 2007 - 13 Mar 2017	Director, Tipco F & B Co., Ltd
2010 - 2014	Executive Vice President & CEO of Health Supplement Division, Cerebos Pacific Limited
2006 - 2014	Board of Director, Cerebos Pacific Limited
2005 - 2009	Executive Vice President & CEO South East Asia, Cerebos Pacific Limited

## Miss Suwimon Jhungjotikapisit (Age: 67 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 (Honors), Chulalongkorn University

### 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

5 Mar 2018 - Present	Director, Digistream Co., Ltd
18 Apr 2018 - Present	Director, GS One Co., Ltd
29 Mar 2018 - Present	Director, GDC Co., Ltd
5 Jun 2017 - Present	Director, GMM Z Co., Ltd
Jan 2016 - Present	Director, Suea Tid Peak Krub Co., Ltd
Dec 2010 - Present	Director, MGA Co.,Ltd
Dec 2010 - Present	Director, GR Vocal Studio Co., Ltd
Dec 2010 - Present	Director, Magic Film Co., Ltd
Nov 2010 - Present	Director, A-Time Traveller Co.,Ltd
Nov 2010 - Present	Director, GMM Music Publishing International Co., Ltd
Nov 2010 - Present	Director, GMM Holding Co., Ltd
Nov 2010 - Present	Director, Deetalk Co., Ltd
Nov 2010 - Present	Director, Grammy Publishing House Co., Ltd
Nov 2010 - Present	Director, GBroadcast Co., Ltd (Formerly Mifah Co., Ltd)
Nov 2010 - Present	Director, Digital Arms Co., Ltd
Nov 2010 - Present	Director, Extraorganizer Co., Ltd
Nov 2010 - Present	Director, GMM Digital Domain Co., Ltd
Oct 2010 - Present	Director, More Music 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, Exact Co.,Ltd
2010 - Present	Director, Fan TV Co., Ltd
Jul 2009 - Present	Director, Ruam Fah Deaw Gun Co., Ltd

### Seminar Accomplishment

The Thai Institute of Directors (IOD)

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

### Number of Share Holding (%) as of 28/2/2020

- None -

28 Jan 2008 - Present	Director / Treasurer, Damrongchaltham Foundation
Feb 2007 - Present	Director, U-Star (Thailand) Co., Ltd
Nov 2010 - 2 Mar 2020	Director, GMM Goods Co., Ltd (Formerly GMM Fitness Club Co., Ltd)
Apr 2015 - 9 Dec 2019	Director, Jutdangton Co., Ltd (Liquidation Completed)
Apr 2018 - 5 Aug 2019	Director, Digital Gen Co., Ltd (Liquidation Completed)
Nov 2010 - 5 Aug 2019	Director, GMM Studio Co., Ltd (Liquidation Completed)
Nov 2010 - 27 Jun 2019	Director, GMM Tai Hub Co., Ltd (Dissolution)
Oct 2010 - 12 Nov 2018	Director, H.Y. Infinite Co., Ltd (Formerly Hou Yuu Co., Ltd) (Liquidation Completed)
Nov 2010 - 12 Jan 2018	Director, GMM Media Plc.
Oct 2010 - 12 Jan 2018	Director, GMM TV Co., Ltd
Nov 2010 - 12 Jan 2018	Director, A-Time Media Co., Ltd
Dec 2010 - 30 Jun 2017	Advisor, GMM Media Plc.
Nov 2010 - 20 Jan 2016	Director, Luckdee Thaweesuk Co.,Ltd (Liquidation Completed)
Dec 2010 - 20 Oct 2016	Director, Bliss Publishing Co., Ltd (Liquidation Completed)
Oct 2010 - 13 Jun 2016	Director, Hou Yuu Central World Co.,Ltd (Liquidation Completed)
Sep 2010 - Nov 2015	Director, A Gen Event Agency Co., Ltd
May 2010 - Sep 2015	Director, Acts Studio 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 2015	Director, Index Creative Village Plc.
Apr 2010 - 2014	Director, Image On-air Co., Ltd



# Mrs. Saithip Montrikul Na Audhaya (Age: 63 years)

Director (Authorized Director)

## 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

## Experience

### Listed Companies

2002 - Present	Director (Authorized Director), GMM Grammy Plc.
2009 - 28 Feb 2019	Member of the Risk Management Committee, GMM Grammy Plc.
Jan 2017 - 27 Feb 2018	Chief Executive Officer—GMM Media, GMM Grammy Plc
May 2012 - 27 Feb 2018	Member of the Group Executive Committee, GMM Grammy Plc.
Oct 2014 - Dec 2016	Chief Executive Officer—GMM Channel Digital TV (GMM Media), 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.
1989 - Feb 2009	Executive Director, GMM Grammy Plc.

### Other Companies

20 Apr 2018 - Present	Director / Chief Executive Officer, Change2561 Co.,Ltd
29 Mar 2018 - Present	Vice Chairman of the Board, GMM Channel Holding Co., Ltd (Formerly GMM Channel Trading Co., Ltd)
7 Dec 2017 - Present	Director, GMM Channel Holding Co., Ltd (Formerly GMM Channel Trading Co., Ltd)
21 Dec 2017 - 29 Mar 2018	Chief Executive Officer, GMM Channel Trading Co., Ltd
2007 - Present	Director, A—Time Traveler Co., Ltd
Aug 2014 - 4 Apr 2018	Director, GMM Channel Co.,Ltd
2002 - 4 Apr 2018	Director, GMM Media Plc.
2000 - 4 Apr 2018	Director, GMM TV Co., Ltd
1989 - 4 Apr 2018	Director, A—Time Media Co., Ltd
Aug 2015 - 30 Mar 2018	Director, Deetalk Co., Ltd

## Number of Share Holding (%) as of 28/2/2020

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

Oct 2006 - 30Mar 2018	Director, Digital Arms Co., Ltd
1996 - 30 Mar 2018	Director, GMM Digital Domain Co., Ltd
Mar 2012 - 29 Mar 2018	Director, GDC Co., Ltd
Feb 2009 - 29 Mar 2018	Chairman of the Board, GMM Media Plc.
2004 - 29 Mar 2018	Director, Exact Co., Ltd
Nov 1995 - 29 Mar 2018	Director, Teen Talk Co., Ltd
Mar 2012 - 19 Apr 2017	Director, Z Trading Co., Ltd
Dec 2010 - 20 Oct 2016	Director, Bliss Publishing Co., Ltd (Liquidation Completed)
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
Aug 2014 - Aug 2015	Director, GMM One TV Co.,Ltd
Mar 2009 - Jul 2015	Director, Index Creative Village Plc.
2007 - Oct 2014	Chief Executive Officer, GMM Media Plc.
2002 - 30 Sep 2014	Managing Director, GMM Media Plc.
1989 - Sep 2014	Managing Director, A—Time Media Co., Ltd
Mar 2012 - 23 Jul 2014	Director, GMM Z 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.
1995 - Jan 2007	Managing Director, GMM TV Co., Ltd
2005 - 2007	Member of the Risk Management Committee, GMM Media Plc.
2002 - 2007	Executive Director, GMM Media Plc.

## Mr. Phawit Chitrakorn (Age: 44 years)

Director (Authorized Director) / Member of the Group Executive Committee

Member of the Risk Management Committee / Member of the Corporate Governance and Ethics Committee

Chief Executive Officer— GMM Music

### Date of Appointment (as a director)

April 28, 2017

### Number of Share Holding (%) as of 28/2/2020

- None-

### Date of Appointment (as an executive)

January 1, 2016

### Education Background

- Bachelor of Business Administration (Advertising),  
Assumption University

## Experience

### Listed Companies

13 May 2017 - Present	Member of the Risk Management Committee, GMM Grammy Plc.
13 May 2017 - Present	Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
28 Apr 2017 - Present	Director (Authorized Director), GMM Grammy Plc.
1 Jan 2017 - Present	Chief Executive Officer— GMM Music, GMM Grammy Plc.
26 Feb 2016 - Present	Member of Group Executive Committee, GMM Grammy Plc.
Jan 2016 - Dec 2016	Chief Marketing Officer, GMM Grammy Plc.

### Other Companies

Apr 2018 - Present	Advisory, SIX Network Co.,Ltd
21 May 2018 - Present	Director , Gung Ho Studio Co.,Ltd
21 May 2018 - Present	Director , Bravo Studio Co.,Ltd
18 Apr 2018 - Present	Director , GR Vocal Studio Co.,Ltd
18 Apr 2018 - Present	Director , FAN TV Co.,Ltd
28 Mar 2018 - Present	Director , Tee Fah Studio Co.,Ltd
10 Apr 2018 - 2 Mar 2020	Director , GMM Goods Co.,Ltd

18 Apr 2018 - 5 Mar 2018	Director , Digistream Co.,Ltd
19 Apr 2017- 5 Jun 2017	Director, GMM Z Co., Ltd
2011 - 2015	Managing Director, Ogilvy and Mather Advertising
2008 - 2011	Managing Partner, Ogilvy and Mather Advertising
2003 - 2008	Business Director, Ogilvy and Mather Advertising
2002 - 2003	Group Account Director, Grey Worldwide Thailand
2000 - 2002	Account Director, DY&R Thailand
1997 - 2000	Account Manager, Grey Worldwide Thailand
1995 - 1997	Account Executive, Grey Worldwide Thailand

## Mr. Fahmai Damrongchaitham (Age: 33 years)

Director (Authorized Director) / Member of the Group Executive Committee /

Member of the Risk Management Committee / Chief Strategic Officer—Music 1

### Date of Appointment (as a director)

May 12, 2017

### Date of Appointment (as an executive)

February 27, 2018

### Education Background

- Bachelor of Arts in Communication, Faculty of Annenberg School for Communication, University of Southern California, USA

### Experience

#### Listed Companies

15 May 2019 - Present	Chief Strategic Officer—Music 1, GMM Grammy Plc.
27 Feb 2018 - Present	Member of the Risk Management Committee, GMM Grammy Plc.
12 May 2017 - Present	Director (Authorized Director), GMM Grammy Plc.
27 Feb 2017 - Present	Member of the Group Executive Committee, GMM Grammy Plc.
22 Aug 2011 - Present	Director, Investment Committee, GMM Grammy Plc.
1 Dec 2016 - 14 May 2019	Chief Sale Officer—GMM Music, GMM Grammy Plc.
9 Dec 2011 - 12 May 2017	Member of Risk Management Committee. GMM Grammy Plc.
Oct 2014 - 30 Nov 2016	Managing Director - Artist, GMM Grammy Plc.
16 Jun 2010 - 30 Sep 2014	Managing Director, Sanamluang Music, GMM Grammy Plc.
2011 - Dec 2012	Co-Chief Operation Officer (Co-COO), GMM Grammy Plc.
9 Dec 2011 - Mar 2012	Member of the Corporate Governance and Ethics Committee, GMM Grammy Plc.
28 Jul 2008 - 15 Jun 2010	Marketing Officer, GMM Grammy Plc.

#### Other Companies

11 Apr 2019 - Present	Director, GMP Foods Co., Ltd
21 May 2018 - Present	Director, Gung Ho Studio Co., Ltd
21 May 2018 - Present	Director, Bravo Studio Co., Ltd
18 Apr 2018 - Present	Director, FAN TV Co., Ltd
28 Mar 2018 - Present	Director, Tee Fah Studio Co., Ltd

### Number of Share Holding (%) as of 28/2/2020

9,308,200 shares (1.14%), including related parties, according to Section 59 of the Securities and Exchange Act

7 Dec 2017 - Present	Director, GMM Channel Holding Co., Ltd (Formerly GMM Channel Trading Co., Ltd)
31 May 2017 - Present	Director, The ONE Enterprise Co., Ltd
Mar 2017 - Present	Director, Z Trading Co., Ltd
Jan 2016 - Present	Director, Suea Tid Peak Krub Co., Ltd
Oct 2012 - Present	Managing Director, Z Trading Co., Ltd
Aug 2012 - Present	Director, U-Star (Thailand) Co., Ltd
2011 - Present	Director, Geurtfah Co., Ltd
2011 - Present	Director, Ruamfah Co., Ltd
2009 - Present	Director, Ruam Fah Deaw Gun Co., Ltd.
13 Sep 2007 - Present	Director and Secretary, Damrongchaitham Foundation
Apr 2015 - 9 Dec 2019	Director, Judtongton Co., Ltd (Liquidation Completed)
Sep 2019 - 4 Dec 2019	Director, GMM CJ O-Shopping Co., Ltd
24 Aug 2018 - 14 Mar 2019	Director, Proud Project One Co., Ltd
18 Apr 2018 - 5 Mar 2019	Director, Digistream Co., Ltd
20 Apr 2018 - 24 Sep 2018	Director, Change2561 Co., Ltd
12 Jan 2018 - 24 Sep 2018	Director, A-Time Media Co., Ltd
12 Jan 2018 - 24 Sep 2018	Director, GMM TV Co., Ltd
12 Jan 2018 - 20 Sep 2018	Director, GMM Channel Co., Ltd
6 Dec 2017 - 20 Sep 2018	Director, GMM Media Plc.
2011 - 12 Nov 2018	Director, H.Y. Infinite Co., Ltd (Formerly Hou Yuu Co., Ltd) (Liquidation Completed)
Apr 2013 - 5 May 2017	Director, 3-RD Co., Ltd
Feb 2012 - Sep 2012	Marketing Director, GMM Z Co., Ltd



## Mrs. Karnsuda Sansuthi (Age: 50 years)

Member of the Risk Management Committee / Member of the Group Executive Committee /  
Chief Financial Officer

### Date of Appointment (as an executive)

January 12, 2016

### Education Background

- Bachelor of Accountancy, Chulalongkorn University
- Master of Business Administration, Financial Management, National Institute of Development Association, Bangkok

### Seminar Accomplishment

The Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 199/2015
- Company Secretary Program (CSP), Class 56/2014
- Strategic Financial Leadership Program(SFLP) 2017 , Thai Listed Companies Association(TLCA)

### Number of Share Holding (%) as of 28/2/2020

- None -

## Experience

### Listed Companies

26 Feb 2016 - Present	Member of Risk Management Committee, GMM Grammy Plc.
12 Jan 2016 - Present	Member of Group Executive Committee, GMM Grammy Plc.
12 Jan 2016 - Present	Chief Financial Officer, GMM Grammy Plc.
2013 - Aug 2015	Member of Executive Committee/Senior Vice President of Financial and Accounting, The Platinum Group Public Co., Ltd
2012 - 2013	Senior Vice President of Financial and Accounting, Subsidiary Companies of The Platinum Group Public Co., Ltd

### Other Companies

17 Aug 2018 - Present	Director, OSP TV Co., Ltd
21 May 2018 - Present	Director , Gung Ho Studio Co.,Ltd
21 May 2018 - Present	Director , Bravo Studio Co.,Ltd
28 Mar 2018 - Present	Director , Tee Fah Studio Co.,Ltd
18 Mar 2016 - Present	Director, Z Trading Co., Ltd
18 Mar 2016 - Sep 2019	Director, GMM CJ O Shopping Co., Ltd
18 Mar 2016 - 27 Jun 2019	Director, GMM Tai Hub Co., Ltd (Dissolution)
18 Mar 2016 - 5 Mar 2018	Director, Digistream Co., Ltd
5 Jul 2016 - 26 Dec 2018	Director, Family Know—how Co., Ltd (Dissolution)
21Apr 2016 - 18 Apr 2018	Director, Digital Gen Co., Ltd (Liquidation Completed)
18 Mar 2016 - 18 Apr 2018	Director, Deetalk Co., Ltd

18 Mar 2016 - 18 Apr 2018	Director, G S—One Co., Ltd
18 Mar 2016 - 12 Jan 2018	Director, GMM Channel Co., Ltd
18 Mar 2016 - 12 Jan 2018	Director, GMM TV Co., Ltd
18 Mar 2016 - 12 Jan 2018	Director, A—Time Media Co., Ltd
18 Mar 2016 - 12 Jan 2018	Director, GMM Media Plc.
18 Mar 2016 - 7 Dec 2017	Director, GMM Channel Trading Co., Ltd
18 Mar 2016 - 2 Jun 2017	Director, Acts Studio Co., Ltd
18 Mar 2016 - 1 Jun 2017	Director, GMM One TV Co., Ltd
18 Mar 2016 - 1 Jun 2017	Director, Exact Scenario Co., Ltd
18 Mar 2016 - 31 May 2017	Director, The ONE Enterprise Co., Ltd
4 Jan 2017 - 5 May 2017	Director, 3-RD Co., Ltd
18 Mar 2016 - 18 Apr 2017	Director , GMMZ Co.,Ltd.
18 Mar 2016 - 3 Mar 2017	Director, Memiti Co., Ltd
Sep 2015 - Dec 2015	Chief Financial Officer, NIST International School
2002 - 2012	Finance Director, United Distribution Business Co., Ltd

## Mr. Sompohb Budspawanich (Age: 53 years)

Member of the Risk Management Committee / Member of the Group Executive Committee /

Chief Strategic Officer- Music 2

### Date of Appointment (as an executive)

February 27, 2018

### Education Background

- Bachelor of Business Administration (Accounting),  
Ramkhamhaeng University

### Seminar Accomplishment

Other Institutes

- Finance for the boss Class 34/2012, Management  
& Psychology Institute

### Number of Share Holding (%) as of 28/2/2020

- None -

## Experience

### Listed Companies

15 May 2019 - Present	Chief Strategic Officer—Music 2, GMM Grammy Plc.
Feb 2018 - Present	Member of Group Executive Committee, GMM Grammy Plc.
Feb 2018 - Present	Member of Risk Management Committee, GMM Grammy Plc.
2017 - 14 May 2019	Chief Operating Officer- GMM Music, GMM Grammy Plc.
2016 - 2017	Vice of Chief Executive Officer- GMM Music, GMM Grammy Plc.
2014 - 2016	Vice of Chief Financial Officer, GMM Grammy Plc.
2007 - 2014	Vice President of Accounting, GMM Grammy Plc.

### Other Companies

21 May 2018 - Present	Director , Gung Ho Studio Co.,Ltd
21 May 2018 - Present	Director , Bravo Studio Co.,Ltd
18 Apr 2018 - Present	Director , GR Vocal Studio Co.,Ltd
18 Apr 2018 - Present	Director , FAN TV Co.,Ltd
10 Apr 2018 - Present	Director , GMM Goods Co.,Ltd
28 Mar 2018 - Present	Director , Tee Fah Studio Co.,Ltd
2015 - Present	Director, GDH 559 Co.,Ltd.

2015 - Present	Director, GMM Music Publishing International Co., Ltd.
2006 - 27 Jun 2019	Director, GMM Tai Hub Co., Ltd. (Dissolution)
2012 -Mar 2018	Director, Teen Talk Co., Ltd.
2014 - 2017	Director, Family Know—how Co., Ltd. (Dissolution)
19 Aug 2015 - 1 Jun 2017	Director, GMM One TV Co., Ltd
2013 - 1 Jun 2017	Director, Acts Studio Co.,Ltd
2013 - 1 Jun 2017	Director, Exact Scenario Co.,Ltd
2013 - 3 Mar 2017	Director, Memiti Co., Ltd.
2012 - Apr 2017	Director, GMM Z Co., Ltd
2011 - 31 Jan 2017	Director, GTH On—air Co., Ltd (Liquidation Completed)

ชั้นนี้  
สุวรรณเมธานนท์

# อ่าวทุกทั้ง

ก็อย่างไร **บ** ไม่ให้เหลือเธอ

26 ธันวาคม 62

ในโรงภาพยนตร์

ภาพยนตร์โดย นวพล รังวรรัตนฤทธิ

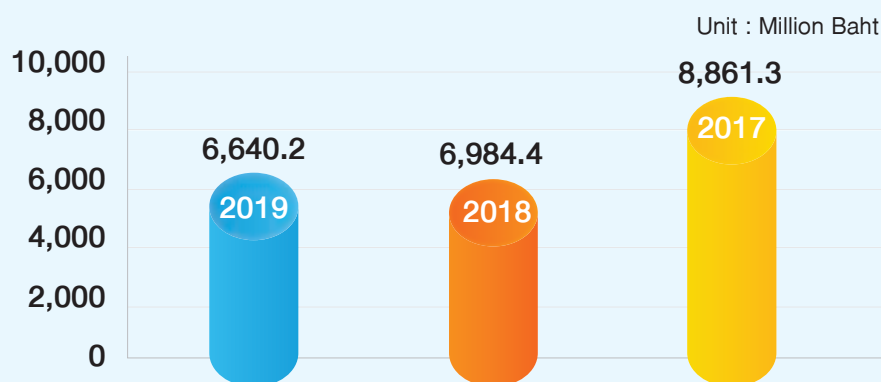


# Financial Highlights

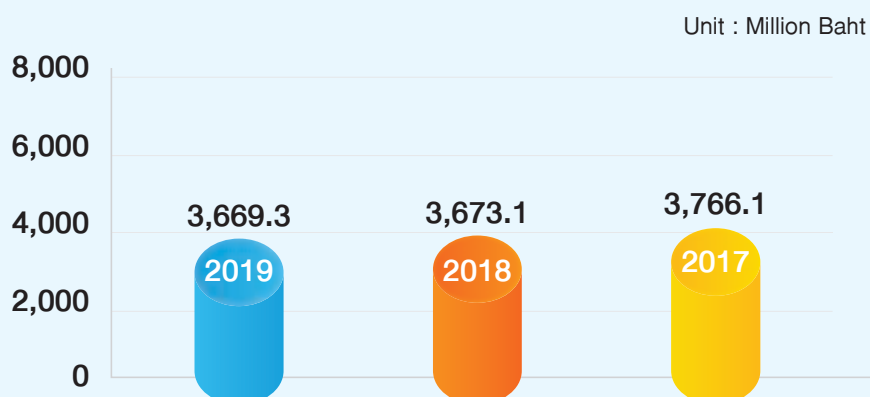
GMM Grammy Public Company Limited and its subsidiaries

Performance	Consolidated (Unit : Million Baht)		
	2019	2018	2017
Total revenues	6,640.2	6,984.4	8,861.3
Revenue from sales and services	6,602.2	6,870.5	7,595.3
Total costs	4,025.0	4,364.7	4,917.1
Gross profit	2,577.2	2,505.8	2,678.2
Earnings/(loss) before Non-controlling interest of the subsidiaries	374.7	63.0	(349.7)
Net earnings/(loss) for the year	341.9	15.4	(384.3)
Dividend paid	82.0	0.0	0.0
Total assets	3,669.3	3,673.1	3,766.1
Total liabilities	2,338.3	2,529.3	2,658.8
Non-controlling interest of the subsidiaries	161.6	174.4	157.5
Equity attributable to the Company's shareholders	1,169.3	969.4	949.8
Weighted average number of ordinary shares (Million shares)	819.9	819.9	819.9
Net earning/(loss) per share (Baht)	0.42	0.02	(0.47)
Dividend paid per share (Baht)	0.10	-	-
Book value per share (Baht)	1.43	1.18	1.16
Net profit/(loss) margins	5.15%	0.22%	-4.34%
Return on equity	31.97%	1.61%	-34.13%
Return on assets	9.31%	0.41%	-6.98%

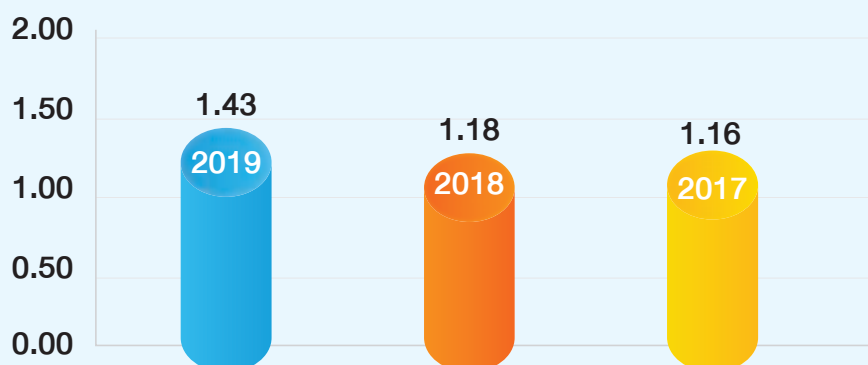
## Total revenues



## Total assets



## Book value per share (Baht)





PRESENTS

# POTATO

## MAGIC HOURS CONCERT

#มันคือเรื่องจริง



ถึง 2 รอบการแสดง

# SOLD OUT

อิมแพ็ค อารีน่า เมืองทองธานี  
30 พฤศจิกายน และ 1 ธันวาคม 2562

genie G G-MM



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## Vision, Mission and Long Term Goal

The Board of Directors will review the Company's vision, mission and long term goal every year, so as to determine and adjust the Company's business targets and directions to suit the situation as appropriated. The Board's Meeting No.4/2019 on November 12, 2019 reviewed and affirmed vision, mission and long term goal as stated above.



To be a leader in fully-integrated entertainment business and to engage with consumers through multi channels.



To be a leading company with excellence in content creation locally and globally.



- To be the holistic content provider with artistic creativity, innovation, and invention of Music, Films, Drama, Series, News, Entertainment, Commercial Media, and Artists.
- To invest, produce, manage and distribute content through advanced media integration that delivers a wide variety of entertainment experience to people, and future society.



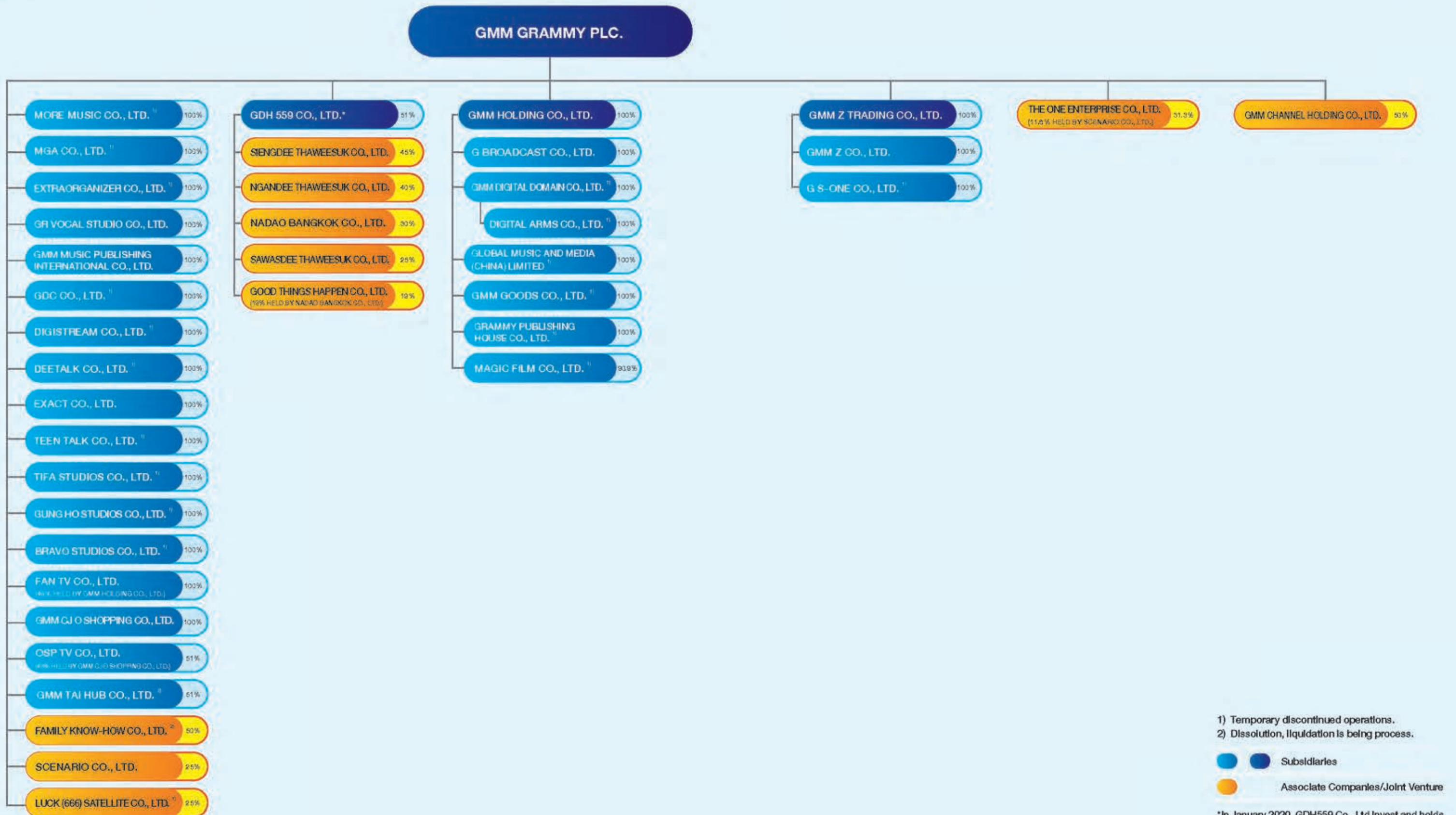
## Major changes and development

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

2017	
May	<ul style="list-style-type: none"> <li>The Company disposed of the total investment of 90,000 shares or 50 percent of registered capital in 3-RD Company Limited ("3RD"), a subsidiary of the Company to TV Direct Public Company Limited at the price of 111.11 Baht per share amounting to THB 10 million.</li> <li>The One Enterprise Co., Ltd., a joint venture successfully increased its registered capital by selling 19,050,000 shares to Pranaporn Co., Ltd. at a price of 100 Baht per share totaling 1,905 million Baht equivalent to 50 percent of registered capital. Which resulted in changes in shareholding proportion in The One Enterprise of the Company and Mr. Takonkiet Viravan into 25.50 percent and 24.50 percent respectively; while each shareholder shall provide a guarantee against the debt obligation that The One Enterprise has against the financial institution amounting to 50 percent.</li> </ul>
August	<ul style="list-style-type: none"> <li>The Company entered into the Share Subscription Agreement for newly issued ordinary shares in GMM Channel Trading Co., Ltd. pursuant to a resolution of the Company's Board of Directors Meeting No.8/2017, whereby the Subscriber is a juristic person in the category of private limited company with Mr. Thapana Sirivadhanabhakdi and Mr. Panot Sirivadhanabhakdi as its majority shareholders. When combining the increase with the existing registered capital of 800 million Baht, GMM Channel Trading's registered capital will become a total 2,000 million Baht. The conditions precedent specified in the Share Subscription Agreement required the Company to proceed with the restructuring of the investments by its group of companies. In order to have the target group of companies under the GMM Channel Trading comprising (1) GMM Channel Trading Co., Ltd (2) GMM Channel Co., Ltd (3) GMM TV Co., Ltd (4) GMM Media Public Company Limited (5) A-Time Media Co., Ltd and (6) A-Time Traveler Co., Ltd.</li> </ul>
September	<ul style="list-style-type: none"> <li>The Company entered into a settlement agreement with Fox Network Group Asia Pacific Co., Ltd. ("FOX") under the Marketing and Distribution Licensing Agreement. Whereby the Company agreed to make a payment of USD 10 million to FOX to not only settle the lawsuit filed at the Central Intellectual Property and International Trade Court (the "CIPITC") but also to prevent any other claims which may arise from the agreement in dispute. Accordingly, FOX has filed a petition to withdraw the lawsuit at the CIPITC, and the CIPITC has granted its permission for FOX to withdraw the lawsuit.</li> </ul>
December	<ul style="list-style-type: none"> <li>The Company completed the restructuring of the investments by its group of companies as specified in the Share Subscription Agreement, thereby the Extraordinary General Meeting of Shareholders of GMM Channel Trading passed a special resolution to approve the increase of the registered capital of GMM Channel Trading by 1,200 million Baht. After completion of the registration of capital increase, the Company will hold 50 percent of the registered shares in GMM Channel Trading; while the Subscribers being Siridamrongdham Co., Ltd wholly owned by Mr. Thapana Sirivadhanabhakdi hold 24.99 percent of the registered shares in GMM Channel Trading; and Bhakdivattana Co., Ltd. wholly owned by Mr. Panot Sirivadhanabhakdi held 24.99 percent of the registered shares in GMM Channel Trading.</li> </ul>

2018	
March	<ul style="list-style-type: none"> <li>The Company additionally purchased ordinary shares of The One Enterprise Co., Ltd., a joint venture, for 220 million Baht from Scenario Company Limited, an associate. Thus, the shareholding of the Company in The One Enterprise Co., Ltd. increased from 25.50 percent to 31.27 percent.</li> </ul>
May	<ul style="list-style-type: none"> <li>GMM Channel Holding Co., Ltd., a joint venture, established a subsidiary name “Chane2561 Co., Ltd” to operates the production of TV programs for broadcasting on Digital TV and online platforms as well as organizing concerts. Change2561 has 20 million Baht in paid-up capital</li> </ul>
August	<ul style="list-style-type: none"> <li>Established a subsidiary name “OSP TV Co., Ltd” to operates as a satellite television platform provider. The percentage of shareholding is 51 percent and Paid-up 25 percent at 130,000 Baht. Where, GMM CJO Shopping Co., Ltd, a subsidiary, hold 49 percent of shares.</li> </ul>
September	<ul style="list-style-type: none"> <li>GMM Channel Holding Co., Ltd., a joint venture, established a subsidiary name “GMM Studio International Company Limited” to operates the production of TV programs for broadcasting on Digital TV and online platforms. GMM Studio International has THB 20 million in paid-up capital.</li> </ul>
November	<ul style="list-style-type: none"> <li>The Company closed down “Family know how Co., Ltd” an associate, jointly-owned (50 percent) with the Stock Exchange of Thailand, announced the discontinuing of Money Channel which broadcast on cable TV and satellite TV from 1 January 2019 onwards.</li> <li>The Company closed down inactive subsidiaries; Tifa Studio, Gung Ho Studios and Bravo Studios.</li> </ul>
2019	
April	<ul style="list-style-type: none"> <li>The 2019 Annual General Meeting of Shareholders approved the allocation of statutory reserve amount of Baht 81,994,973 and share premium amount of Baht 2,950,660,598 to compensate for deficit in Retained Earnings of the Company in accordance with the financial statements as of 31 December 2018 in an amount of Baht 3,032,655,571. Consequently, the Company will have outstanding share premium of Baht 1,896,968,197 and its deficit in Retained Earnings will be zero.</li> </ul>
June	<ul style="list-style-type: none"> <li>The Company deregistered discontinued subsidiaries with the Ministry of Commerce; Digital Gen Company Limited, GMM Thai Hub Company Limited, and GMM Studio Company Limited.</li> </ul>
August	<ul style="list-style-type: none"> <li>The Company approve the payment of interim dividend from the net profit earned during the first 6 months period of 2019 pursuant to the separate financial statement to the shareholders of the Company, at the rate of Baht 0.10 per share, at an amount totaling Baht 81.99 million approximately or equivalent to 62% of separate net profit.</li> </ul>
September	<ul style="list-style-type: none"> <li>The Company additionally purchased 2,646,000 ordinary shares at Baht 26.45 per share of GMM CJO Shopping Co., Ltd. from existing shareholders amount Scenario Company Limited, an associate. Thus, the shareholding of the Company in the subsidiary increased from 51 percent to 100 percent.</li> </ul>

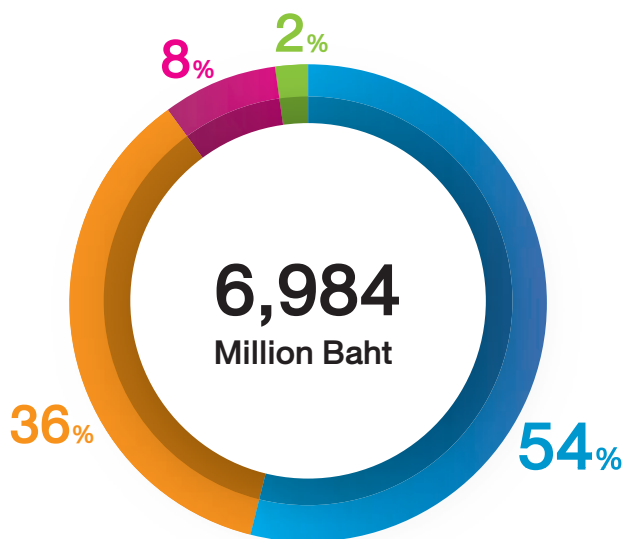




as of 31 December 2019



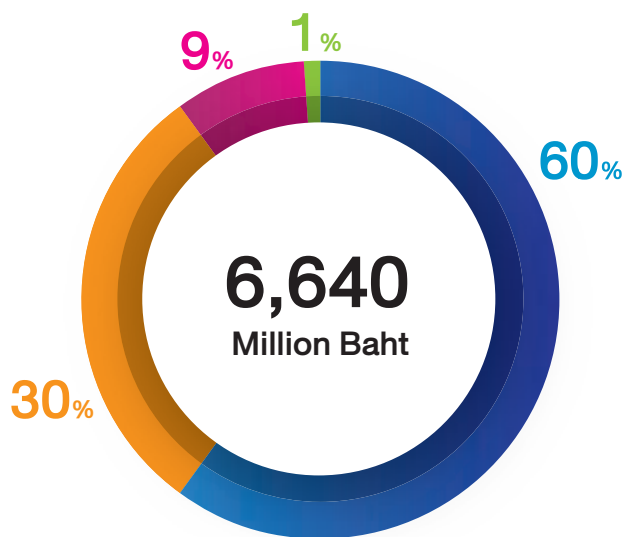




## Revenue Structure 2018

Unit : Million Baht

● Music	3,738	54%
● Merchandise	2,546	36%
● Other Business	586	8%
● Other Income	114	2%
<b>Total</b>	<b>6,984</b>	<b>100%</b>



## Revenue Structure 2019

Unit : Million Baht

● Music	4,014	60%
● Merchandise	1,973	30%
● Other Business	615	9%
● Other Income	38	1%
<b>Total</b>	<b>6,640</b>	<b>100%</b>



## Revenues Structure

Product / Service Operated by	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Music and digital businesses</b>						
<b>Music</b>						
GMM Grammy Plc.	493.51	7.4	621.31	8.9	469.61	5.3
GMM Music Publishing International Co., Ltd.	313.26	4.7	249.88	3.6	209.84	2.4
GR Vocal Studio Co., Ltd.	30.57	0.5	23.72	0.3	21.36	0.2
Fan TV Co., Ltd.	10.40	0.2	17.15	0.2	27.84	0.3
Digistream Co., Ltd.	-	-	-	-	0.43	0.0
<b>Total revenues from music</b>	<b>847.74</b>	<b>12.8</b>	<b>912.06</b>	<b>13.1</b>	<b>729.08</b>	<b>8.2</b>
<b>Digital Music</b>						
GMM Grammy Plc.	1,123.26	16.9	860.23	12.3	625.96	7.1
<b>Total revenues from digital music</b>	<b>1,123.26</b>	<b>16.9</b>	<b>860.23</b>	<b>12.3</b>	<b>625.96</b>	<b>7.1</b>
<b>Showbiz</b>						
GMM Grammy Plc.	2,043.34	30.8	1,965.65	28.1	1,608.42	18.2
<b>Total revenues from showbiz</b>	<b>2,043.34</b>	<b>30.8</b>	<b>1,965.65</b>	<b>28.1</b>	<b>1,608.42</b>	<b>18.2</b>
<b>Total revenues from music and digital businesses</b>	<b>4,014.34</b>	<b>60.5</b>	<b>3,737.94</b>	<b>53.5</b>	<b>2,963.46</b>	<b>33.4</b>
<b>Media businesses-GMM25 channel</b>						
<b>Digital TV and others</b>						
GMM Grammy Plc.	-	-	-	-	3.37	0.0
GMM Media Plc.	-	-	-	-	65.11	0.7
GMM TV Co., Ltd.	-	-	-	-	465.53	5.3
Deetalk Co., Ltd.	-	-	-	-	53.20	0.6
GMM Channel Co., Ltd.	-	-	-	-	582.26	6.6
<b>Total revenue from digital TV and others</b>				-	<b>1,169.47</b>	<b>13.2</b>
<b>Radio</b>						
GMM Media Plc.	-	-	-	-	381.70	4.3
<b>Total revenue from radio</b>	-	-	-	-	<b>381.70</b>	<b>4.3</b>
<b>Total revenue from media businesses-GMM25 channel</b>	-	-	-	-	<b>1,551.17</b>	<b>17.5</b>

Product / Service Operated by	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Merchandise businesses</b>						
<b>Home shopping</b>						
GMM CJ O Shopping Co., Ltd.	1,693.53	25.5	2,305.50	33.0	1,940.87	21.9
OSP TV Co.,Ltd.	0.20	0.0	0.19	0.0	-	-
<b>Total revenue from home shopping</b>	<b>1,693.73</b>	<b>25.5</b>	<b>2,305.69</b>	<b>33.0</b>	<b>1,940.87</b>	<b>21.9</b>
<b>Set top box and broadcasting</b>						
Z Trading Co., Ltd.	279.54	4.2	240.44	3.4	237.42	2.7
<b>Total revenue from set top box and broadcasting</b>	<b>279.54</b>	<b>4.2</b>	<b>240.44</b>	<b>3.4</b>	<b>237.42</b>	<b>2.7</b>
<b>Total revenue from merchandise businesses</b>	<b>1,973.27</b>	<b>29.7</b>	<b>2,546.13</b>	<b>36.5</b>	<b>2,178.29</b>	<b>24.6</b>
<b>Other businesses</b>						
GMM Grammy Plc.	147.82	2.2	148.07	2.1	448.65	5.1
Exact Co., Ltd.	1.92	0.0	7.41	0.1	16.57	0.2
GMM Tai Hub Co., Ltd.	-	-	6.85	0.1	2.27	0.0
GDH 559 Co., Ltd.	464.87	7.0	412.57	5.9	402.27	4.5
3-RD Co., Ltd.	-	-	-	-	32.35	0.4
Other subsidiaries	-	-	11.58	0.2	0.30	0.0
<b>Total revenue from other businesses</b>	<b>614.61</b>	<b>9.3</b>	<b>586.48</b>	<b>8.4</b>	<b>902.42</b>	<b>10.2</b>
<b>Interest income</b>	<b>6.20</b>	<b>0.1</b>	<b>7.21</b>	<b>0.1</b>	<b>13.02</b>	<b>0.1</b>
<b>Dividend received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.00</b>	<b>0.0</b>
<b>Gain on sale of investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.11</b>	<b>0.1</b>
<b>Gain associated with the loss of control in subsidiary</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,004.00</b>	<b>11.3</b>
<b>Gain on deemed disposal of investment in joint venture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138.72</b>	<b>1.6</b>
<b>Other income</b>	<b>31.83</b>	<b>0.5</b>	<b>106.60</b>	<b>1.5</b>	<b>101.06</b>	<b>1.1</b>
<b>Total revenues</b>	<b>6,640.25</b>	<b>100.0</b>	<b>6,984.36</b>	<b>100.0</b>	<b>8,861.26</b>	<b>100.0</b>



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The Group divides its business into three main categories, consisting of 1) Core Business, 2) Related Business, and 3) Joint Venture Business, which are summarized as follows:

## 1. Core Business

The music business operates under the “Total Music Business” model, including artist selection, music production, marketing, music content management, music distribution in terms of physical and digital products, show business and artist management business.

### 1.1 Music Business

#### 1.1.1 Physical Products

Physical distribution of products includes DVD, MP3, USB, and MP3 formats as well as box-set albums. Sales and distribution are carried out through traditional trade channels, modern trade channels, and kiosks as well as e-commerce and the call center.

#### 1.1.2 Digital Music Business

Fast-developing technology together with changes in consumer behavior compels the music industry to find the best way to reach consumers and generate more revenue for the Company. The digital music business involves converting music content into a digital format for distribution through online music streaming platforms such as YouTube, iTunes, JOOX, Line TV or Spotify, where users can listen to music online, on-demand, or from playlists. Users may also download music for listening offline.

#### 1.1.3 Rights Management Business

Management and collection of copyrights fees from business operators who use the Company's music for commercial purposes such as radio operators, restaurants and karaoke operators.

### 1.2 Show Business

Organized concerts and music festivals generate revenue in the form of tickets sales, sponsorships and event organizing fees. In 2019, the Company was very successful in organizing many concerts such as Bodyslam Fest, 2019 THE RETURN OF BBB #11 DREAM JOURNEY RESTAGE and Peck Palitchoke Concert #2: Love in Space, as well as music festivals including Nanglen Music Festival, What The Fest Music Festival and Big Mountain Music Festival, which captured the attention of audiences nationwide. Additionally, the Company also organized two new music festivals; Water War Music Fest and Chiang Yai Fest, to capture a separate market segment.

### 1.3 Artist Management Business

The Company has a policy to improve artist singing skills and acting skills with an emphasis on artist development to elevate to the real professional level. In this regard, the Company places importance on increasing income for artists in the form of live performances in pubs and bars, as well as other opportunities such as serving as product presenters, which leads to artists' growing popularity over time.

### 1.4 Other Business

The Company also operates the space rental business for exhibitions, event activities and medium-sized concerts at GMM Live House, which is located on the 8th floor of Central World Department Store. Also, a music school called GR Vocal promotes the Company's show business and artist management business while generating more revenue for the Company's music business.



## Industry Outlook

As a leader in the music business, the Company is determined to drive the industry to transition into a new era with the influence of digital media, enabling artists to reach worldwide audiences seamlessly by which their popularity could be clearly reflected. In 2019, the Company stressed the importance and focused on digital media, adapting our business model to support the growth of digital platforms in social media, video streaming platforms and music applications. In collaboration with various platform providers such as YouTube, Line TV, JOOX, and iTunes, etc. Through development of robust and quality content to provide for the interests and needs of target audience which is considered core of true content providers. As the trend of foreign artists gained popularity resulting in increased concert and music festivals organizers, the Company's showbiz and artists management business continued to grow well, achieving phenomenal "tickets sold out" shows within short periods. In 2020, the Company's main focus is on developing quality varied content transiting to digital platforms. Developing new generations of high-quality artists with increasing hit songs. Implementing strategies for showbiz to expand our consumer segment with numerous experiences for sustained growth in the music business.

## 2. Related Business

### 2.1 Home Shopping Business

The home shopping business concerns the 24-hour distribution of goods through program channel "O Shopping", where customers can choose and purchase products from their home. By creating a home shopping program that is fresh and unique under the concept "Be better, Everyday life"; the more you know O Shopping, the better everyday life.

## Industry Outlook

In 2019, O Shopping succeeded in selling beauty products, especially to female customers. The home shopping market is valued at more than 14 billion baht. Home shopping industry still attracts more players despite slower growth rate than the previous year. There is still potential growth in Thailand's home shopping market. In 2020, O Shopping plans to expand its target consumers to a broader and younger base in response to consumer behavior, which has turned to buying products online. The Company believes that the overall business of home shopping will continue to grow and that the Company could maintain its existing customer base as well as acquiring a new customer base, even with higher competition in the market. The Company is aware of these factors and has prepared to confront rivals to retain sustainable growth as follows:

- Creating exciting and reliable television content presented in formats that are easy to understand, which will 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.

- An increasing variety of goods and emphasizing on popular products such as fashion goods, lifestyle goods and E-commerce goods offered to meet demand from consumers of all groups.
- Developing online, internet sales channels and applications on smartphones and social media.

## 2.2 Movie Business

The movie business operates under GDH 559 Co., Ltd, a subsidiary of the Company. GDH559 aims to capitalize on its unique capabilities to produce a variety of high-quality films. GDH559 is well equipped in terms of production and personnel, comprising highly skilled teams to create outstanding films that bring about differentiation and happiness for movie watchers. Films released in 2019 include “Friend Zone” “Tootsies and the Fake” and “How to Ting”.

### Industry Outlook

Consumer behavior has changed in the midst of this digital disruption, with rapid growth in digital platforms, more content creators have emerged. While consumers have more choices and more content are accessible; the overall movie industry continued to expand in the past year. As a result, from the expansion of movie theaters in other provinces making movies readily accessible to Thai audiences. Furthermore, with the emergence of many video streaming platforms, there are additional ways to reach movie viewers in Thailand and overseas. In 2019, industry trends anticipate growth in advertisement spending in theaters following more branches opening, especially in the provincial market. New film line-ups from leading operators will drive the Thai film market to expand further, with a positive viewpoint from the operator with respect to production and presentation in Thailand and overseas markets. Several internal and external factors 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 effective writing skills and possess knowledge of movie language as well as conversational language so that the message is conveyed to the target audience in a relatable way.
- Branding: Film producers and studios must ensure moviegoers of the quality in all the movies they produce and that their films always receive grand receptions and are successful.
- Analyses are needed to truly understand target customers, determine the movie genre, and prepare proper scripts, actors and actresses, as well as the right public relations plans. These will help meet the demands of target customers.

## 2.3 Satellite TV Business

The satellite TV business can be divided into two main categories as follows:

### 2.3.1 Satellite TV Platform

Sales of Set-top boxes (STB) for Satellite TV and Digital TV, Internet Protocol Television, Music Box, MP3 Player, and Karaoke Microphone to support the Company’s main business include the products below:

- GMM Z STREAM is an internet protocol TV box with Android 7.1 operating system providing Ultra HD4K.
- GMM Z HD WISE PLUS is a newer model enabling high-definition Full HD with PVR system, time shift system, and multiplicative media playing function.
- GMM Z HD SMILE, the new look in white color comes with OTA system that adds a channel automatically, smart remote for simple use, and a newly-designed LED screen as well as simple button design.
- GMM Z Music Box Chill Out is a new music box with more than 10,000 easy listening hits.
- MP3 KARAOKE GMM Z STAR, free hit music from WE, Easy to connect with karaoke application. Applicable to both Android and iOS with 2-way speaker power and portable MP3 player.



### 2.3.2 Satellite TV Media

Content production of “Fan Music” and “Money Channel” will be aired on satellite TV channels. However, the Company discontinued broadcasting “Money Channel” from 1 January 2019 onwards.

#### Industry Outlook

The satellite TV platform remains the television medium that has the highest number of viewers in the country coupled with the NBTC’s must-carry regulations imposed on digital TV, companies and media agencies, which continue to use satellite TV platform as a medium to reach their target market more effectively. However, the satellite TV industry has slowed down since 2019 due to technological advancements in communications. Media consumption behavior has also shifted from traditional media to digital and online media, which results in more intense competition. While the economic recession and advertising spending has slowed, the operating results for the satellite TV business continues to decline. Especially in the past year, business operators have adapted and expanded to online channels as well as cooperating with strategic partners to sell content on other platforms. The direction is likely to remain stable. For the Group, the satellite television business has an essential role in supporting the public relations of the Group such as the music business, offering greater exposure across the country.

## 3. Joint Venture

At present, the Company operates its Digital TV Business under joint ventures (JV) in The One Enterprises Company Limited and GMM Channel Holding Company Limited (operates digital TV business, radio business and content creator business).

### The One Enterprise Company Limited

#### Digital Terrestrial TV Business

The One Enterprise Company Limited operates a general category high-definition channel under “One 31”. One31 aims to create high-quality content providing entertainment for mass audiences to become one of the top national television networks. One31 has a variety of program types including drama, variety program, competition, news, and entertainment news. In 2018, One31 had many popular dramas and programs in terms of response and ratings, for example “Sea of Greed” “Man of Vengeance” “Rising Girl” “Melodies of Love” “The Leaves” and programs such as “The Battle Project” “Top Chef Thailand” and “Roo Mai Krai Sode”.



## GMM Channel Holding Company Limited

The company comprises Digital TV “GMM25” Channel, Radio Business and Content Creator Business as follows:

### Digital Terrestrial TV Business

GMM25 is a general category channel with standard definition. The target audiences are young adults aged between 18-35 years old and Young-at-heart audiences aged 35 years old and older. In 2018, GMM25’s popular drama and programs included “Mia Noi” “Rang Tien” and T variety program “Chae” “Club Friday Show” and “Look Tong Soo Fud”

### Radio Business

This business includes the production of content or programming to be broadcasted through FM radio, website and mobile applications. In 2018, there were three radio stations, each with unique characteristics and strengths to reach and respond to the needs of the target audiences. Also, the Group operates Show Business to promote its Radio Business. In 2018, there were concerts including “See Yak Pak Whan 2019” “Cassette Festival” “The Real Nadech Concert” “The Lyrics Of Love: Greatest Hits of Dee & Boyd” and “J ADRENALINE 360 CONCERT”.

Radio Station	Day / Airtime / Network Coverage	Concession
EFM 	24 hours daily / Bangkok Metropolitan (FM 104.5 MHz) and online (www.efm.fm, “Atime Online” application)	The Royal Thai Army Radio Station
Green Wave 	24 hours daily / Bangkok Metropolitan (FM 106.5 MHz) and online (www.greenwave.fm, “Atime Online” application)	The National Telecommunications Commission
Chill Online 	24 hours daily / Online (www.chill.fm, “Atime Online” application, “Chill Online” application)	-

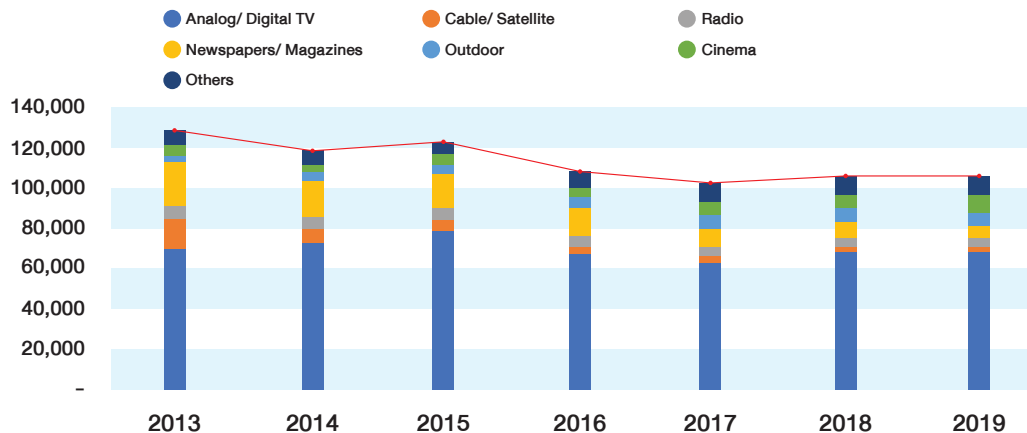


### Content Creator Business

This business is the production of content such as prime-time drama, series and variety programs to be aired on Digital TV channels as well as online platform. The goal is to strengthen the digital TV business of the Group. In 2019, this business under GMM Channel Holding created significant content including “Sa Mee See Thong” “Rong Tao Naree” “The Sand Princess” “Endless Love” and variety programs such as “Toey Tiew Thai” and “School Rangers”.

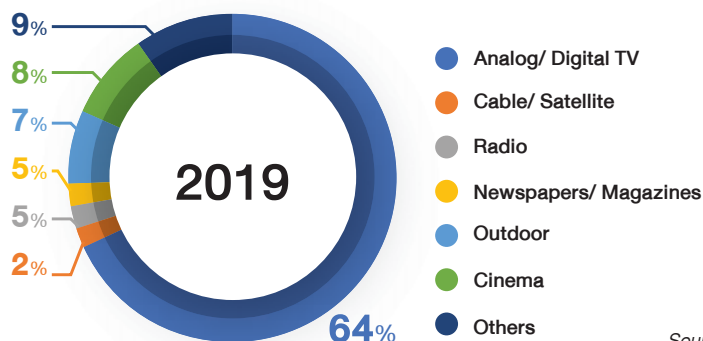
## Industry Outlook

The overall advertising expenditure for all media increased from 105,557 million baht in 2018 to 105,673 million baht in 2019, an increase of 0.11 % Y-o-Y, due to an increase in advertising expenditures on Cinema at 19.7%. On the other hand, advertising spending on Publishing, Newspaper, Satellite TV and Cable TV continued to decrease.



Source: AGB Nielsen Media Research (Thailand) Ltd.

Media Advertising Expenditures in 2019 is 105,673 million baht.



Source: AGB Nielsen Media Research (Thailand) Ltd.

The overall perspective of Digital TV remains unchanged, with advertising spending being allocated to digital TV media as it remains a strong medium penetrating into Thai households nationwide. In 2019, the Office of The National Broadcasting and Telecommunications Commission (NBTC) issued measures to assist digital TV operators by opening the opportunity for digital TV channels to return their licenses.

Thus, decreasing the number of digital TV operators to just 15 channels from the original 22 channels. Moreover, in 2020, it is expected that the total value of the advertising market will not change much. Due to economic conditions, business entrepreneurs may not be confident and might delay advertising spending budgets.

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

- Focus on content that is outstanding, interesting and has variety since viewers select a program based on content. Interesting programming will create an impression on viewers and make them remember the channel. The Company will produce and develop high-quality content in the form of drama, news, variety, and game shows that offer a new choice for the audience.
- Create broader audience awareness of digital TV under GMM 25 and One 31 Channel. The Company is planning a promotion through a variety of channels such as large advertising boards, online media, printed media and promotional activities at various locations and competitions, as well as running a campaign and participating in cross-marketing activities with partners to expand the digital TV audience base by engaging partnership clientele.

The Company intends to establish both digital TV channels as leaders in the Thai digital TV industry to be strong and have high quality.



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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 2019, 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 the legal purchase of goods, the Group has continuously developed goods and services as well as new digital service platforms to keep pace with consumers' ever-changing behavior and convenience as well as technological developments while also supplementing the Group's revenue. These digital services include categories of download services, such as ringtones, ring-back tones, full songs and full MVs, in both a la carte and subscription services, through channel application 123GMM on both iOS and Android, website [www.gmmmember.com](http://www.gmmmember.com) and the iTunes Store. Moreover, we include services for listening to music on the internet without the need for downloading (Music Streaming). Customers can listen to hot music tracks from around the world. We also expand the method for reaching the Group's content via GMM Grammy Official Account on YouTube as well as other web-based and mobile applications. In addition, the Company has developed digital content and partnered with digital platforms to create various types of content such as Music stickers with LINE and Artist Content with Line TV. Artist content lets fans feel closer to their favorite artists and creates loyalty, which encourages them to buy copyrighted products. By keeping pace with technology and changes in consumer behavior, the Company builds customer engagement and generates more revenue.

## 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 HD (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 towards the ASEAN community, 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.

The Company has actively acquired strategic alliances to jointly invest in digital TV channels to both strengthen the business and enhance competitiveness in the digital TV industry through continuous development of content and programming that meets target audiences preferences, which boosts popularity and channel ratings. Moreover, the Company has partnered with Netflix, an on-demand VDO streaming platform with viewers all around the World. More Thai TV series and movies have been featured on Netflix, which generate more revenue for the Company.

## 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 an annual rehearsal on the restoration of information so as to reassure that staffers, systems and work places are ready to manage any emergencies and return to normal operations quickly in case of any crisis. This helps to absorb impacts and mitigate any damage that may occur from Force Majeure or any disaster that may hamper business operations. Moreover, the Company also arranged the incident management plan to handle emergency cases which might occur that interrupt the broadcasting operation of both digital TV channels. The plan is reviewed annually.

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

At present, fast-changing technology and changes in consumers' behavior may affect the business operations of the Company, including the creative structure of products and services to meet customers' needs as well as communication with them. That is why the Company continuously conducts research to keep up with changing technology and changes in consumer behavior to effectively meet customers' needs, including forming partnerships with digital platforms.





The rapid changes in technology and consumer behavior may also affect the internal process adjustment of each business group in various ways, including the Group's organization structure, policy, etc. Consequently, these factors may create risks from retarded internal process adjustment to rapid business expansion.

In order to sustain business growth, however, such risk has always been efficiently managed by revising the organizational 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. As well as keeping pace with technology and changes in consumer behavior, developing products and services that best serve customers has also been effective.

## 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.

# Presentation and Analysis of Financial Status and Operating Results

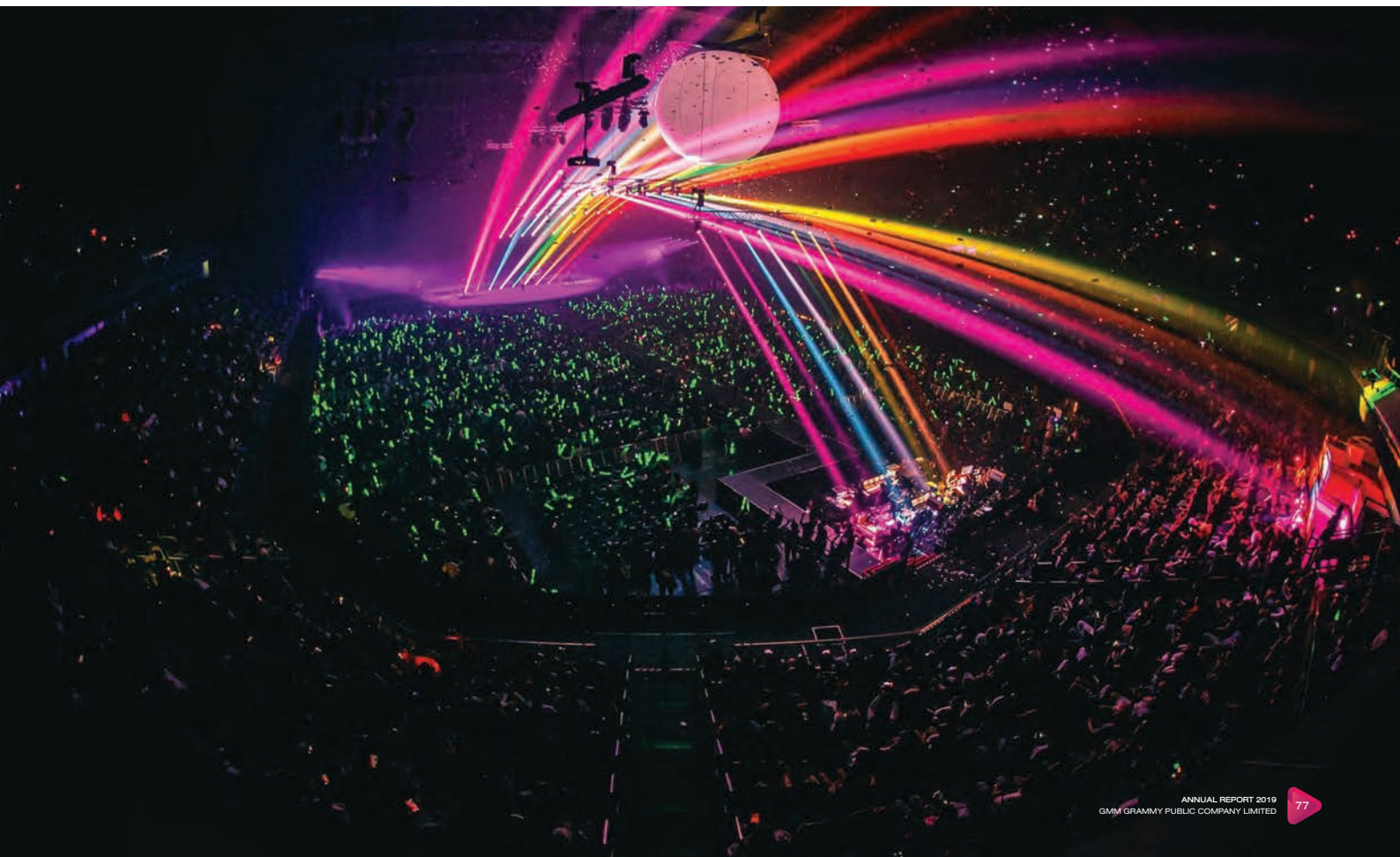
Board of Directors' Meeting of the Company in February 2020 passed a resolution approving the additional dividend payment for the year 2019 from operating profit of THB 0.20 per share. Combined with the first interim dividends payment for the first half of the year 2019, approved by the Board of Directors on August 13, 2019 at the rate of 0.10 Baht per shares which was made on September 12, 2019. Total dividend payment from the Company's profit in 2019 will be 0.30 Baht per share for 819,949,729 shares, totaling THB 246 million.

## (A) Operating Results

### Overview of Operating Results

In 2019, the Company reported an operating income comprising; sales of goods, service income and revenues from copyrights amounted to THB 6,602 million, decreased by 4% from previous year amounted to THB 6,871 million. The operating results can be summarized as follows:

- 1) Revenue from Music Business consists of the physical distribution of products, digital music business, copyrights management business, showbiz and artist management business, and satellite TV business "Fan music." Income from the music business is amounted to THB 4,014 million, increased by 7% from the previous year and accounted for 61% of the operating income comprising the sales of goods, service income and revenues from copyrights. The increased results from the showbiz success of large-scale concerts such as " Bodyslam Fest, 2019 THE RETURN OF BBB #11 DREAM JOURNEY RESTAG, and Peck Palitchoke Concert #2: Love in Space. While the revenue from digital music rose from contents and revenue sharing from online platforms such as YouTube, iTunes, Spotify. The Group also works in partnership with LINE TV to create Original Content in the form of Artist contents and release Original Album with JOOX.
- 2) Revenue from Movie Business in 2019, three films were released "Friend Zone" "Tootsies and the Fake" and "How to Ting". The box office revenue nationwide amounted to THB 289 million, by including income from another source, the total revenue amounted to THB 465 million, increased by 11% from 2018.







- 3) Revenue from Trading Business consists of the home shopping business under the name “O Shopping,” and satellite set-top boxes “GMM Z.” In 2019, home shopping revenue amounted to THB 1,694 million, decreased by 27% from 2018, mainly due to the stronger customer base and the development of online shopping. The satellite TV business revenue amounted to THB 280 million, increased by 16% from the previous year.
- 4) Other Revenue in 2019 totaled THB 150 million, decreased by 10% from 2018, mainly due to loss of operations of discontinued subsidiary.

Total revenue in 2019 amounted to THB 6,640 million, decrease by THB 344 million from 2018, mainly from the decrease of Home Shopping business. However, the Company efficiently manage costs and expenses, resulting in 3% increase in gross profit from the previous year to THB 2,577 million. The gross profit margin rose from 36% to 39%.

Meanwhile, cost of sales and services amounted to THB 4,025 million, decreased by 8%, mainly due to the decrease in cost of Home Shopping business and the Company’s efficient costs control.

## Investment Business

The investment in The One Enterprise Company Limited and GMM Channel Holding Company Limited are classified as an investment in the joint venture and booked on equity method basis. Therefore, the financial performance of the two Digital TV and Radio Business presented in the shares of profit/loss from investment in joint venture. In 2019, share loss from joint venture amounted to THB 10 million, significantly lower than the share of loss from previous year amounted to THB 150 million from higher performance of the two-business group.

**The One Enterprise Group** consists of One31 digital TV channel. The increasing success came from their ability to create quality contents, programming strategy to capture target audience and revenue from online platforms. In the past year, One31’s prime-time drama gained popularity in terms of TV ratings and viral feedback. Prime-time drama “Man of Vengeance” “Melodies of Love” “The Leaves” and “My Ambulance”, as well as the News and Variety program also gain popularity and ratings.

**GMM Channel Holding Group** consists of GMM25 digital TV channel, radio, and showbiz under “A time” and content creator business. GMM25’s differentiated, and trendy contents targeting younger generations and Young-at-Heart audiences. In 2019, popular TV series such as “Mea Noi” “Rang Tien” “Endless Love” “Theory of Love” and “Mae Mod Chao Sanay” aired on GMM25. “A time” radio and showbiz able to maintain their excellent performance, which organized concerts such as “The Real Nadech Concert” “Cassette Festival” “Green Concert: Lost Rock Songs” and “J Adrenaline 360 Concert”



## (B) The financial status of the GMM Grammy Group at year-end 2019

### 1) Assets

As at 31 December 2019, the Group's total assets amounted to THB 3,669 million, a decrease of THB 4 million from THB 3,673 million as at 31 December 2018. Significant items are as follows:

- Cash and cash equivalents and temporary investments amounted to THB 572 million, a decrease of THB 32 million from the year-ended 2018 of THB 540 million.
- Trade and other receivables amounted to THB 1,165 million, an increase of THB 40 million from the year-ended 2018 of THB 1,125 million, resulting from higher sales and events towards the last quarter of the year.
- Inventory amounted to THB 183 million, a decrease of THB 12 million from THB 195 million at the end of 2018, mostly from lower finished products in the form of contents waiting to be aired.
- Non-current assets amounted to THB 1,591 million, a reduction of THB 95 million from THB 1,685 million at the end of 2018 from the allowance for impairment of investment in affiliated company and depreciation, and cash received from discontinued subsidiaries.

### 2) Liabilities

The Group's total liabilities at year-end 2019 amounted to THB 2,338 million, a decrease of THB 191 million from THB 2,529 million at the end of the previous year. The significant details are as follows:

- Unearned income amounted to THB 339 million, increased by THB 126 million from THB 213 from payment for a service that has not yet been performed
- Total long-term loans amounted to THB 298 million, a decrease from 31 December 2018 at THB 550 million, due to early loan repayment.
- Provision for long-term employee benefits amounted to THB 233 million, an increase of THB 66 million from the end of 2018 at THB 166 million at the end of previous year, due to the effect of The Labor Protection Act announced during the year and revisions of discount rate assumption in alignment with the Bank of Thailand.

### 3) Shareholders' equity

At year-end 2019, the Group had shareholders' equity of THB 1,169 million, an increase of THB 200 million from the operating profits incurred during the year net of the interim dividend payment made for the operating results of the first 6 month of 2019. The interim dividend payment made was approximately THB 82 million.



## Liquidity and Cash Flow

Cash and cash equivalents amounted to THB 452 million, a decrease of THB 86 million. This consisted of THB 447 million from operating activities, while cash flow used in investing activities amounted THB 167 million, and cash flow from financing activities amounted to THB 368 million. Overall, the liquidity and cash flow status at the end of 2019 was reasonably maintained, demonstrating a firm financial position of the Group.

### 4) Significant Ratios in 2019

	2019	2018
<b>Liquidity ratio</b>		
Liquidity ratio (times)	1.16	1.06
Average collection period (days)	36	35
Inventory Turnover (times)	21.27	25.56
Inventory period (days)	17	14
Payment period (days)	93	82
<b>Profitability ratio</b>		
Gross profit margin (%)	39.03	36.47
Operating profit margin (%)	7.40	5.71
Net profit / loss (%)	5.15	0.22
Return on assets (%)	9.31	0.41
Return on equity (%)	31.97	1.61
<b>Financial ratio</b>		
Debt to equity (times)	1.76	2.21
Interest coverage ratio (times)	27.51	9.02

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

The overall business of the Company remains positive, with the business model in line with new technology and consumer behavior. Majorities of advertising spending go towards TV media, while digital media have the highest growth among all media. In order, to maintain its competitive position where audience media consumption shifted to mainly on digital platforms. The Company aims to release more hit songs and contents on digital platforms. Concerts and music festivals are organized to make appeal to a wider range of target segment. As well as, change in selling strategies to have a more variety of channel of distribution. For the digital TV and radio business, compelling programming strategy and sales channel expansions to online and international market expect to have a positive impact on the Company's joint venture business performance.

The financial status of the Company remains firm as the restructuring of the business has led to a significant reduction in liabilities, and the interest-bearing debt-to-equity ratio had improved to 0.24 times as at the year ended 2019. 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 2020.

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

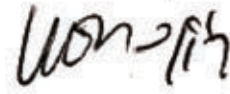
The Board of Directors recognizes the importance of the Corporate Governance Management Policy and the preparing process of the financial statement and financial information as reported in the annual report enable to ensure that the statements are prepared in accordance with the Thai generally accepted 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 provides 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 28, 2020, 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 2019. 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 2019 (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 the financial statement and the achievement of the entity's business goal. The Board of Directors has expressed the opinion on the sufficiency 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 the 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



Ms. Boosaba Daorueng  
Group Chief Executive Officer

**Opinion**

I have audited the accompanying consolidated financial statements of GMM Grammy Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of GMM Grammy Public Company Limited (the Company) for the same period.

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 2019, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### ***Impairment of investments***

As discussed in Note 12 - 15 to the financial statements, the Company has investments in subsidiaries, joint ventures, associates and other long-term investments at cost totaling Baht 9,176 million and has impairment losses on investments in subsidiaries, associates and other long-term investments totaling Baht 5,998 million. In determining the impairment loss, management had to exercise judgement with respect to its projections of future operating performance, plans for each investee, and determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of impairment loss recorded on investments.

I assessed the management's identification of cash generating units and selection of a financial model, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with its financial history and industry trends. In addition, I gained an understanding of and assessed the following:

- The assumptions applied in preparing plans and cash flow projections for each company, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections, and comparison of the long-term growth rate of each company with economic and industry forecasts.
- The discount rate, based on comparison of the average cost of capital and other data with those used by comparable organisations.
- The assumptions and approaches used by the management in calculating the fair value of investments.



I considered the scope and probability of potential changes in the key assumptions (both individually and collectively as a group) and in particular the growth rates applied in preparing the cash flow projections, by comparing them to economic and industry forecasts. In addition, I reviewed the disclosure of information with respect to impairment of investments.

### ***Revenue recognition***

The Group's revenue is significant to the financial statements and directly affects its operating results, to which users of financial statements pay attention. The Group has numerous types of revenue and it is derived through various channels, under agreements with a large number of customers that contain a variety of conditions, pertaining to matters such as sales promotions and discounts. In addition, changes in consumer behavior and industry trends have directly affected the competitive environment in media and entertainment industry. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for sales and service transactions occurring during the year and near the end of the accounting period, and with special consideration given to expanding the scope of the examination supporting documentation for transactions occurring near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end, with special consideration given to expanding the scope of sampling of documentation.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.



## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

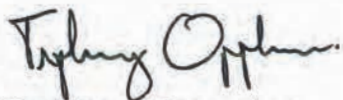
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 28 February 2020

# Statement of financial position

## GMM Grammy Public Company Limited and its subsidiaries

As at 31 December 2019

ALWAYS PLAY WITH YOU

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	451,917,194	538,359,206	186,404,544	302,080,688
Current investments	8	120,149,721	1,450,957	-	-
Trade and other receivables	9	1,165,293,858	1,125,374,688	981,802,551	891,444,994
Prepaid expenses		38,474,581	27,405,473	9,583,271	6,801,195
Inventories	10	183,282,339	195,194,189	78,068,170	106,104,096
Advance payments		29,692,581	25,390,288	24,282,370	20,999,726
Other current assets	11	89,886,041	74,494,164	30,975,242	18,139,179
<b>Total current assets</b>		<b>2,078,696,315</b>	<b>1,987,668,965</b>	<b>1,311,116,148</b>	<b>1,345,569,878</b>
<b>Non-current assets</b>					
Investments in subsidiaries	12	-	-	785,681,939	902,253,920
Investments in joint ventures	13	476,366,582	491,564,633	2,191,549,400	2,191,549,400
Investments in associates	14	190,375,328	216,789,925	194,341,357	196,541,357
Other long-term investments	15	6,554,990	2,546,327	6,554,990	2,546,327
Loans to related parties	6	-	-	-	-
Leasehold improvement and equipment	16	246,695,406	278,709,927	143,238,638	157,038,448
Intangible assets	17	333,873,282	315,548,287	322,384,646	312,691,602
Deferred tax assets	28	176,426,658	187,382,904	146,394,822	164,631,548
Other non-current assets	18	160,292,114	192,896,100	55,085,102	86,931,052
<b>Total non-current assets</b>		<b>1,590,584,360</b>	<b>1,685,438,103</b>	<b>3,845,230,894</b>	<b>4,014,183,654</b>
<b>Total assets</b>		<b>3,669,280,675</b>	<b>3,673,107,068</b>	<b>5,156,347,042</b>	<b>5,359,753,532</b>

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 2019**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	19	1,245,822,453	1,245,165,064	743,210,652	693,126,676
Unearned income		338,969,591	213,361,573	193,540,317	103,904,906
Short-term loans from related parties	6	-	-	648,200,000	849,000,000
Current portion of long-term loan	20	-	84,000,000	-	84,000,000
Current portion of liabilities under finance lease agreements		7,831,633	10,658,318	7,831,633	8,867,100
Income tax payable		13,700,184	11,203,514	-	-
Other current liabilities	21	189,557,092	312,657,990	163,544,247	282,109,877
Total current liabilities		1,795,880,953	1,877,046,459	1,756,326,849	2,021,008,559
Non-current liabilities					
Long-term loan - net of current portion	20	298,495,548	466,065,704	298,495,548	466,065,704
Liabilities under finance lease agreements					
- net of current portion		10,822,470	19,987,876	10,822,470	19,987,876
Provision for long-term employee benefits	22	232,531,436	166,183,536	192,255,153	138,096,641
Deferred tax liability	28	-	10,253	-	-
Other non-current liabilities		610,350	-	600,350	-
Total non-current liabilities		542,459,804	652,247,369	502,173,521	624,150,221
Total liabilities		2,338,340,757	2,529,293,828	2,258,500,370	2,645,158,780

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



# Statement of financial position (continued)

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## GMM Grammy Public Company Limited and its subsidiaries

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Shareholders' equity</b>					
Share capital					
Registered					
819,949,729 ordinary shares of Baht 1 each		<u>819,949,729</u>	<u>819,949,729</u>	<u>819,949,729</u>	<u>819,949,729</u>
Issued and fully paid					
819,949,729 ordinary shares of Baht 1 each		819,949,729	819,949,729	819,949,729	819,949,729
Paid-in capital					
Share premium	23	1,896,968,197	4,847,628,795	1,896,968,197	4,847,628,795
Retained earnings					
Appropriated - statutory reserve	23, 25	13,719,594	81,994,973	13,719,594	81,994,973
Unappropriated (deficit)	23, 37	(1,250,403,447)	(4,510,739,690)	169,526,097	(3,032,655,571)
Other components of shareholders' equity		<u>(310,913,274)</u>	<u>(269,449,433)</u>	<u>(2,316,945)</u>	<u>(2,323,174)</u>
Equity attributable to owners of the Company		1,169,320,799	969,384,374	2,897,846,672	2,714,594,752
Non-controlling interests of the subsidiaries		<u>161,619,119</u>	<u>174,428,866</u>	-	-
<b>Total shareholders' equity</b>		<u>1,330,939,918</u>	<u>1,143,813,240</u>	<u>2,897,846,672</u>	<u>2,714,594,752</u>
<b>Total liabilities and shareholders' equity</b>		<u>3,669,280,675</u>	<u>3,673,107,068</u>	<u>5,156,347,042</u>	<u>5,359,753,532</u>

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 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Revenues</b>					
Sales of goods	26	2,092,832,751	2,754,159,029	336,176,770	292,338,455
Service income	26	2,908,604,465	2,820,905,262	2,268,555,025	2,344,107,048
Revenues from copyrights	26	1,600,781,191	1,295,478,871	1,472,260,341	1,154,724,791
Interest income		6,197,407	7,210,307	4,480,224	6,690,798
Dividend income	12, 14	-	-	70,176,876	76,744,621
Other income		31,831,069	106,597,910	24,499,059	85,053,675
<b>Total revenues</b>		<b>6,640,246,883</b>	<b>6,984,351,379</b>	<b>4,176,148,295</b>	<b>3,959,659,388</b>
<b>Expenses</b>					
Cost of sales and services		4,025,043,252	4,364,707,463	2,600,777,989	2,489,571,779
Selling, distribution and servicing expenses		480,171,646	589,968,566	82,914,594	101,598,097
Administrative expenses		1,638,093,030	1,624,287,181	1,068,448,172	1,061,318,783
Loss on impairment of investments in subsidiaries	12	-	-	69,059,956	184,276,978
Loss on impairment of investment in associate (reversal)	14	-	-	(10,800,000)	17,100,000
<b>Total expenses</b>		<b>6,143,307,928</b>	<b>6,578,963,210</b>	<b>3,810,400,711</b>	<b>3,853,865,637</b>
<b>Profit before share of loss from investments in joint ventures and associates, finance cost and income tax expenses</b>					
		496,938,955	405,388,169	365,747,584	105,793,751
Share of loss from investments in joint ventures	13	(9,554,853)	(150,301,046)	-	-
Share of loss from investments in associates	14	(1,878,955)	(48,220,118)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>485,505,147</b>	<b>206,867,005</b>	<b>365,747,584</b>	<b>105,793,751</b>
Finance cost		(21,217,586)	(33,623,759)	(29,389,171)	(46,408,558)
<b>Profit before income tax expenses</b>		<b>464,287,561</b>	<b>173,243,246</b>	<b>336,358,413</b>	<b>59,385,193</b>
Income tax expenses	28	(89,592,187)	(110,250,906)	(61,966,526)	(44,274,754)
<b>Profit for the year</b>		<b>374,695,374</b>	<b>62,992,340</b>	<b>274,391,887</b>	<b>15,110,439</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		341,869,572	15,434,953	274,391,887	15,110,439
Non-controlling interests of the subsidiaries		32,825,802	47,557,387	-	-
		<b>374,695,374</b>	<b>62,992,340</b>		
<b>Basic earnings per share</b>	29				
Profit attributable to equity holders of the Company		0.42	0.02	0.33	0.02

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 2019

ALWAYS PLAY WITH YOU

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Profit for the year</b>		374,695,374	62,992,340	274,391,887	15,110,439
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax		1,476,742	292,388	-	-
Gain (loss) on change in value of available-for-sale investments					
- net of income tax		6,229	(67,664)	6,229	(67,664)
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		1,482,971	224,724	6,229	(67,664)
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Actuarial gain (loss) - net of income tax	22, 28	(12,527,713)	8,630,930	(9,151,283)	6,289,167
Share of actuarial loss of joint ventures - net of income tax	13	(5,643,196)	(3,971,193)	-	-
Share of actuarial loss of associates - net of income tax	14	(535,643)	-	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(18,706,552)	4,659,737	(9,151,283)	6,289,167
<b>Other comprehensive income for the year</b>		(17,223,581)	4,884,461	(9,145,054)	6,221,503
<b>Total comprehensive income for the year</b>		<u>357,471,793</u>	<u>67,876,801</u>	<u>265,246,833</u>	<u>21,331,942</u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		324,878,150	19,541,712	<u>265,246,833</u>	<u>21,331,942</u>
Non-controlling interests of the subsidiaries		<u>32,593,643</u>	<u>48,335,089</u>		
		<u>357,471,793</u>	<u>67,876,801</u>		

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 2019

(Unit: Baht)

Consolidated financial statements											
Equity attributable to equity holders of the Company											
	Retained earnings			Other comprehensive income		Difference between investment and book value from change in shareholding in subsidiary			Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Transfer of share premium to offset deficit in separate financial statements	Transfer of statutory reserve to offset deficit in separate financial statements	Unappropriated - (deficits)	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in value of available-for-sale investments	Capital deficit from business combination under common control	Total other components of shareholders' equity				
Issued and paid-up share capital											
819,949,729	4,847,628,795	271,203,657	81,994,973	50,000,000	(4,851,260,335)	1,957,817	(2,255,510)	(269,376,464)	949,842,662	1,107,308,133	157,465,471
Profit for the year	-	-	-	-	15,434,953	-	-	-	15,434,953	62,992,340	47,557,387
Other comprehensive income for the year	-	-	-	-	3,882,035	292,388	(67,664)	-	4,106,759	4,884,461	777,702
Total comprehensive income for the year	-	-	-	-	19,316,988	292,388	(67,664)	-	19,541,712	67,876,801	48,335,089
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2018	819,949,729	4,847,628,795	271,203,657	81,994,973	50,000,000	(4,831,943,347)	(2,323,174)	(269,376,464)	969,384,374	1,143,813,240	(31,371,694)
Reclassification (Note 37)	-	-	-	-	(50,000,000)	321,203,657	-	-	-	-	-
Balance as at 31 December 2018 - as reclassified	819,949,729	4,847,628,795	-	81,994,973	-	(4,510,739,690)	(2,323,174)	(269,376,464)	969,384,374	1,143,813,240	174,428,866
Profit for the year	-	-	-	-	341,869,572	(18,474,393)	6,229	-	341,869,572	374,695,374	32,825,802
Other comprehensive income for the year	-	-	-	-	-	1,476,742	6,229	-	(16,991,422)	(17,223,581)	(232,159)
Total comprehensive income for the year	-	-	-	-	323,395,179	1,476,742	6,229	-	324,878,150	357,471,793	32,593,643
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Transfer of statutory reserve and share premium to offset deficit (Note 23)	-	(2,950,660,598)	-	(81,994,973)	3,032,655,571	-	-	(42,946,812)	(42,946,812)	(88,350,202)	(45,403,390)
Dividend paid (Note 24)	-	-	-	-	(81,994,913)	-	-	-	(81,994,913)	-	-
Transfer retained earnings to statutory reserve (Note 25)	-	-	-	13,719,594	(13,719,594)	-	-	-	-	-	-
Balance as at 31 December 2019	819,949,729	1,896,968,197	-	13,719,594	-	(1,250,403,447)	(2,316,945)	(269,376,464)	1,169,320,799	1,330,939,918	161,619,119

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 2019

(Unit: Baht)

	Separate financial statements						
	Other components of shareholders' equity						Total shareholders' equity
	Other comprehensive income					Total other components of shareholders' equity	
	Deficit on changes in value of available-for-sale investments						
	Issued and paid-up share capital	Share premium	Retained earnings				
		Appropriated - statutory reserve	Unappropriated (deficit)				
<b>Balance as at 31 December 2017</b>	819,949,729	4,847,628,795	81,994,973	(3,054,055,177)	(2,255,510)	(2,255,510)	2,693,262,810
Profit for the year	-	-	-	15,110,439	-	-	15,110,439
Other comprehensive income for the year	-	-	-	6,289,167	(67,664)	(67,664)	6,221,503
Total comprehensive income for the year	-	-	-	21,399,606	(67,664)	(67,664)	21,331,942
<b>Balance as at 31 December 2018</b>	819,949,729	4,847,628,795	81,994,973	(3,032,655,571)	(2,323,174)	(2,323,174)	2,714,594,752
<b>Balance as at 31 December 2018</b>	819,949,729	4,847,628,795	81,994,973	(3,032,655,571)	(2,323,174)	(2,323,174)	-
Profit for the year	-	-	-	274,391,887	-	-	274,391,887
Other comprehensive income for the year	-	-	-	(9,151,283)	6,229	6,229	(9,145,054)
Total comprehensive income for the year	-	-	-	265,240,604	6,229	6,229	265,246,833
Transfer of statutory reserve and share premium to offset deficit (Note 23)	-	(2,950,660,598)	(81,994,973)	3,032,655,571	-	-	-
Dividend paid (Note 24)	-	-	-	(81,994,913)	-	-	(81,994,913)
Transfer retained earnings to statutory reserve (Note 25)	-	-	13,719,594	(13,719,594)	-	-	-
<b>Balance as at 31 December 2019</b>	819,949,729	1,896,968,197	13,719,594	169,526,097	(2,316,945)	(2,316,945)	2,897,846,672

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 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from operating activities</b>				
Profit before tax	464,287,561	173,243,246	336,358,413	59,385,193
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Depreciation	91,238,038	92,234,551	49,587,136	53,233,269
Amortisation	119,200,581	118,817,624	50,891,553	45,088,021
Allowance for doubtful accounts (reversal)	48,848,846	(1,877,708)	33,915,290	(1,738,858)
Reversal of reduction of cost of inventory to				
net realisable value	(34,195,684)	(28,554,615)	(36,331,415)	(18,118,621)
Reversal of allowance for impairment loss of leasehold				
improvement and equipment	-	(2,899,206)	-	-
Provision for sales returns (reversal)	(122,471,990)	144,197,889	(122,303,699)	144,174,012
Gain from subsidiary's liquidation	-	-	(1,474,137)	-
Allowance for impairment loss of investments in subsidiaries	-	-	69,059,956	184,276,978
Allowance for impairment loss of investment in associate (reversal)	-	-	(10,800,000)	17,100,000
Allowance for doubtful accounts of loans to related parties (reversal)	-	-	(3,825,000)	37,245,000
Allowance for impairment loss of assets held for sale	610,150	-	610,150	-
Allowance for impairment loss of intangible assets	-	2,880,000	-	-
Gain on disposal of equipment	(2,209,251)	(1,631,824)	(179,835)	(2,644,526)
Dividend income	-	-	(70,176,876)	(76,744,621)
Share of loss from investments in joint ventures	9,554,853	150,301,046	-	-
Share of loss from investments in associates	1,878,955	48,220,118	-	-
Long-term employee benefit expenses	64,922,161	39,412,107	53,416,747	28,828,802
Interest income	(6,197,407)	(7,210,307)	(4,480,224)	(6,690,798)
Interest expenses	21,217,586	33,623,759	29,389,171	46,408,558
Profit from operating activities before changes				
in operating assets and liabilities	656,684,399	760,756,680	373,657,230	509,802,409
Decrease (increase) in operating assets				
Trade and other receivables	(88,768,016)	(360,282,420)	(118,967,783)	(375,477,044)
Prepaid expenses	(11,069,108)	1,156,255	(2,782,076)	1,043,410
Inventories	(83,823,360)	(143,553,840)	7,947,325	(76,805,427)
Advance payments	(4,302,293)	(467,893)	(3,282,644)	(7,754,421)
Other current assets	24,153,493	19,668,061	14,820,508	(234,115)
Other non-current assets	(20,366,818)	(8,478,057)	(16,480,059)	(3,003,310)

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 2019

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(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Increase (decrease) in operating liabilities				
Trade and other payables	(4,659,372)	49,713,818	45,856,812	50,497,141
Unearned income	125,608,018	24,534,508	89,635,411	13,569,359
Other current liabilities	(9,117,540)	9,368,341	(4,788,863)	(12,140,498)
Provision for long-term employee benefits	(178,536)	(53,044,459)	-	(49,020,550)
Other non-current liabilities	610,350	-	600,350	-
Cash flows from operating activities	584,771,217	299,370,994	386,216,211	50,476,954
Cash paid for interest expenses	(21,255,887)	(33,193,916)	(30,478,769)	(46,071,063)
Cash paid for termination wages	(5,385,917)	(30,103,971)	(2,170,406)	(20,388,131)
Cash paid for income tax	(112,390,183)	(266,898,129)	(69,193,891)	(233,405,188)
Cash received from income tax refund	1,214,695	40,074,206	-	37,131,166
<b>Net cash flows from (used in) operating activities</b>	<b>446,953,925</b>	<b>9,249,184</b>	<b>284,373,145</b>	<b>(212,256,262)</b>
<b>Cash flows from investing activities</b>				
Acquisition of equipment	(55,466,170)	(85,822,614)	(31,894,154)	(27,628,304)
Cash received from returning investments of subsidiaries	-	-	118,972,862	-
Cash received from returning investments of associate	13,000,000	-	13,000,000	-
Cash paid to purchase additional investment in joint venture	-	(220,000,000)	-	(220,000,000)
Cash paid to purchase other long-term investments	(4,000,000)	(1,000,000)	(4,000,000)	(1,000,000)
Cash paid to purchase additional investments in subsidiaries	-	-	(69,986,700)	(150,126,550)
Cash received from right of claim on returning capital				
from subsidiary's liquidation	43,551,278	-	43,551,278	-
Cash received from disposal of equipments	4,198,509	9,388,665	2,033,268	7,101,534
Decrease in loans to related parties	-	-	3,825,000	2,000,000
Dividend received from subsidiaries and associates	11,000,000	7,374,215	65,476,614	68,445,043
Cash received (paid) from non-controlling interests of subsidiaries				
from investments in subsidiaries	(66,297,077)	650	-	-
Interest income	5,879,673	7,210,307	3,968,329	6,250,938
Decrease (increase) in current investments	(118,698,764)	159,943,370	-	150,000,000
<b>Net cash flows from (used in) investing activities</b>	<b>(166,832,551)</b>	<b>(122,905,407)</b>	<b>144,946,497</b>	<b>(164,957,339)</b>

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 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from related parties	-	-	(200,800,000)	425,500,000
Repayment of long-term loan	(252,000,000)	(48,000,000)	(252,000,000)	(48,000,000)
Repayment of liabilities under finance lease agreements	(11,992,091)	(12,954,294)	(10,200,873)	(11,668,741)
Dividend paid	(81,994,913)	-	(81,994,913)	-
Dividend paid to non-controlling interest of subsidiaries	(22,053,124)	(31,372,344)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(368,040,128)</b>	<b>(92,326,638)</b>	<b>(544,995,786)</b>	<b>365,831,259</b>
<b>Increase in translation adjustments</b>	<b>1,476,742</b>	<b>292,388</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(86,442,012)</b>	<b>(205,690,473)</b>	<b>(115,676,144)</b>	<b>(11,382,342)</b>
Cash and cash equivalents at beginning of year	538,359,206	744,049,679	302,080,688	313,463,030
<b>Cash and cash equivalents at end of year</b>	<b>451,917,194</b>	<b>538,359,206</b>	<b>186,404,544</b>	<b>302,080,688</b>
<b>Supplemental cash flows information:</b>				
Non-cash transactions:				
Assets purchases which payment has yet to be made	5,746,605	1,040,949	5,746,605	1,040,949
Increase in assets from finance lease agreements	-	1,789,000	-	1,789,000

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

**1. General 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 Group”) are principally engaged in various entertainment businesses, including music business, satellite television business, movies business, home shopping business, and co-investment in other businesses. The registered office of the Company is at 50 Sukhumvit 21 (Asoke), Klongtoey Nua, Wattana, Bangkok.

**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 11 October 2016, 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”):



**Notes to consolidated financial statements**  
**GMM Grammy Public Company Limited and its subsidiaries**  
For the year ended 31 December 2019

Company	Nature of business	Country of incorporation	Percentage of shareholding		
			2019	2018	
			%	%	
<u>Subsidiaries directly held by the Company</u>					
1. GMM Holding Company Limited	Holding company	Thailand	100	100	
2. GMM Music Publishing International Company Limited	Management of music copyrights	Thailand	100	100	
3. GMM Tai Hub Company Limited	Dissolution and in a process of liquidation	Thailand	51	51	
4. Fan TV Company Limited (Held 49% by GMM Holding Company Limited, a subsidiary)	Production of satellite television programmes	Thailand	51	51	
5. GR Vocal Studio Company Limited	Vocal and music schools	Thailand	100	100	
6. GMM CJ O Shopping Company Limited	Wholesale and retail by using advertising media and receiving phone orders and E-commerce order	Thailand	100	51	
7. MGA Company Limited	Currently non-active	Thailand	100	100	
8. Digital Gen Company Limited	Non-active and completed liquidation on 5 August 2019	Thailand	-	100	
9. Extraorganizer Company Limited	Currently non-active	Thailand	100	100	
10. More Music Company Limited	Currently non-active	Thailand	100	100	
11. GDC Company Limited	Currently non-active	Thailand	100	100	
12. Z Trading Company Limited	Production and distribution of satellite television and digital TV receivers	Thailand	100	100	
13. Digistream Company Limited	Currently non-active	Thailand	100	100	
14. Deetalk Company Limited	Currently non-active	Thailand	100	100	
15. GDH 559 Company Limited	Production of films and television programmes	Thailand	51	51	
16. Teen Talk Company Limited	Currently non-active	Thailand	100	100	
17. Exact Company Limited	Production of television programmes	Thailand	100	100	
18. Tifa Studios Company Limited	Currently non-active	Thailand	100	100	
19. Gung Ho Studios Company Limited	Currently non-active	Thailand	100	100	
20. Bravo Studios Company Limited	Currently non-active	Thailand	100	100	
21. OSP TV Company Limited (Held 49% by GMM CJ O Shopping Company Limited, a subsidiary)	Satellite television platform provider	Thailand	51	51	
<u>Subsidiaries held by GMM Holding Company Limited</u>					
1. GMM Studio Company Limited	Non-active and completed liquidation on 5 August 2019	Thailand	-	100	
2. Grammy Publishing House Company Limited	Currently non-active	Thailand	100	100	
3. GMM Goods Company Limited	Currently non-active	Thailand	100	100	
4. G Broadcast Company Limited	Satellite television platform provider	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	

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			%	%
<u>Subsidiary held by GMM Digital Domain Company Limited</u>				
1. Digital Arms Company Limited	Currently non-active	Thailand	100	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

- 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 2019, there were the following changes in the composition of the subsidiaries:
1. Additional of investment in GMM CJ O Shopping Company Limited (a subsidiary), by purchasing 2,646,000 ordinary shares of Baht 26.45 each from others. Thus, the shareholding of the Company in that subsidiary increased from 51% to 100% (as details mentioned in Note 12 to the financial statements).
  2. Completed liquidation of subsidiaries, Digital Gen Company Limited and GMM Studio Company Limited (held by a subsidiary), during the current year, and deregistered and in liquidation process of GMM Tai Hub Company Limited (as details mentioned in Note 12 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 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 financial reporting standards

#### (a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.



This standard does not have any significant impact on the Group's financial statements.

**(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group believes that adoption of these standards will not have any significant impact on the financial statements.

## **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The management of the Group expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Group's assets by approximately Baht 731 million (the Company only: approximately Baht 372 million) and the Group's liabilities by approximately Baht 731 million (the Company only: approximately Baht 372 million).

## **4. Significant accounting policies**

### **4.1 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 satellite television and digital TV programmes**

Revenues from production of 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 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) Management fee and consultant fee income

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

e) Artist management income

Artist management income is recognised when services have been rendered.

f) Revenues from studio service

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

g) 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.

h) 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 income*

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

**4.2 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.

**4.3 Trade and other receivables**

Trade and other receivables 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.

**4.4 Inventories**

- a) CDs, VCDs, DVDs and USB Flashdrive 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.

**4.5 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 recorded in comprehensive income, and will be recorded in the income statement 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, net of allowance for impairment losses (if any).

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 in the income statement 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 the income statement.

**4.6 Leasehold improvement and equipment / Depreciation**

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

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

		<u>Useful lives</u>
Leasehold 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 construction in progress and equipment under installation.

An item of leasehold improvement 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 the income statement when the asset is derecognised.

**4.7 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 the income statement.

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 allowance for 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 allowance for 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% 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 allowance for impairment losses (if any). They are amortised in proportion to their consumptions through various distribution channels, but over periods of no more than 10 years (for motion pictures) and 5 years (for cartoons) from the release date.

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.

#### **4.8 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 the income statement.

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 company'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 the income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.9 Related party transactions**

Related parties comprise enterprises and individuals or enterprises 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 or enterprises 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.

#### **4.10 Long-term leases**

Leases of vehicles and 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 the income statement 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 building and 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 the income statement on a straight-line basis over the lease term.

#### **4.11 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.

**4.12 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 the income statement.

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 the income statement.

**4.13 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.

**4.14 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.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

**4.15 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.

**4.16 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.

#### 4.17 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.

#### 5. 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 investments in subsidiaries, joint ventures, associates and other long-term 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 regarding to its projections of future operating performance, future business plans, and determination of an appropriate discount rate and key assumptions.

#### **Leasehold improvement and equipment/Depreciation**

In determining depreciation of leasehold improvement 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 leasehold improvement 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.

#### **Intangible assets/Amortisation**

In determining the amortisation of intangible assets, the management is required to make estimates of economic useful lives and the amortisation method of the intangible assets, and to review the amortisation period when there are any changes.

In addition, the management is required to review intangible assets for impairment 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.

#### **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.

**6. 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*
	2019	2018	
<u>Transactions with joint ventures</u>			
Sales of goods	7	7	(2)
Service income	284	273	(2)/(5)/(6)
Revenues from copyrights	74	41	(3)
Other income	11	3	(5)
Service expenses	509	390	(5)/(6)
<u>Transactions with associated companies</u>			
Service income	1	15	(2)
Service expenses	46	33	(5)
<u>Transactions with related companies</u>			
Rental and service expenses	149	168	(1)/(5)/(6)
<u>Transactions with management and directors</u>			
Service expenses	-	1	(3)/(5)

	(Unit: Million Baht)		
	Separate		Pricing policy*
	financial statements		
	2019	2018	
<u>Transactions with subsidiaries</u>			
(eliminated from the consolidated financial statements)			
Service income	22	26	(2)/(4)/(5)
Revenues from copyrights	247	170	(3)
Other income	3	4	(5)

(Unit: Million Baht)

	Separate financial statements		Pricing policy*
	2019	2018	
Service expenses	55	30	(5)
Interest expenses	8	13	(7)
<u>Transactions with joint ventures</u>			
Sales of goods	7	7	(2)
Service income	221	216	(2)/(5)/(6)
Revenues from copyrights	17	20	(3)
Other income	11	3	(5)
Service expenses	352	268	(5)/(6)
<u>Transactions with associated companies</u>			
Rental and service expenses	6	2	(2)
<u>Transactions with related companies</u>			
Rental and service expenses	131	152	(1)/(5)/(6)
<u>Transactions with management and directors</u>			
Service expenses	-	1	(3)/(5)

\*Pricing policy explanation

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

As at 31 December 2019 and 2018, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b><u>Trade and other receivables - related parties (Note 9)</u></b>				
Subsidiaries	-	-	89,589	53,028
Joint ventures	95,896	118,773	79,151	104,471
Associated companies	463	208	73	43
Related companies (related by common shareholder)	350	382	350	382
Total trade and other receivables - related parties	96,709	119,363	169,163	157,924
<b><u>Trade and other payables - related parties (Note 19)</u></b>				
Subsidiaries	-	-	17,087	23,404
Joint ventures	180,639	159,078	152,500	137,167
Associated companies	24,121	7,216	4,200	58
Related companies (related by common shareholder)	6,007	4,858	5,150	4,431
Management and directors	-	486	-	486
Total trade and other payables - related parties	210,767	171,638	178,937	165,546

### **Loans to/loans from related parties**

As at 31 December 2019 and 2018, the balances of loans between the Company and those related companies and the movement of loans are as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at	During the year		Balance as at
	31 December	Increase	Decrease	31 December
	2018			2019
<b><u>Loans to related parties</u></b>				
<b>Subsidiaries</b>				
Digistream Company Limited	12,000	-	-	12,000
Fan TV Company Limited	25,245	-	(3,825)	21,420
Total	37,245	-	(3,825)	33,420
<u>Less</u> Allowance for doubtful accounts	(37,245)	-	3,825	(33,420)
Loans to related parties - net	-	-	-	-



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% per annum based on case by case.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	During the year		Balance as at
	31 December 2018	Increase	Decrease	31 December 2019
<b><u>Short-term loans from related parties</u></b>				
<b>Subsidiaries</b>				
MGA Company Limited	22,500	-	-	22,500
GMM Music Publishing International Company Limited	82,000	93,000	(72,000)	103,000
GMM Holding Company Limited	128,000	44,700	(40,800)	131,900
Digital Gen Company Limited	5,500	-	(5,500)	-
More Music Company Limited	7,000	-	(1,200)	5,800
Z Trading Company Limited	132,000	91,000	(29,000)	194,000
GDH 559 Company Limited	130,000	-	(130,000)	-
GMM CJ O Shopping Company Limited	70,000	-	(70,000)	-
Exact Company Limited	110,000	12,000	-	122,000
Teen Talk Company Limited	27,000	1,000	-	28,000
GR Vocal Studio Company Limited	-	9,000	-	9,000
Tifa Studios Company Limited	45,000	1,000	(37,000)	9,000
Gung Ho Studios Company Limited	45,000	1,000	(37,000)	9,000
Bravo Studios Company Limited	45,000	4,000	(37,000)	12,000
GDC Company Limited	-	2,000	-	2,000
Total	849,000	258,700	(459,500)	648,200

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

**Directors and management's benefits**

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable of their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Short-term employee benefits	88,305	66,198	85,648	65,048
Post-employment benefits	7,404	1,919	7,384	1,914
Total	95,709	68,117	93,032	66,962

**Guarantee obligations with related parties**

The Group has outstanding guarantee obligations with its related parties, as described in Note 32.5 to the financial statements.

**7. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cash on hand and at banks	451,915	368,357	186,403	132,079
Short-term investments	2	170,002	2	170,002
Total cash and cash equivalents	451,917	538,359	186,405	302,081

As at 31 December 2019, bank deposits in saving accounts, fixed deposits and highly liquid investments carried interests between 0.10 and 1.20% per annum (2018: between 0.10 and 1.30% per annum) (the Company only: between 0.10 and 1.20% per annum, 2018: between 0.10 and 1.30% per annum).

**8. Current investments**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Fixed deposit	120,150	-	-	-
Short-term investments	-	1,451	-	-
Total current investments	120,150	1,451	-	-

As at 31 December 2019, current investments carried return on investment between 1.25 to 1.70% per annum (2018: between 0.46 to 2.38% per annum) (the Company only: None, 2018: None).

**9. Trade and other receivables**

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	2019	2018
	2019	2018
<b><u>Trade receivables - related parties</u></b>		
Aged on the basis of due dates		
Not yet due	24,291	59,453
Past due		
Up to 3 months	5,276	2,966
3 - 6 months	-	-
6 - 12 months	-	-
Over 12 months	625	562
Total	30,192	62,981
<u>Less</u> Allowance for doubtful accounts	-	-
Total trade receivables - related parties, net	30,192	62,981
<b><u>Trade receivables - unrelated parties</u></b>		
Aged on the basis of due dates		
Not yet due	380,253	379,311
Past due		
Up to 3 months	140,352	234,469
3 - 6 months	24,929	32,923
6 - 12 months	28,868	47,060
Over 12 months	208,093	164,192
Total	782,495	857,955
<u>Less</u> Allowance for doubtful accounts	(238,876)	(193,271)
Total trade receivables - unrelated parties, net	543,619	664,684
Total trade receivables - net	573,811	727,665
<b><u>Other receivables</u></b>		
Other receivables - related parties	27,827	31,909
Other receivables - unrelated parties	72,028	76,167
Dividends receivable from subsidiaries	-	-
Accrued income - related parties	38,690	24,473
Accrued income - unrelated parties	492,607	301,586
Total other receivables	631,152	434,135
<u>Less</u> Allowance for doubtful accounts	(39,669)	(36,425)
Total other receivables - net	591,483	397,710
Total trade and other receivables - net	1,165,294	1,125,375

**10. Inventories**

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2019	2018	2019	2018	2019	2018
CDs, VCDs, DVDs and USB Flashdrive	125,201	170,013	(117,850)	(143,990)	7,351	26,023
Motion picture and cartoon production	39,796	24,257	-	-	39,796	24,257
Work in process	89,392	101,307	(17,522)	(17,522)	71,870	83,785
Books, teaching aids and magazines	-	1,057	-	(1,057)	-	-
Satellite television and Digital TV receivers	29,052	25,358	(6,642)	(3,470)	22,410	21,888
Others	42,178	49,734	(323)	(10,493)	41,855	39,241
<b>Total</b>	<b>325,619</b>	<b>371,726</b>	<b>(142,337)</b>	<b>(176,532)</b>	<b>183,282</b>	<b>195,194</b>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2019	2018	2019	2018	2019	2018
CDs, VCDs, DVDs and USB Flashdrive	125,222	170,039	(117,850)	(143,990)	7,372	26,049
Work in process	88,218	97,577	(17,522)	(17,522)	70,696	80,055
Others	-	10,191	-	(10,191)	-	-
<b>Total</b>	<b>213,440</b>	<b>277,807</b>	<b>(135,372)</b>	<b>(171,703)</b>	<b>78,068</b>	<b>106,104</b>

During the current year, the Group reversed the write-down of cost of inventories by Baht 34 million (2018: Baht 29 million) (the Company only: Baht 36 million, 2018: 18 million) and reduced the amount of inventories recognised as expenses during the year.

**11. Other current assets**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Input tax refundable	46,775	49,766	-	1,977
Withholding tax deducted at source	39,228	19,868	27,749	11,641
Others	3,883	4,860	3,226	4,521
<b>Total other current assets</b>	<b>89,886</b>	<b>74,494</b>	<b>30,975</b>	<b>18,139</b>



## 12. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Separate financial statements							
	Paid-up capital		Shareholding		Cost		Dividend received	
			percentage				during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(Million Baht)	(Million Baht)	(%)	(%)				
MGA Company Limited	10.5	10.5	100	100	10,500	10,500	1,500	-
Digital Gen Company Limited	-	5	-	100	-	5,000	-	-
Extraorganizer Company Limited	1	1	100	100	999	999	-	-
More Music Company Limited	1	1	100	100	1,000	1,000	1,400	-
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	28,998	27,998
GMM Tai Hub Company Limited	3	3	51	51	67,907	67,907	-	17,350
Fan TV Company Limited	200	200	51	51	83,777	83,777	-	-
GR Vocal Studio Company Limited	5	5	100	100	2,525	2,525	-	-
GMM CJ O Shopping Company Limited	356	356	100	51	251,751	181,764	-	-
GDC Company Limited	47	47	100	100	46,814	46,814	-	-
Z Trading Company Limited	5,935	5,935	100	100	5,935,000	5,935,000	-	-
Digistream Company Limited	1	1	100	100	1,000	1,000	-	-
GDH 559 Company Limited	150	150	51	51	76,500	76,500	22,950	15,300
Deetalk Company Limited	1	1	100	100	19,392	19,392	1,979	-
Exact Company Limited	60	60	100	100	81,979	81,979	13,350	12,300
Teen Talk Company Limited	40	40	100	100	44,260	44,260	-	-
OSP TV Company Limited	0.25	0.25	51	51	127	127	-	-
Tifa Studios Company Limited	12.5	50	100	100	12,500	50,000	-	-
Gung Ho Studios Company Limited	12.5	50	100	100	12,500	50,000	-	-
Bravo Studios Company Limited	12.5	50	100	100	12,500	50,000	-	-
Total					6,766,030	6,813,543	70,177	72,948
<u>Less</u> Allowance for impairment of investments					(5,980,348)	(5,911,289)		
Investments in subsidiaries - net					<u>785,682</u>	<u>902,254</u>		

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

Additional investment in subsidiary

Investor	Subsidiary	Nature of business	Percentage of shareholding	Description	Amount
			(%)		(Thousand Baht)
GMM Grammy Public Company Limited	GMM C J O Shopping Company Limited	Wholesale and retail by using advertising media and receiving phone orders and E-commerce order	100	Purchase of investment from others 2,646,000 ordinary shares of Baht 26.45 each. Thus, the shareholding of the company in that subsidiary increased from 51% to 100%.	69,987

Reduction of capital by subsidiaries

Investor	Subsidiaries	Nature of business	Percentage of shareholding	Description	Amount
			(%)		(Thousand Baht)
GMM Grammy Public Company Limited	Tifa Studios Company Limited	Currently non-active	100	Reduction of capital by 499,997 shares of Baht 75 each and returning funds to shareholder. This had no impact on the Company's proportionate shareholding.	37,500
GMM Grammy Public Company Limited	Gung Ho Studios Company Limited	Currently non-active	100	Reduction of capital by 499,997 shares of Baht 75 each and returning funds to shareholder. This had no impact on the Company's proportionate shareholding.	37,500
GMM Grammy Public Company Limited	Bravo Studios Company Limited	Currently non-active	100	Reduction of capital by 499,997 shares of Baht 75 each and returning funds to shareholder. This had no impact on the Company's proportionate shareholding.	37,500

**Deregistered subsidiaries**

Investor	Subsidiaries	Percentage of shareholding (%)	Description
GMM Grammy Public Company Limited	Digital Gen Company Limited	100	Deregistered with the Ministry of Commerce on 27 June 2019, completed liquidation on 5 August 2019, and made a cash liquidation payment of Baht 6 million to shareholders.
GMM Grammy Public Company Limited	GMM Tai Hub Company Limited	51	Deregistered with the Ministry of Commerce on 27 June 2019.
GMM Holding Company Limited	GMM Studio Company Limited	100	Deregistered with the Ministry of Commerce on 27 June 2019, completed liquidation on 5 August 2019, and made a cash liquidation payment of Baht 42 million to shareholders.

During the current year, the Company recorded additionally the allowance for impairment loss of investments in subsidiaries approximately of Baht 69 million (2018: Baht 184 million)

### 13. Investments in joint ventures

#### 13.1 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)

Company	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2019 (%)	2018 (%)	2019	2018	2019	2018
The ONE Enterprise Company Limited	Production of television programmes and digital on-air	31.27	31.27	1,191,549	1,191,549	348,460	288,966
GMM Channel Holding Company Limited	Production of television programmes and digital on-air	50.00	50.00	361,700	361,700	127,907	202,599
Total				<u>1,553,249</u>	<u>1,553,249</u>	<u>476,367</u>	<u>491,565</u>

(Unit: Thousand Baht)

Company	Nature of business	Separate financial statements			
		Shareholding percentage		Carrying amounts based on cost method	
		2019 (%)	2018 (%)	2019	2018
The ONE Enterprise Company Limited	Production of television programmes and digital on-air	31.27	31.27	1,191,549	1,191,549
GMM Channel Holding Company Limited	Production of television programmes and digital on-air	50.00	50.00	1,000,000	1,000,000
Total				<u>2,191,549</u>	<u>2,191,549</u>

## 13.2 Share of comprehensive income and dividend income

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

Joint ventures	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit (loss) from investments in joint ventures during the year		Share of other comprehensive income (loss) from investments in joint ventures during the year		Dividend received during the year	
	2019	2018	2019	2018	2019	2018
The ONE Enterprise Company Limited	60,980	13,388	(1,486)	(228)	-	-
GMM Channel Holding Company Limited	(70,535)	(163,689)	(4,157)	(3,743)	-	-
<b>Total</b>	<b>(9,555)</b>	<b>(150,301)</b>	<b>(5,643)</b>	<b>(3,971)</b>	<b>-</b>	<b>-</b>

## 13.3 Summarised financial information about material joint ventures

Summarised financial information about financial position

(Unit: Million Baht)

	As at 31 December			
	The ONE Enterprise Company Limited Group		GMM Channel Holding Company Limited Group	
	2019	2018	2019	2018
Cash and cash equivalents	198	482	170	209
Current assets	1,135	1,156	965	969
Non-current assets	2,835	3,654	1,400	1,989
<b>Total assets</b>	<b>4,168</b>	<b>5,292</b>	<b>2,535</b>	<b>3,167</b>
Short-term loans	(80)	-	(625)	(430)
Other current liabilities	(688)	(702)	(943)	(765)
Long-term loans	(1,848)	(2,297)	(899)	(898)
Other non-current liabilities	(76)	(991)	(109)	(997)
<b>Total liabilities</b>	<b>(2,692)</b>	<b>(3,990)</b>	<b>(2,576)</b>	<b>(3,090)</b>
<b>Net assets</b>	<b>1,476</b>	<b>1,302</b>	<b>(41)</b>	<b>77</b>
Shareholding percentage (%)	31.27	31.27	50.00	50.00
<b>Share of net assets</b>	<b>462</b>	<b>407</b>	<b>(21)</b>	<b>39</b>
Elimination entries and others	(114)	(118)	-	-
Intangible assets	-	-	149	164
<b>Carrying amounts of joint ventures based on equity method</b>	<b>348</b>	<b>289</b>	<b>128</b>	<b>203</b>



Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	The ONE Enterprise Company Limited Group		GMM Channel Holding Company Limited Group	
	2019	2018	2019	2018
Revenues	2,782	2,773	2,551	2,189
Cost of sales and services	(1,524)	(1,705)	(1,640)	(1,455)
Selling and servicing expenses	(186)	(260)	(195)	(220)
Administrative expenses	(707)	(624)	(764)	(646)
Finance cost	(103)	(145)	(80)	(92)
Profit (loss) before income tax expenses	262	39	(128)	(224)
Income tax benefits (expenses)	(84)	(10)	19	(71)
Profit (loss) for the year	178	29	(109)	(295)
Other comprehensive income	(4)	(1)	(8)	(8)
<b>Total comprehensive income</b>	<b>174</b>	<b>28</b>	<b>(117)</b>	<b>(303)</b>

One 31 Company Limited (“One 31”), a subsidiary of The ONE Enterprise Company Limited, has received a license to use the spectrum to provide terrestrial digital television service in the type of national commercial service (“License agreement”) for General (Variety) high-definition category from the National Broadcasting and Telecommunications Commission (“NBTC”). License agreement allowed a period of 15 years commencing on 25 April 2014 to 24 April 2029. One 31 was required to make payments for the bid prices of Baht 3,320 million (exclusive of VAT) for the licenses under the conditions specified by the NBTC.

GMM Channel Company Limited (“GMM Channel”), a subsidiary of GMM Channel Holding Company Limited, has received a license to use the spectrum to provide terrestrial digital television service in the type of national commercial service for General (Variety) standard-definition category from the National Broadcasting and Telecommunications Commission (“NBTC”). License agreement allowed a period of 15 years commencing on 25 April 2014 to 24 April 2029. GMM Channel was required to make payments for the bid prices of Baht 2,290 million (exclusive of VAT) for the licenses under the conditions specified by the NBTC.

Furthermore, according to the notification of the NBTC and related laws, One 31 and GMM Channel have a duty to pay license and other fees, and annual fee to the Broadcasting and Telecommunications Research and Development Fund for Public Interest.

On 11 April 2019, it was announced in the Government Gazette that the National Broadcasting and Telecommunications Commission (NBTC) has set criteria, methods, and conditions for the return of operating licenses and compensation for those digital TV operators who wish to return their licenses, the granting of waivers of the remaining license fee installments to operators, including rental fee subsidies for broadcasting networks (MUX) for the remaining years of the digital TV licenses. However, the management of both joint ventures did not intend to return the spectrum licenses and will continue to operate their digital TV business.

On 11 April 2019, One 31 and GMM Channel has made adjustments for the effects of license fee waiver of the last two payments (Installment 5 and 6) of the additional concluded bid prices which were above the reserved prices, resulting in higher share of profit from investment in The One Enterprise Company Limited of Baht 5 million and lower share of loss from investment in GMM Channel Holding Company Limited of Baht 8 million during the year 2019.

During the year 2019, One 31 has already paid the full spectrum license fee.

As at 31 December 2019, GMM Channel has outstanding balance of the license fee payment for the minimum bid price and for the exceeding amount of the minimum bid price of Baht 19 million and Baht 191 million, respectively, to be made within 2021.

## 14. Investments in associates

### 14.1 Details of associates

Company	Nature of business	Country of incorporation	Consolidated financial statements						(Unit: Thousand Baht)	
			Paid up capital		Percentage of shareholding		Cost			Carrying amounts based on equity method
			2019	2018	2019	2018	2019	2018		
			(Million Baht)	(Million Baht)	(%)	(%)				
<b><u>Associates held by the subsidiaries</u></b>										
Nadao Bangkok Company Limited	Films production and talent agency services	Thailand	2	2	30	30	600	13,448	13,178	
Sawasdeethaweesuk Company Limited	Design and post production of advertising media and films and public relations for films	Thailand	5	5	25	25	937	3,864	3,051	
Siengdeethaweesuk Company Limited	Provide recording movie sound and movie advertisement, produce sound and music for movie	Thailand	5	5	45	45	2,250	2,010	2,479	
Ngandeethaweesuk Company Limited	Public relation and organizer	Thailand	1	1	40	40	400	2,685	2,546	
Goodthing Happen Company Limited	Provide advertising media, public relation consulting, and organizer	Thailand	5	5	25	25	1,092	3,370	2,760	
<b><u>Associates held by the Company</u></b>										
Family Know How Company Limited	Dissolution and in a process of liquidation	Thailand	50	50	50	50	12,000	5,704	7,905	
Lucks (666) Satellite Company Limited	Currently non-active	Thailand	20	20	25	25	5,000	-	-	
Scenario Company Limited	Production of television programmes and plays	Thailand	70	70	25	25	17,500	159,294	184,871	
Total							39,779	52,779	216,790	

**Notes to consolidated financial statements**  
**GMM Grammy Public Company Limited and subsidiaries**  
For the year ended 31 December 2019

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Separate financial statements						Carrying amounts based on cost method - net	
			Percentage of shareholding		Cost		Allowance for impairment of investments			
			2019	2018	2019	2018	2019	2018		
			(%)	(%)						
Family Know How Company Limited	Dissolution and in a process of liquidation	Thailand	50	50	12,000	25,000	(6,300)	(17,100)	5,700	7,900
Lucks (666) Satellite Company Limited	Currently non-active	Thailand	25	25	5,000	5,000	(5,000)	(5,000)	-	-
Scenario Company Limited	Production of television programmes and plays	Thailand	25	25	188,641	188,641	-	-	188,641	188,641
Total					205,641	218,641	(11,300)	(22,100)	194,341	196,541

During the current year, the Company reversed the allowance for impairment loss of investments in associates approximately of Baht 11 million (2018: additionally recorded Baht 17 million).

On 22 April 2019, the Annual General Meeting of Shareholders of Family Know How Company Limited passed a resolution partially returning capital to shareholders, which the Company received Baht 4 million. And on 4 December 2019, the Extraordinary General Meeting of Shareholders of Family Know How Company Limited passed a resolution second returning capital to shareholders, which the Company received Baht 9 million.



## 14.2 Share of profit/loss and dividend income

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)

Company	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates during the year		Share of other comprehensive income (loss) from investments in joint ventures during the year		Dividend received during the year	
	2019	2018	2019	2018	2019	2018
Scenario Company Limited	(25,263)	(6,172)	(313)	-	-	1,750
Nadao Bangkok Company Limited	10,834	7,183	(64)	-	-	-
Family Know How Company Limited	10,800	(49,984)	-	-	-	2,047
Other associates	1,750	753	(159)	-	-	-
<b>Total</b>	<b>(1,879)</b>	<b>(48,220)</b>	<b>(536)</b>	<b>-</b>	<b>-</b>	<b>3,797</b>

## 14.3 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	As at 31 December			
	Scenario Company Limited		Family Know How Company Limited	
	2019	2018	2019	2018
Current assets	142	256	12	38
Non-current assets	714	707	-	3
Current liabilities	(55)	(71)	-	(25)
Non-current liabilities	(161)	(150)	-	-
<b>Net assets</b>	<b>640</b>	<b>742</b>	<b>12</b>	<b>16</b>
Shareholding percentage (%)	25	25	50	50
<b>Share of net assets</b>	<b>160</b>	<b>186</b>	<b>6</b>	<b>8</b>
Elimination entries and others	(1)	(1)	-	-
<b>Carrying amounts of associates based on equity method</b>	<b>159</b>	<b>185</b>	<b>6</b>	<b>8</b>

## Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	Scenario Company Limited		Family Know How Company Limited	
	2019	2018	2019	2018
Revenue	250	288	16	182
Profit (loss)	(101)	(55)	14	(62)

## 15. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2019		2018	
	Cost	Fair Value	Cost	Fair Value
<b><u>Securities available-for-sale</u></b>				
Unit Trusts in Tisco Fixed - Income Fund	3,197	482	3,197	484
BEC World Public Company Limited	236	59	236	48
Total	3,433	541	3,433	532
<u>Add</u> Unrealised loss on changes in value of investments	(2,892)		(2,901)	
Securities available-for-sale - net	541		532	
<b><u>Other investments</u></b>				
Siam Telemarketing Company Limited	3,000		3,000	
Pracharath Rak Samakkee Social Enterprise Company Limited	1,000		1,000	
CTH Public Company Limited	1,030,340		1,030,340	
Total	1,034,340		1,034,340	
<u>Less</u> Allowance for impairment of investments	(1,033,340)		(1,033,340)	
Other investments - net	1,000		1,000	
<b><u>Other</u></b>				
Government Savings Bank Bond	5,014		1,014	
Total	5,014		1,014	
Total other long-term investments - net	6,555		2,546	

## Notes to consolidated financial statements

### GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2019

(Unit: Thousand Baht)

	Separate financial statements			
	2019		2018	
	Cost	Fair Value	Cost	Fair Value
<b><u>Securities available-for-sale</u></b>				
Unit Trusts in Tisco Fixed - Income fund	3,197	482	3,197	484
BEC World Public Company Limited	236	59	236	48
Total	3,433	541	3,433	532
<u>Add</u> Unrealised loss on changes in value of investments	(2,892)		(2,901)	
Securities available-for-sale - net	541		532	
<b><u>Other investments</u></b>				
Siam Telemarketing Company Limited	3,000		3,000	
Pracharath Rak Samakkee Social Enterprise Company Limited	1,000		1,000	
<u>Less</u> Allowance for impairment of investment	(3,000)		(3,000)	
Other investments - net	1,000		1,000	
<b><u>Other</u></b>				
Government Savings Bank Bond	5,014		1,014	
Total	5,014		1,014	
Total other long-term investments - net	6,555		2,546	

The Group has pledged all stock certificates of CTH Public Company Limited as a collateral for long-term loans from a bank. The Group is required to comply with conditions and restrictions stipulated in the agreement.

The Company has used Government Savings Bank Bond Baht 0.1 million as a collateral in court. The Company currently in a process of requesting to return those bonds.

## 16. Leasehold improvement and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Leasehold	Operating	Furniture, fixtures and	Computer	Motor	Construction in progress and equipment under installation	Total
	improvement	equipment	office equipment	and equipment	vehicles		
<b>Cost:</b>							
1 January 2018	478,626	508,628	184,905	316,912	132,185	2,644	1,623,900
Additions	7,061	4,559	11,983	18,333	1,791	44,926	88,653
Disposals	(2,998)	(15,771)	(6,305)	(4,399)	(24,487)	-	(53,960)
Transfer in (out)	11,613	16,592	-	11,950	-	(40,155)	-
31 December 2018	494,302	514,008	190,583	342,796	109,489	7,415	1,658,593
Additions	5,110	9,105	6,857	13,804	2,230	24,107	61,213
Disposals	(20,573)	(49,911)	(8,650)	(29,596)	(8,512)	-	(117,242)
Transfer in (out)	702	13,624	248	-	-	(14,574)	-
31 December 2019	479,541	486,826	189,038	327,004	103,207	16,948	1,602,564
<b>Accumulated depreciation:</b>							
1 January 2018	312,352	386,540	156,300	291,425	88,204	-	1,234,821
Depreciation for the year	32,997	17,971	11,722	16,187	13,358	-	92,235
Depreciation on disposals	(1,516)	(14,299)	(6,164)	(3,940)	(20,284)	-	(46,203)
31 December 2018	343,833	390,212	161,858	303,672	81,278	-	1,280,853
Depreciation for the year	30,920	19,975	10,651	18,888	10,804	-	91,238
Depreciation on disposals	(20,434)	(49,851)	(8,349)	(29,493)	(7,125)	-	(115,252)
31 December 2019	354,319	360,336	164,160	293,067	84,957	-	1,256,839
<b>Allowance for impairment loss:</b>							
1 January 2018	21,218	73,660	1,139	5,911	1	-	101,929
Decrease during year	-	(2,899)	-	-	-	-	(2,899)
31 December 2018	21,218	70,761	1,139	5,911	1	-	99,030
31 December 2019	21,218	70,761	1,139	5,911	1	-	99,030
<b>Net book value:</b>							
31 December 2018	129,251	53,035	27,586	33,213	28,210	7,415	278,710
31 December 2019	104,004	55,729	23,739	28,026	18,249	16,948	246,695
<b>Depreciation for the year</b>							
2018 (Baht 9 million included in cost of sales and services, and the balance in selling and administrative expenses)							92,235
2019 (Baht 7 million included in cost of sales and services, and the balance in selling and administrative expenses)							91,238



**Notes to consolidated financial statements**  
**GMM Grammy Public Company Limited and its subsidiaries**  
For the year ended 31 December 2019

(Unit: Thousand Baht)

	Separate financial statements						Total
	Leasehold improvement	Operating equipment	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Construction in progress and equipment under installation	
<b>Cost:</b>							
1 January 2018	334,386	99,476	125,895	241,914	108,961	2,520	913,152
Additions	4,500	2,097	5,598	12,340	1,789	4,134	30,458
Disposals	-	(525)	(1,129)	(4,001)	(18,562)	-	(24,217)
Transfer in / (out)	6,300	-	-	-	-	(6,300)	-
31 December 2018	345,186	101,048	130,364	250,253	92,188	354	919,393
Additions	3,709	5,636	4,671	10,882	3	12,740	37,641
Disposals	(17,877)	(13,420)	(7,425)	(22,923)	(4,703)	-	(66,348)
Transfer in / (out)	506	-	-	-	-	(506)	-
31 December 2019	331,524	93,264	127,610	238,212	87,488	12,588	890,686
<b>Accumulated depreciation:</b>							
1 January 2018	233,407	85,830	114,824	227,918	66,903	-	728,882
Depreciation for the year	19,882	6,632	5,206	9,461	12,052	-	53,233
Depreciation on disposals	-	(399)	(1,117)	(3,713)	(14,531)	-	(19,760)
31 December 2018	253,289	92,063	118,913	233,666	64,424	-	762,355
Depreciation for the year	19,457	6,083	4,261	9,883	9,903	-	49,587
Depreciation on disposals	(17,856)	(13,365)	(7,137)	(22,821)	(3,316)	-	(64,495)
31 December 2019	254,890	84,781	116,037	220,728	71,011	-	747,447
<b>Net book value:</b>							
31 December 2018	91,897	8,985	11,451	16,587	27,764	354	157,038
31 December 2019	76,634	8,483	11,573	17,484	16,477	12,588	143,239
<b>Depreciation for the year</b>							
2018 (all included in selling and administrative expenses)							53,233
2019 (all included in selling and administrative expenses)							49,587

As at 31 December 2019, the Group had motor vehicles with net book values amounting to Baht 16 million (2018: Baht 28 million) (the Company only: Baht 16 million, 2018: Baht 27 million) which were acquired under finance lease agreements.

As at 31 December 2019, the Group had certain building and equipment items which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 820 million (2018: Baht 790 million) (the Company only: Baht 602 million, 2018: Baht 627 million).

## 17. Intangible assets

(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
<b>Cost:</b>					
1 January 2018	343,505	223,472	417,494	1,926,659	2,911,130
Additions	309	2,889	-	14,815	18,013
Transferred from inventories - internal creation	5,319	-	53,378	64,585	123,282
Written off	-	(55,564)	-	(1,535)	(57,099)
31 December 2018	349,133	170,797	470,872	2,004,524	2,995,326
Additions	3,000	3,811	-	1,030	7,841
Transferred from inventories - internal creation	4,764	-	51,656	73,511	129,931
Disposals/written off	-	(528)	-	(1,052,693)	(1,053,221)
31 December 2019	356,897	174,080	522,528	1,026,372	2,079,877
<b>Accumulated amortisation:</b>					
1 January 2018	123,206	188,544	198,471	1,850,863	2,361,084
Amortisation for the year	1,458	8,935	37,410	71,015	118,818
Amortisation on written off	-	(55,368)	-	(724)	(56,092)
31 December 2018	124,664	142,111	235,881	1,921,154	2,423,810
Amortisation for the year	1,511	8,801	42,328	66,561	119,201
Amortisation on disposals/written off	-	(282)	-	(1,052,693)	(1,052,975)
31 December 2019	126,175	150,630	278,209	935,022	1,490,036
<b>Allowance for impairment loss:</b>					
1 January 2018	-	-	201,023	52,065	253,088
Increase during year	-	-	-	2,880	2,880
31 December 2018	-	-	201,023	54,945	255,968
31 December 2019	-	-	201,023	54,945	255,968
<b>Net book value:</b>					
31 December 2018	224,469	28,686	33,968	28,425	315,548
31 December 2019	230,722	23,450	43,296	36,405	333,873
<b>Amortisation for the year</b>					
2018 (Baht 106 million included in cost of sales and services, and the balance in selling and administrative expenses)					118,818
2019 (Baht 106 million included in cost of sales and services, and the balance in selling and administrative expenses)					119,201

**Notes to consolidated financial statements**  
**GMM Grammy Public Company Limited and its subsidiaries**  
For the year ended 31 December 2019

(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
<b>Cost:</b>					
1 January 2018	391,301	164,833	426,614	345,016	1,327,764
Additions	309	1,281	-	3,090	4,680
Transferred from inventories - internal creation	5,318	-	52,424	-	57,742
Written off	-	(55,302)	-	-	(55,302)
31 December 2018	396,928	110,812	479,038	348,106	1,334,884
Additions	3,000	1,165	-	-	4,165
Transferred from inventories - internal creation	4,764	-	51,656	-	56,420
31 December 2019	404,692	111,977	530,694	348,106	1,395,469
<b>Accumulated amortisation:</b>					
1 January 2018	138,356	140,645	205,743	308,572	793,316
Amortisation for the year	1,813	6,152	36,456	667	45,088
Amortisation on written-off	-	(55,278)	-	-	(55,278)
31 December 2018	140,169	91,519	242,199	309,239	783,126
Amortisation for the year	1,864	5,695	42,328	1,005	50,892
31 December 2019	142,033	97,214	284,527	310,244	834,018
<b>Allowance for impairment loss:</b>					
1 January 2018	-	-	202,870	36,196	239,066
31 December 2018	-	-	202,870	36,196	239,066
31 December 2019	-	-	202,870	36,196	239,066
<b>Net book value:</b>					
31 December 2018	256,759	19,293	33,969	2,671	312,692
31 December 2019	262,659	14,763	43,297	1,666	322,385
<b>Amortisation for the year</b>					
2018 (Baht 38 million included in cost of sales and services, and the balance in selling and administrative expenses)					45,088
2019 (Baht 44 million included in cost of sales and services, and the balance in selling and administrative expenses)					50,892

As at 31 December 2019, the Group had certain computer software items which were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 99 million (2018: Baht 83 million) (the Company only: Baht 64 million, 2018: Baht 49 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.

## 18. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Deposit	57,413	59,116	40,787	40,112
Prepaid expenses	12,617	16,923	-	-
Rights of claim arising from the repayment return of capital as a result of a subsidiary's liquidation	-	43,551	-	43,551
Withholding tax deducted at source	83,243	68,825	11,641	-
Others	7,019	4,481	2,657	3,268
Total other non-current assets	160,292	192,896	55,085	86,931

## 19. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade and other payables - related parties	130,521	143,607	98,692	140,303
Trade and other payables - unrelated parties	486,929	570,810	197,971	208,488
Accrued cost - related parties	80,246	24,958	80,245	19,739
Accrued cost - unrelated parties	328,911	275,763	288,115	233,191
Accrued expense - related parties	-	3,073	-	5,504
Accrued expenses - unrelated parties	174,156	186,241	73,862	85,902
Accrued commission	45,059	40,713	4,326	-
Total trade and other payables	1,245,822	1,245,165	743,211	693,127



## 20. Long-term loan

The outstanding balances as of 31 December 2019 and 2018 consisted of:

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2019	2018
A Baht loan of the Company, 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 fixed rate per annum as stated in the agreement.	300,000	552,000
<u>Less</u> Deferred loan advisory fee	(1,504)	(1,934)
	298,496	550,066
<u>Less</u> Current portion	- *	(84,000)
Long-term loan - net of current portion	298,496	466,066

\*The Company made repayment of loan principal cover to the June 2021 installment.

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 2019, Baht 900 million of this long-term credit facility has not yet been drawn, and must be drawn within June 2020.

## 21. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Undue output tax	78,783	68,060	57,943	53,564
Provision for sales returns	106,397	228,869	103,479	225,783
Others	4,377	15,729	2,122	2,763
Total other current liabilities	189,557	312,658	163,544	282,110

**22. 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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Provision for long-term employee benefits</b>				
<b>at beginning of year</b>	166,184	220,718	138,097	186,538
Included in the income statement:				
Past service cost	32,394	-	29,151	-
Current service cost	23,133	8,521	18,526	6,765
Interest cost	4,009	787	3,569	1,676
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
- Financial assumptions changes	15,517	1,339	11,439	(1,055)
- Experience adjustments	-	(12,137)	-	(6,806)
<u>Less</u> Classify to accrued expense	(8,527)	-	(8,527)	-
Benefits paid during the year	(179)	(53,044)	-	(49,021)
<b>Provisions for long-term employee</b>				
<b>benefits at end of year</b>	<u>232,531</u>	<u>166,184</u>	<u>192,255</u>	<u>138,097</u>

Long-term employee benefit expenses included in the income statement consist of the following:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Past service cost	32,394	-	29,151	-
Current service cost	23,133	8,521	18,526	6,765
Interest cost	4,009	787	3,569	1,676
Loss on curtailments	5,386	30,104	2,171	20,388
<b>Total expense recognised in the income</b>				
<b>statement</b>	<u>64,922</u>	<u>39,412</u>	<u>53,417</u>	<u>28,829</u>

## Notes to consolidated financial statements

### GMM Grammy Public Company Limited and its subsidiaries

For the year ended 31 December 2019

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of 20 years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 32 million (The Company only: Baht 29 million) as a result. The Group reflected the effect of the change by recognising past service costs as expenses in the income statements for the current year.

The Group expects to pay long-term employee benefit within 1 year for approximately Baht 69 million (2018: Baht 49 million) (the Company only: Baht 61 million, 2018: Baht 45 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 9 years (2018: 10 years) (the Company only: 8 years, 2018: 10 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.58	2.66	1.58	2.66
Salary increase rate (depending on age and job position of employee)	2.50 - 7.00	2.50 - 7.00	2.50 - 7.00	2.50 - 7.00
Turnover rate	0.00 - 28.00	0.00 - 28.00	0.00 - 28.00	0.00 - 28.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2019			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(6,644)	7,052	(4,942)	5,229
Salary increase rate	8,079	(7,690)	6,091	(5,817)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(11,889)	14,510	(8,354)	9,975

(Unit: Thousand Baht)

	As at 31 December 2018			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(4,732)	4,999	(3,635)	3,830
Salary increase rate	4,929	(4,714)	3,777	(3,622)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(6,571)	7,824	(4,710)	5,506

**23. Transfer of statutory reserve and share premium to offset the deficit**

On 26 April 2019, the Annual General Meeting of the Company's shareholders passed a resolution transferring statutory reserve of Baht 82 million and share premium of Baht 2,951 million to offset the deficit of the Company as at 31 December 2018 of Baht 3,033 million. The offset deficit has no effect to shareholders' equity of the Company as a whole. The Company recorded such transaction during the year 2019

**24. Dividend payment**

On 13 August 2019, the Board of Directors' Meeting of the Company passed a resolution approving the payment of an interim dividend of Baht 0.10 per share to the Company's shareholders, totaling Baht 82 million.

**25. Statutory reserve**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2019, the Company has appropriated the retained earnings as the statutory reserve of Baht 14 million.



## 26. Revenues from contract with customers

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Goods and services type</b>				
Sale of goods	2,092,833	2,754,159	336,177	292,338
Revenues from production of satellite television	142,834	126,262	-	1,037
Revenues from production of motion pictures	382,831	336,720	-	-
Management fee and consultant fee income	147,822	146,936	165,018	162,616
Revenues from showbiz and provision of equipment	2,204,542	2,187,075	2,103,537	2,180,454
Revenues from other services	30,576	23,912	-	-
Revenues from copyrights	1,600,780	1,295,479	1,472,260	1,154,725
Total revenues from contracts with customers	<u>6,602,218</u>	<u>6,870,543</u>	<u>4,076,992</u>	<u>3,791,170</u>
<b>Timing for recognise revenue</b>				
Recognise revenue at a point in time	5,877,953	6,312,072	3,609,744	3,449,393
Recognise revenue over time	724,265	558,471	467,248	341,777
Total revenues from contracts with customers	<u>6,602,218</u>	<u>6,870,543</u>	<u>4,076,992</u>	<u>3,791,170</u>

## 27. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salary and wages and other employee benefits	1,112,094	1,145,958	737,584	741,441
Depreciation	91,238	92,235	49,587	53,233
Amortisation expenses	119,201	118,818	50,892	45,088
Rental expenses from operating lease agreements	182,679	194,276	145,522	154,090
Changes in inventories of finished goods and work in progress	46,108	(20,272)	64,367	(18,019)

**28. Income tax**

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Current income tax charge	(75,659)	(84,558)	(41,444)	(53,833)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(13,933)	(25,693)	(20,523)	9,558
<b>Income tax expense reported in the income statement</b>	<u>(89,592)</u>	<u>(110,251)</u>	<u>(61,967)</u>	<u>(44,275)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Deferred tax relating on actuarial gain	(2,989)	(2,167)	(2,288)	(1,572)
Deferred tax relating to loss on change in value of available-for-sale investments	2	17	2	17

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accounting profit before tax	464,288	173,243	336,358	59,385
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	92,858	34,649	67,272	11,877
Effects about temporary differences and tax losses	(7,262)	24,135	-	3,505
Effects of preparing the consolidated financial statements	2,289	6,113	-	-
Share of loss from investments in joint ventures	1,911	30,060	-	-
Share of loss from investments in associates	376	9,644	-	-
Difference in tax rate in the Group	(54)	(49)	-	-
Effects of:				
Dividends received are excluded from taxable profit	-	-	(14,035)	(15,349)
Non-deductible expenses	1,118	10,609	(1,408)	7,972
Additional expense deductions allowed	(1,644)	(4,910)	(748)	(4,005)
Loss on impairment of investments in subsidiaries	-	-	10,886	36,855
Loss on impairment of investment in associate	-	-	-	3,420
Total	(526)	5,699	(5,305)	28,893
Income tax expenses reported in the income statement	89,592	110,251	61,967	44,275

The tax rates enacted at the end of the reporting period of the Group is 15% to 20% (2018: 15% to 20%).

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	31,737	23,592	29,486	23,007
Allowance for diminution in value of inventories	23,635	30,897	23,570	30,836
Allowance for assets impairment	3,020	2,898	1,562	1,440
Accumulated depreciation - leasehold improvement and equipment	3,164	2,531	3,164	2,531
Accumulated amortisation - intangible assets	24,881	29,937	23,775	28,404
Securities available-for-sale	578	581	578	581
Provision for long-term employee benefits	45,529	32,353	38,451	27,619
Provision for sales returns	20,744	45,157	20,696	45,157
Unused tax losses	16,416	12,167	-	-
Others	6,723	7,270	5,113	5,057
<b>Total</b>	<b>176,427</b>	<b>187,383</b>	<b>146,395</b>	<b>164,632</b>
<b>Deferred tax liability</b>				
Unrealised gain from changes in value of current investments	-	10	-	-
<b>Total</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>

As at 31 December 2019, the Group has deductible temporary differences and unused tax losses totaling Baht 2,219 million (2018: Baht 2,869 million), on which deferred tax assets have been recognised 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 1,052 million will gradually expire by the year 2023.

## 29. Earnings per share

Basic earnings per share is calculated by dividing profit 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.



The following table sets for the computation of basic earnings per share:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Profit attributable to equity holders of the parent company (Thousand Baht)	341,870	15,435	274,392	15,110
Weighted average number of ordinary shares (Thousand shares)	819,950	819,950	819,950	819,950
Basic earnings per share (Baht/share)	0.42	0.02	0.33	0.02

### 30. 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 two principal reportable segments i.e. Music segment comprising music business, showbiz and satellite television and Others segment comprising merchandise and other services business (home shopping, satellite box and satellite television platform provider), and others (films, marketing events 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 years ended 31 December 2019 and 2018, respectively.

	For the years ended 31 December						(Unit: Million Baht)	
	Music		Others		Elimination of Inter-segment revenues		Total	
			Merchandise and other services		Others			
	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from external customers	4,014	3,738	1,973	2,546	615	587	6,602	6,871
Inter-segment revenues	282	207	113	141	56	51	-	-
Total revenues	4,296	3,945	2,086	2,687	671	638	6,602	6,871
Segment operating profit	1,434	1,252	826	975	420	418	2,577	2,505
Interest income							6	7
Other income							32	107
Selling, distribution and servicing expenses							(480)	(590)
Administrative expenses							(1,638)	(1,624)
Share of loss from investments in joint ventures							(9)	(150)
Share of loss from investments in associates							(2)	(48)
Finance cost							(21)	(34)
Income tax expenses							(90)	(110)
Profit for the year							375	63

#### Major customers

For the years 2019 and 2018, the Group has no major customer with revenue of 10% or more of an entity's revenues.

**31. Provident fund**

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and employees contribute to the fund monthly at the rates of 3 and 5% of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 amounting to Baht 26 million (2018: Baht 27 million) (the Company only: Baht 18 million, 2018: Baht 19 million) were recognised as expenses.

**32. Commitments and contingent liabilities**

**32.1 Investing commitments**

As at 31 December 2019, the Group has uncalled portions of investments in two associates registered in Thailand, totaling Baht 18 million (2018: in two associates registered in Thailand, totaling Baht 18 million) and of which Baht 355 million are from investments of the Company only in five subsidiaries and an associate registered in Thailand (2018: in four subsidiaries and an associate registered in Thailand, totaling Baht 265 million).

**32.2 Capital commitments**

As at 31 December 2019, the Company had capital commitments of approximately Baht 8 million (2018: None), relating to the renovation and decoration of leasehold improvement.

**32.3 Operating lease commitments**

The Group has entered into several lease agreements with third parties and a related party in respect of the lease of office building, warehouse, exhibition hall and equipment and other services.

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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Payable:				
In up to 1 year	196	115	146	73
In over 1 and up to 5 years	368	208	283	127
In over 5 years	67	118	64	99

### 32.4 Long-term service commitments

- The Group have entered into agreements with producers and singers to provide certain services to the Group under which the Group 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.
- The Group has entered into agreements with seven companies, who are to provide satellite transmission services for periods of 1 to 2 years, ending in 2019 to 2020. 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 26 million and US dollars 0.5 million (2018: Baht 31 million and US dollars 0.9 million) and are thereby required to comply with conditions stipulated in the agreements.
- The Group has entered into agreements with a company, who are to provide computer programmes and service for periods of 2 years, ending in 2021. The Group is obliged to pay service fee and other expenses incurred in relation to such services, as stipulated in the agreements, totaling US dollars 0.2 million and are thereby required to comply with conditions stipulated in the agreements.

### 32.5 Guarantees

- As at 31 December 2019, the Company has provided guarantees to bank for credit facilities granted to two joint ventures amounting to Baht 1,400 million (2018: two joint ventures amounting to Baht 1,600 million). Generally, the Company's guarantee is binding for as long as the underlying obligations have not yet been discharged by such joint venture.



- b) As at 31 December 2019, there were outstanding bank guarantees of approximately Baht 6 million issued by banks on behalf of the Group (2018: Baht 6 million) and Baht 6 million of the Company only (2018: Baht 6 million) in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 5 million (2018: Baht 5 million) to guarantee contractual performance, Baht 1 million (2018: Baht 1 million) to guarantee electricity use guarantee other.
- c) As at 31 December 2019, 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 two joint ventures amounting to Baht 131 million (2018: two joint ventures amounting to Baht 1,065 million). Generally, the Company's guarantee is binding for as long as the underlying obligations have not yet been discharged by such joint ventures.

### 33. Fair value hierarchy

As at 31 December 2019 and 2018, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments				
Equity instrument	59	-	-	59
Debt instrument	-	482	-	482

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2018			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Held for trade investment				
Equity instruments	1,451	-	-	1,451
Available-for-sale investments				
Equity instrument	48	-	-	48
Debt instrument	-	484	-	484

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments				
Equity instrument	59	-	-	59
Debt instrument	-	482	-	482

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2018			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments				
Equity instrument	48	-	-	48
Debt instrument	-	484	-	484

### 34. Financial instruments

#### 34.1 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 2019							
Fixed interest rates						Effective interest rate (% p.a.)	
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total		
<b>Financial assets</b>							
Cash and cash equivalents	452	-	-	-	-	452	Note 7
Current investments	120	-	-	-	-	120	Note 8
Trade and other receivables	-	-	-	-	1,165	1,165	-
	<u>572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,165</u>	<u>1,737</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,246	1,246	-
Long-term loan	-	-	-	298	-	298	Note 20
Liabilities under finance lease agreements	<u>8</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>	5.03 - 6.25
	8	11	-	298	1,246	1,563	

(Unit: Million Baht)							
Consolidated financial statements							
As at 31 December 2018							
Fixed interest rates							Effective interest rate (% p.a.)
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total		
<b>Financial assets</b>							
Cash and cash equivalents	538	-	-	-	-	538	Note 7
Current investments	-	-	-	1	-	1	Note 8
Trade and other receivables	-	-	-	-	1,125	1,125	-
	<u>538</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1,125</u>	<u>1,664</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,245	1,245	-
Long-term loan	-	-	-	550	-	550	Note 20
Liabilities under finance lease agreements	<u>11</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31</u>	5.03 - 6.50
	11	20	-	550	1,245	1,826	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2019						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>							
Cash and cash equivalents	186	-	-	-	-	186	Note 7
Trade and other receivables	-	-	-	-	982	982	-
	<u>186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>982</u>	<u>1,168</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	743	743	-
Short-term loans from related parties	-	-	-	648	-	648	Note 6
Long-term loan	-	-	-	298	-	298	Note 20
Liabilities under finance lease agreements	<u>8</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>	5.03 - 6.25
	8	11	-	946	743	1,708	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2018						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>							
Cash and cash equivalents	302	-	-	-	-	302	Note 7
Trade and other receivables	-	-	-	-	891	891	-
	<u>302</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>891</u>	<u>1,193</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	693	693	-
Short-term loans from related parties	-	-	-	849	-	849	Note 6
Long-term loan	-	-	-	550	-	550	Note 20
Liabilities under finance lease agreements	<u>9</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>	5.03 - 6.50
	9	20	-	1,399	693	2,121	

### **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.



### 34.2 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.

### 35. 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 2019, the Group's debt-to-equity ratio was 1.76:1 (2018: 2.21:1) and the Company's was 0.78:1 (2018: 0.97:1).

### 36. Subsequent event

On 28 February 2020, Board of Directors' Meeting of the Company passed a resolution approving the dividend payment for the year 2019 from operating profit of Baht 0.2 per share to the Company's shareholders totaling Baht 164 million. This will be present to Annual General Meeting of the Company for approval in April 2020.

### 37. Reclassification

Certain accounts in the consolidated statement of financial position as at 31 December 2018 have been reclassified to conform to presentation as at 31 December 2019 consolidated statement of financial position were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	As previously reported	As reclassified
<b>Statement of financial position</b>		
Transferred of share premium to offset deficit in separate financial statements	271,204	-
Retained earnings		
Transferred of statutory reserve to offset deficit in separate financial statements	50,000	-
Unappropriated (deficits)	(4,831,943)	(4,510,739)

### 38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2020.



# Audit Committee Report

The Audit Committee (“the Committee”) comprises independent directors whom are well-educated and competent in various aspects, such as finance, accounting and law. Dr. Naris Chaikasoot was appointed as a 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 2019, the Committee had performed their duties 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 4 meetings, The summary of attendance of Audit Committee members is as follows :

Name	Position	Meeting	Remark
1. Dr. Naris Chaikasoot	Chairman	4/4	
2. Mr. Suvit Mapaisansin	Member	4/4	
3. Mr. Warathorn Wongsawangisiri	Member	2/2	Appoint 14 May 2019
4. Mr. Chanitr Charnchainarong	Member	4/4	
Mrs. Veeranuch Thammavaranucupt	Member	-/1	Resign 3 May 2019

The Committee activities could be summarized as follows:

1. Reviewed the quarterly and the annual financial statements for the fiscal year 2019 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 and submit to the Board of Directors for Approval.
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. Proposed and recommended the appointment of external auditors and their audit fee. For the year 2020 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 2020. The appointment of the External Auditor for the year 2020 was approved by the Board of Directors and will be proposed to the Shareholders for their further approval. For the year 2019, the Committee conducted 1 meeting with External Auditor.
5. Reviewed related transactions or conflict of interest issues to ensure that the 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 2020. In addition, the Committee reviewed the Independence of the Internal Audit Department and considered the appointment, the migration, the transfer, lay off, evaluation and remunerations of The Head of Internal Audit as well as the evaluation of the performance and the remunerations of the Internal Audit staffs 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 2019, the Committee concluded that the Committee has adequately completed their duty as assigned by the Board of Directors and reported the assessment results along with the Committee's activities to the Board of Directors Meetings on February 28, 2020.
9. Reviewed that the Company abided by the Good Corporate Governance and Code of Ethics Policies. Cooperated with the Management and the 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 for 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. As for the other relevant internal control issues, the Committee agreed that the Company has adequate internal control system. 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 other related regulations concerning the Company's businesses.



(Dr. Naris Chaikasoot)  
Chairman of the Audit Committee  
February 28, 2020



# Risk Management Committee Report

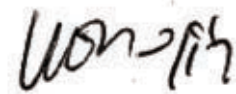
GMM Grammy Public Company Limited.

The Risk Management Committee was comprised of 6 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 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. 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 2019, the Committee held 1 meetings with the following results:

1. Acknowledged the significant corporate risks and approved the related risk responses for the year 2019.
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 2019 and reported to the Board of Directors on February 28, 2020.

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

28 February 2020

The Nomination and Remuneration Committee, GMM Grammy Public Company Limited (“the Committee”), as of December 31, 2019, 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 Jhungjotikapisit, Directors, members of the Nomination and Remuneration Committee.

During the year 2019, 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, namely, 1) Dr. Naris Chaikasoot 2) Mr. Chanitr Charnchainarong 3) Mrs. Saithip Montrikul Na Audhaya and 4) Mr. Fahmai Damrongchaitham. 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 since 1 October 2018 to 2 January 2019. During the period, no shareholder nominated any candidate for consideration. Therefore, the Committee Has considered the criteria of the company by using the Board Skill Matrix to consider the appropriateness and maximum benefits to the Company, the Committee was of the opinion that the 4 retiring directors, as mentioned, had full qualifications as stipulated by the Public Limited Companies Act 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. 2/2018 on 27 February 2018 the nomination of the 4 retiring directors for appointment as the Company’s directors for another term before submitting to the 2019 Annual General Meeting of Shareholders held on April 26, 2019 for approval.
2. Nomination of a person with qualifications for the Company’s directorship to replace the director who resigned by using Board Skill Matrix. The Committee considered and proposed to the Board of Directors to appointed Mr. Warathorn Wongsawangsiiri is appointed as an Independent Director, Audit Committee and member of the Corporate Governance and Ethics Committee and approved the appointment by the Board of Directors’ Meeting No.2/2019 on May 14, 2019.
3. Determination of directors’ remuneration and the Audit Committee’s remuneration as annual compensation for the year 2019 using the same criteria as in 2018 by the remuneration criteria comprising of the monthly remuneration, the meeting allowance and annual bonus, for the Chairman of the Company, Independent Directors and Non-Executive Directors except the Executive Directors that will not receive monthly remuneration and meeting allowance because they already receive salary from being an employee of the Company for submission to the Board of Directors for approval at the 2019 Annual General Meeting of Shareholders held on April 26, 2019. 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.

4. Evaluation of the performances of the Group Chief Executive Officer (Group CEO), Ms. Boosaba Daorueng, for the year 2019. The Committee deemed it appropriate to rate the Group CEO's performances in 2019 as "Very Good" or 92.02% (within the range of 90-95%), and reported the evaluation result to the Board of Directors' Meeting No. 4/2019 held on November 12, 2019. for approval.
5. The Committee has conducted self-performance assessment for the year 2019 which comprises of 5 categories: Structure and Composition of the Committee, Roles and Responsibilities, Meeting, Duties Performance of the Committee's Members, and Self Development of the Committee's Members. The assessment criteria divided into 5 levels; 4 = excellent, 3 = good, 2 = fair, 1 = unsatisfactory, 0 = need improvement. The overall average result of the self-assessment of the Committee was equal to 3.40 points (Full score is 4 points).

The Committee reported its performance to the Board of Directors for acknowledgement on a regular basis. Throughout the year 2019, 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 Chaiyasoot)  
Chairman of the Nomination  
and Remuneration Committee  
February 28, 2020

# Report of the Corporate Governance and Ethics Committee

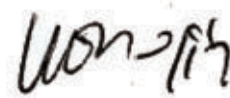
ALWAYS PLAY WITH YOU

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.

In 2019, the Corporate Governance and Ethics Committee ("the Committee") still adhered to and seriously developed its policy on corporate governance on a continuing 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 nine consecutive years, since 2011 to 2019.
2. For the evaluation of AGM checklist quality by the Thai Investors Association, the Company was rated "Very Good" in 2008, 2010, 2011, 2013, 2015 and 2017 and "Very Good: Should be a Role Model," in 2009, 2012, 2014, 2016 2018 and 2019 (scoring 100 points).
3. The Committee has conducted the self-performance assessment for the year 2019 which comprises of 5 categories: Structure and Composition of the Committee, Roles and Responsibilities, Meeting, Duties Performance of the Committee's Members, and Self Development of the Committee's Members. The assessment criteria divided into 5 levels; 4 = excellent, 3 = good, 2 = fair, 1 = unsatisfactory, 0 = need improvement. The overall average result of the self-assessment of the Committee was equal to 3.35 points (Full score is 4 points).
4. The Committee's meeting No. 1/2019 which held on 28 February 2019 have discussed and reviewed the Company's Corporate Governance Policy (the "CG Policy") and assess the operations of the corporate governance of the company according to the guidelines for Corporate Governance Code (the "CG Code") for Listed Companies 2017 by The Securities and Exchange Commission (the "SEC"). The Committee agreed that the current CG policy complies with these guidelines. However, some principals are not practicable due to the inconsistency with the Company's context and ongoing operations. Due to the resolution of the Board of Directors meeting that the principle is not in line with the current business context and business of the company, However, the Corporate Governance Committee and the Board of Directors will consider and review the CG Policy based on the CG Code annually to keep pace with the development and the future of corporate governance.
5. The Corporate Governance and Business Ethics Committee No. 2/2019 which held on 12 November 2019 have reviewed and presented the Corporate Governance and Business Ethics Manual (revised version 7th, 2019) to the Board of Directors for approval. Which will be effective from January 1, 2019 onwards. The main objective of this manual is to comply with the good corporate governance principles for listed companies 2017 (CG Code) of the SEC. By announcing and disseminating to all directors, executives and staff to acknowledge, understand and adhere to the principles of performance with responsibility, transparency, honesty and ethics for themselves, the organization, shareholders, and other interested parties.

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.



(Miss Boosaba Daorueng)  
Chairman of the Corporate Governance  
and Ethics Committee  
February 28, 2020



The Board of Directors intends to operate the business under good corporate governance principles promoted by The Securities and Exchange Commission, Thailand (“SEC”) and the Stock Exchange of Thailand (“SET”). It is also following the recommendations of the Thai Institute of Directors (IOD), according to the Corporate Governance Assessment Report, which promotes the efficient performance of registered companies, fairness, and confidence to all relevant stakeholders and lay solid foundation for sustainable growth.

The Company sets forth corporate governance policy as follows.

## 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 for all directors, executives, and employees to acknowledge and comply. 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 SEC, the SET or related regulatory bodies, which will enhance the Company’s corporate governance up to international standards.

The Board of Director Meeting No. 1/2019 which held on 28 February 2019, with the agreement of the Corporate Governance and Business Ethics Committee No. 1/2019, have considered and reviewed the Company’s Corporate Governance Policy (the “CG Policy”) according to the guidelines for the Corporate Governance and Business Ethics Manual, and evaluation of the performance of corporate governance based on the Corporate Governance Principles for Registered Companies 2017 (the “CG Code”) by The Securities and Exchange Commission (the “SEC”) and agreed that the Company predominantly implemented the CG policy complies with these guidelines. However, some principals are not practicable due to the inconsistency with the Company’s context and ongoing operations. However, the Corporate Governance Committee and the Board of Directors shall consider and review the policy and practice of good corporate governance to be appropriate and consistent with the CG Code every year ensuring the latest developments of good corporate governance are assessed and where necessary encompassed

Furthermore, the Board of Director Meeting No. 4/2019 on 12 November 2019, with the agreement of the Corporate Governance and Business Ethics Committee No. 2/2019, had approval on the Corporate Governance and Business Ethics Manual, 7th Revision 2019, which was effective from 1 December 2019, and announced, published, and distributed to the directors, executives and all employees to acknowledge, understand, and apply as the work practice with responsibility, transparency, honesty, and ethics of oneself, the organization, shareholders, and other stakeholders.

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 2019**

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 193 listed companies that was rated in the top level of “Excellence : 5 Stars” (Score range 90-100 points) while the average score of all 677 listed companies was 82 points. The Company has been rated as “Excellent” for ninth consecutive years since 2011.

- **Quality of Annual General Meeting of Shareholders 2019**

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 Company was rated in “Very Good: Should be a Role Model,” with 100 points, while the average score of all listed companies under the survey was 93.70 points.

- **The Assessment of Anti-corruption Process Indicator 2019**

According to the assessment of Anti-corruption Process Indicator for Thai listed companies conducted by SEC and Thai Pat Institute, in 2015 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.

In 2019, SEC and Thai Pat Institute announced only the companies that joined Thailand's Collective Action Coalition Against Corruption (Thai CAC) held by IOD. There are 2 groups of companies comprising the signed a declaration on CAC and the verified by CAC.

The Company has followed good corporate governance principles to ensure that the Company have policies to stipulate responsibility, regulations and provision for appropriate action. The Company has intention and commitment to oppose and prevent corruption while running normal business. Although, the company has not signed a declaration on CAC yet, but the Company practices anti-corruption for explicitly guideline to run businesses and sustainably develop to good corporate governance.

## **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 2019 Annual General Meeting of Shareholders, shareholders can make proposal from October 1, 2018 until January 2, 2019 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 regulatory concerns. 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 on 3 consecutive days and at least 3 days prior to 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 4 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, including the management discussion and analysis (MD&A) reported in the Annual Report enclosed with the enclosed with the Invitation to the Annual General Meeting

Remuneration of directors to clarify the guideline of Remuneration of Director in both monetary (e.g. Monthly Remuneration, 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 2019 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-commit-

tees 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 2019, the Company organized the Annual General Meeting of Shareholders on April 26, 2019 at 2.00 pm at the Auditorium Room, 50 GMM Grammy Place, Sukhumvit 21 Rd (Asoke), Khlongtoeinuea, Wattana, Bangkok . 10 out of 11 directors attended the meeting (with attendance rate of 90.90%), 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, 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 2019 Annual General Meeting of Shareholders, there were a total of 53 shareholders attending in person, representing 558,640,371 shares, and 101 shareholders by proxy, representing 167,432,381 shares. There were 11 shareholders attending the Meeting by proxy granted to the Company's Independent Director, representing 7,462,688 shares. The total number of attendants who were shareholders and proxy holders was equal to 154 persons, representing 726,072,752 shares or 88.5509% of total 819,949,729 subscribed shares. The quorum was thereby constituted according to the Company's Articles of Association. The Board of Directors promoted 4 Independent Directors, whom represent shareholders, attending and voting throughout the meeting. The Company has opened registration for 2 hours before the Meeting.

At the Annual 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:

- 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.
- 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.
- For the Annual General Meetings, the Company will send the meeting invitation notice and documents to shareholders at least 14 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 21 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 and at least 3 days prior to the meeting.
- 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.
- 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 2019, 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 any 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 wrongdoings, 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 2019, the Company cooperated with state agencies and related private sector parties in a campaign against piracy 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 2019 the Company and its affiliates have taken legal action against 132 piracy cases composing of 16 lawsuits settlement, 116 prosecution pending cases and no 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 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, Corporate 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](mailto:auditcommittee@gmmgrammy.com)
- Via Hotline: (662) 669 9728

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 2019, 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 various 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 data and website in a modern form, comprehensive and easy to use.

#### 2) The SET Community Portal or SCP, SET link 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, SET link 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 release on investment activities and other significant business activities, analyst site visit and participation of activities organized by the SET, etc.

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

#### **Investor Relations Department**

GMM Grammy Plc., 50 GMM Grammy Place, 40th Floor, Sukhumvit 21 Rd. (Asoke), Khlongtoeinuea, Wattana, Bangkok 10110

Tel. (662) 669 9952

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 Group 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 9712

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 quarterly 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 2019, 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.
- 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

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.

### 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, 2019, 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	AACP	FND	RCP	
Dr.Naris Chaiyasoot	Chairman of the Audit Committee Member of the NRC Independent Director	3/2551	32/2548	82/2549		29/2561	19/2548	45/2562	
Mr. Suvit Mapaisansin	Independent Director Member of the Audit Committee Member of the NRC Member of the CG			12/2544	37/2554				
Mr. Chanitr Charnchainarong	Independent Director Member of the Audit Committee	-		52/2547	-		-		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 185/2556, Harvard Business School Harvard University, USA 4. Senior Executives of Justice Administration, Class 19/2014, Office of the Judicial Training Institute
Mr. Warathorn Wongsawangsiri	Independent Director Member of the Audit Committee Member of the CG			2561					1. Thai Barrister-at-Law, Thai Bar Association, 2005
Dr. Lackana Leelayouthayotin				225/2559		30/2561			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 9. Cyber Resilience by Bank of Thailand (August 21, 2019)
Miss Suwimon Chungjotikapisit	Director Member of the NRC	-	-	12/2544	-		-	-	

NRC = Nomination and Remuneration Committee

CDC = Chartered Director Class

DCP = Director Certification Program

FND = Finance of Non-Finance Director

RCP = Role of the Chairman Program

CG = Corporate Governance and Ethics Committee

DAP = Director Accreditation Program

ACP = Audit Committee Program

AACP = Advance 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 2019, the Audit Committee members, held 1 meeting with the external auditor without the presence of the management on February 28th, 2019.

## 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.

In case that the Group Chief Executive Officer and top executives are appointed as director of companies other than companies in the Group; the approval process shall be in accordance with the Corporate Authority Index (CAI) and proceeds as approved by the Board of Directors.

## 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 = Need Improvement.

The ranking results of Board self-assessment, broken down into 6 categories, for 2019 were as shown below:

	Board of Directors Assessment	Director Assessment
Assessment Category	1. Structure and qualifications of the Board of Directors	1. Qualifications, knowledge, ability
	2. Roles and responsibilities of the Board of Directors	2. Independence
	3. Board of Directors' meetings	3. Performance as a director
	4. Performance as a director	4. Attention to duty and responsibility
	5. Relationship with the management team	5. Director's personal development
	6. Director's personal development and development of the management	
Average Score	3.71	3.74

## 2. The Sub-committees' Self-assessment

In 2019, 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 2019, 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 align 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.1/2020 on February 28th, 2020. The Sub-Committees assessment is divided into 5 rankings: 4 = Excellent, 3 = Very Good, 2 = Good, 1 = Unfavourable, 0 = Need Improvement

Results of the self-assessment

Sub Committee	Average Score in 2019
1. Audit Committee	3.99
2. Nomination and Remuneration Committee	3.40
3. Risk Management Committee	2.96
4. Corporate Governance and Ethics Committee	3.35

## 3. Group Chief Executive Officer's Evaluation

The Board of Directors has assigned the Nomination and Remuneration Committee to evaluated 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%	=	Need Improvement

In 2019, the Nomination and Remuneration Committee evaluated the performance of Miss Boosaba Daorueng, the Group Chief Executive Officer for 2019 and reported to the Board of Directors' meeting No.4/2019 held on November 12th, 2019, that the overall evaluation of the Group Chief Executive Officer was rated "Very Good", or equivalent to the average score of 92.02%"

## 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, 2019, the Audit Committee comprised 4 independent directors who possessed qualifications as required by the SET and the SEC. In 2019, the Audit Committee held a total of 4 meetings. Members of the committee, appointment term and their attendance at the meeting are as follows:

Name / Surname	Title	Meeting Attendance (Times)	Noted
1. Dr. Naris Chaiyasoot <sup>1</sup>	Chairman	4/4	
2. Mr. Suvit Mapaisansin <sup>1</sup>	Member	4/4	
3. Mr. Warathorn Wongsawangsi <sup>2</sup>	Member	2/2	Appointed on May 14 <sup>th</sup> , 2019
4. Mr. Chanitr Charnchainarong	Member	4/4	
Mrs. Veeranuch Thammavaranucupt <sup>3</sup>	Member	-/1	Resigned on May 3 <sup>rd</sup> , 2019

<sup>1</sup> Dr. Naris Chaiyasoot and Mr. Suvit Mapaisansin are the members of the Audit Committee who are knowledgeable and experienced in financial statement review.

<sup>2</sup> Board of Directors meeting No.2/2019 held on May 14<sup>th</sup>, 2019 resolved to appoint Mr. Warathorn Wongsawangsi as the new member of Audit Committee.

<sup>3</sup> Mrs. Veeranuch Thammavaranucupt resigned from her positions as Independent Director and Member of the Audit Committee effective on May 3<sup>rd</sup>, 2019.

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, 2019, the Nomination and Remuneration Committee's 3 reputable members comprised 1 Director and 2 Independent Directors. In 2019, the Nomination and Remuneration Committee held a total of 3 meetings. Members of the committee and their attendance at the meeting in 2019 are as follows:

Name	Title	Meeting Attendance (times)
1. Dr. Naris Chaiyasoot	Chairman	3/3
2. Miss Suwimon Chungjotikapisit	Member	3/3
3. Mr. Suvit Mapaisansin	Member	3/3

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 terms 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, 2019, the Risk Management Committee comprised 6 members whose terms last 3 years according to the Corporate Governance and Business Ethics Manual of the Company. In 2019, the Risk Management Committee held 1 meeting. Members of the committee and their attendance at the meeting in 2019 are as follows:

Name	Title	Meeting Attendance (Times)
1. Miss Boosaba Daorueng	Chairman	1/1
2. Mrs. Montana Thawaranont <sup>11</sup>	Member	-/-
3. Mr. Phawit Chitrakorn	Member	1/1
4. Mr. Sompohb Budspawanich	Member	1/1
5. Mr. Fahmai Damrongchaitam	Member	1/1
6. Mrs. Karnsuda Sansuthi	Member	1/1
Mrs. Saithip Montrikul Na Ayudhaya <sup>12</sup>	Member	1/1

<sup>11</sup>. The Board of Directors meeting No.2/2019 held on February 28th, 2019, resolved of appoint Mrs. Montana Thawaranont as the new member of Risk Management Committee in replacement of Mrs. Saithip Montrikul Na Ayudhaya. The terms of this Risk Management Committee Member are effective from February 28th, 2018 to May 12th, 2020.

<sup>12</sup>. Mrs. Saithip Montrikul Na Ayudhaya's membership of Risk Management Committee will end on February 28th, 2019.

#### 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, 2019, 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 was a total of 2 meeting in 2019. Members of the committee and their attendance in 2019 are as follows.

Name	Title	Meeting Attendance (Times)
1. Miss Boosaba Daorueng	Chairman	2/2
2. Mr. Phawit Chitrakorn	Member	1/2
3. Mr. Suvit Mapaisansin	Member	2/2
4. Mr. Warathorn Wongsawangsi <sup>1</sup>	Member	1/1
Mrs. Veeranuch Thammavaranucpt <sup>2</sup>	Member	-/1

<sup>1</sup> The Board of Directors meeting No.2/2019 held on May 14th, 2019, resolved to appoint Mr. Warathorn Wongsawangsi as the new member of Corporate Governance and Ethics Committee effective on May 14th, 2019, in replacement of Mrs. Veeranuch Thammavaranucpt. The terms of Mr. Warathorn Wongsawangsi is effective until April 1st, 2021.

<sup>2</sup> Mrs. Veeranuch Thammavaranucpt resigned from member of Corporate Governance and Ethics Committee effective May 3rd, 2019.

#### 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, where high-level executives from each business attend and the Executive Committee of each business, 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 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 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 2019, 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 2019, the Group appointed EY Office Limited and Pro Trinity Ltd. as the Group's external auditors with auditing fees, amounting to 5,571,100 baht with a breakdown as follows:

- Auditing fees for EY Office Limited, in parts of the Company amounting to 3,053,600 baht and in parts of subsidiaries amounting to 2,343,500 baht , Total amount 5,397,100 baht
- Auditing fees for Pro Trinity Ltd., in parts of small subsidiaries amounting to 174,000 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 2019, the Company was in compliance with the guidelines, however, several matters that have not been disclosed or complied with the principles of good corporate governance 2012 as stipulated by the SET and The Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association (Thai IOD) as follows:

- **The principles of good corporate governance 2012 as stipulated by the SET**

### 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. 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.
3. 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 Legal 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.

4. 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.
  5. 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.
  6. 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.
- **The Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association (Thai IOD)**

#### Responsibilities of the Board of Directors

1. The Board of Directors shall identify the tenure of the independent director clearly on the corporate governance policy, which is not to exceed nine (9) years with no exception, or not exceeding six (6) years with no exception would be superior.
  - The Board of Directors did not identify the tenure of the independent director to not exceed six (6) or nine (9) years because the recruitment difficulties of a qualified Director, especially a person with experience in the entertainment business, is complicated. Moreover, to avoid loss of opportunity to appoint a capable and experienced director, the company did not identify the tenure of an independent director in the number of years in the corporate governance policy

# 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 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 2019. The Board of Directors' Meeting on February 28, 2020 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 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".



GMM 25

ช่อง จีเอ็มเอ็ม 25

มดดำ  
คชาภา ดันเจเนียวเซาเซา  
ชวติศ ศรีมั่นคงธรรมดาต้า  
วริศภา ดำรงมลนุ๊กโกะ  
ณิธิพันธ์ บุรณาสีวาวิไลน็อค  
วริศกมล เพ็ญอารมณ์เอมมี  
บรกรก แสงทวีป

แสงแฟม  
คุณแฟม  
จิดใจ

วาไรตี้จิดจ้าม  
แฉทุกเรื่องจิดเต็ม

จันทร์-พฤหัสบดี เวลา **22.25 น.**  
และศุกร์ เวลา **20.10 น.**

## 1. Parties which may have conflicts of interest that have entered into connected transactions with the Company and its subsidiaries

In 2019, 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 is 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 31st, 2019)
GMM Grammy Public Company Limited	Fully-integrate entertainment businesses, including music business, satellite television business, movies business, home shopping business, and co-investment in other businesses	-
<b>Subsidiaries Directly held by the Company</b>		
GMM Holdings Company Limited	Holding company	100 %
GMM Music Publishing International Company Limited	Management of music copyrights	100 %
GMM Thai Hub Company Limited	Dissolution and process of liquidation	51 %
Fan TV Company Limited (Another 49% is held by GMM Holdings, a subsidiary)	Production of satellite television programs	51 %
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 and E-commerce orders	100 %
Z Trading Company Limited	Production and distribution of satellite television and digital TV receivers	100 %
Digistream Company Limited	Currently inactive	100 %
GDC Company Limited	Currently inactive	100 %
MGA Company Limited	Currently inactive	100 %
Extraorganizer Company Limited	Currently inactive	100 %
More Music Company Limited	Currently inactive	100 %
Teen Talk Company Limited	Currently inactive	100 %
Deetalk Company Limited	Currently inactive	100%



Company	Business Type	% Holding by the Company (As at December 31st, 2019)
GDH559 Company Limited	Production of film and television programs	51%
Exact Company Limited	Production of television programs	100 %
Tifa Studios Company Limited	Currently inactive	100 %
Gung Ho Studios Company Limited	Currently inactive	100 %
Bravo Studios Company Limited	Currently inactive	100 %
OSP TV Company Limited (Another 49% is held by GMM CJ O Shopping Company Limited, a subsidiary)	Satellite television platform provider	51 %
<b>Subsidiaries held by GMM Holding Company Limited</b>		
Grammy Publishing House Company Limited	Currently inactive	100 %
GMM Goods Company Limited	Currently inactive	100 %
G Broadcast Company Limited	Satellite television platform provider	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 %
<b>Subsidiary held by GMM Digital Domain Company Limited</b>		
Digital Arms Company Limited	Currently inactive	100 %
<b>Subsidiaries held by Z Trading Company Limited</b>		
G S-one Company Limited	Currently inactive	100 %
GMM Z Company Limited	Providing of satellite television network	100 %

## B) Associated Companies

Company	Business Type	% Holding by the Company (As at December 31, 2019)
<b>Associated companies held by the Company</b>		
Family Know-how Company Limited	Dissolution, liquidation is being in process	50 %
Lucks (666) Satellite Co., Ltd.	Currently inactive	25%
Scenario Company Limited	Production of television programs and plays	25 %

Company	Business Type	% Holding by the Company (As at December 31, 2019)
<b>Associated companies held by GDH559 Company Limited</b>		
Siengdee Thaweesuk Company Limited	Provider of recording movie sound and movie advertisement, produce sound and music for movie	45 %
Ngandee Thaweesuk Company Limited	Provision of public relation and organizer	40%
Good Thing Happen Company Limited (Another 6% held by associates - Na Dao Bangkok Company Limited)	Media advertising, public relations consultancy and marketing organizer	19 %
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 %
<b>Joint Venture held by the Company</b>		
The One Enterprise Company Limited (Another 11.64% held by Scenario Company Limited)	Production of television programs on digital TV	31.27%
GMM Channel Holding Company Limited	Holding company	50%

### C) Related Companies through Common Directors

Company	Business Type	% Holding by the Company (As at December 31, 2019)
Geurt Fah Company Limited	Property rental and related services	<ul style="list-style-type: none"> <li>Mr. Paiboon Damrongchaitham, a director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited</li> <li>Miss Suwimon Chungjotikapisit, a director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited</li> <li>Mr. Fahmai Damrongchaitham, a director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited</li> </ul>
Weerawong, Chinnavat & Partners Company Limited	Thailand's Leading Law Firm	<ul style="list-style-type: none"> <li>Mrs. Veeranuch Thammavaranucupt a partnering lawyer, also a director with signing authority at Weerawong, Chinnavat &amp; Partners Company Limited, resigned from the Board of Directors of the Company, effective from May 3, 2019.</li> <li>Mr. Warathorn Wongsawangsi was appointed the independent director of the Company, effective from May 14, 2019, also a partnering lawyer at Weerawong, Chinnavat &amp; Partners Company Limited from January 2017 to August 2019.</li> </ul>

## 2. Characteristics of Connected Transactions

The Company operates the fully-integrate entertainment businesses, such as music business and co-investment in other businesses, 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 copyrights, studio rental fees, artist management fees, production fees, concert service and 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, studio service, artist management, hire of work, concert hosting service, activity hosting, 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 aquisition 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**

	1) Geurt Fah Company Limited (Property rental and related services) 2 ) Weerawong, Chinnavat & Partners Company Limited (Thailand's Leading Law Firm)	Relationship shown in C) Relationship shown in C)
Types of Transaction	Other services fee	
Total Consideration	2.06 million Baht, with reference to price setting based on mutual agreement (comprising the Company's income of 2.06 million Baht)	
Outstanding Accounts Receivable	As at December 31st, 2019, the amount is 0.15 million Baht. (comprising the Company's accounts receivable of 0.15 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.	
Types of Transaction	1) Utilities and parking fees 2) Legal and marketing consultancy fees	
Total Consideration	27.76 million Baht, with reference to price setting based on market prices, and contractual prices according to market, as well as prices based on mutual agreement. (comprising the Company's service expenses of 22.57 million Baht and subsidiaries' service expenses of 5.19 million Baht).	
Outstanding Accounts Payable	As at December 31st, 2019, the amount is 6.01 million Baht. (comprising the Company's accounts payable of 5.15 million Baht and subsidiaries' accounts payable of 0.86 million Baht).	
Opinion of the Audit Committee	Referring to the executives and management of the Company consideration and review of the other expenses upon market price, including expenses related to creative, advertising and travel service both domestic and international travel under contractual prices aligned to the market together with prices based on mutual agreement, such price setting is in accordance with the normal course of business and deemed reasonable. The Audit Committee has the opinion that the price setting is likely to be appropriate and reasonable, as agreed by the management.	

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	<ol style="list-style-type: none"> <li>1) Scenario Company Limited (Production of television programs and plays)</li> <li>2) Good Thing Happen Company Limited (Media advertising, public relations consultancy, and marketing organizer)</li> <li>3) Na Dao Bangkok Company Limited (Films production and talent agency services)</li> <li>4) Ngandee Thaweesuk Company Limited (Provision of public relation and organizer)</li> <li>5) Sawasdee Thaweesuk Company Limited (Production post and design of advertising media and films and public relations for films)</li> <li>6) Siengdee Thaweesuk Company Limited (Provider of recording movie sound and movie advertisement, produce sound and music for movie)</li> <li>7) The One Enterprise Company Limited (Production of television programs on digital TV)</li> <li>8) GMM Channel Holding Company Limited (Production of television programs on digital TV)</li> </ol>	<p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p> <p>Relationship shown in B)</p>
Types of Transaction	<ol style="list-style-type: none"> <li>1) Revenue from producing television programs that generate revenue from advertisement sales</li> <li>2) Revenue from producing digital TV programs</li> <li>3) Revenue from organizing concerts and staging theatrical performances</li> <li>4) Revenue from copyrights of songs, dramas and programs</li> <li>5) Revenue from artist management</li> <li>6) Revenue from studio rental, event organization</li> <li>7) Revenue from management and advisory fee</li> <li>8) Interest Income</li> <li>9) Other Income</li> </ol>	
Total Consideration	In the amount of 380.09 million Baht, the price is based on mutual agreement with reference to a market price. (comprising the Company's revenue at 256.85 million Baht, while 123.24 million Baht goes to its subsidiaries)	
Outstanding Accounts Receivable	As of December 31st, 2019, the amount is 96.36 million Baht (comprising the Company's receivables at 79.22 million Baht, and its subsidiaries at 17.13 million Baht.)	
Opinion of the Audit Committee	Audit Committee has the opinion that the revenues derived as above is based price setting according to mutual agreement which refers to the market price and is in accordance with the normal course of business. The Audit Committee agreed that such price setting is reasonable and fair.	
Types of Transaction	<p>Service expenses, consisting of:</p> <ol style="list-style-type: none"> <li>1) Cost of advertisement spots on television and sponsorship fees.</li> <li>2) Share of copyrights from the sale of television programs such as dramas and drama soundtracks on digital platforms.</li> <li>3) Media cost and time rental for program production.</li> <li>4) Soap opera production cost, event organization and property rental.</li> <li>5) Operating costs in sourcing artists.</li> <li>6) Fees for program hosts.</li> </ol>	
Total Consideration	The amount is 555.33 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 357.72 million Baht and 197.61 million Baht to its subsidiaries).	



**Connected transactions between the Group and Related Companies with Common Directors, which are the normal course of business**

Account payables and other payables	As of December 31st, 2019, 204.76 million Baht (comprising the Company's trade creditors at 156.70 million Baht and its subsidiaries at 48.06 million Baht).
Opinion of the Audit Committee	The Audit Committee has the opinion that the service expenses as above are based on price setting according to mutual agreement which refers to market price. The Audit Committee agreed that such 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"> <li>1. Mr. Paiboon Damrongchaitham is a director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited.</li> <li>2. Mr. Fahmai Damrongchaitham is a director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited</li> <li>3. Miss Suwimon Chungjotikapisit, a Director of the Company, is also an authorized director with signing authority at Geurt Fah Company Limited.</li> </ol>
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	As of December 31st, 2019, Approximately 16,208.19 sq.m, accounting for 45% of total rental space.
Contract tenure	3 years (from May 1st, 2019 to April 30th, 2022)
Rental and service rates	<p>Increasing from the previous rate of Baht 615 per square meter per month, being adjusted each year as follow:</p> <p>1st year (1 May 2019-30 April 2020) 637 Baht, increased by 3.5%</p> <p>2nd year (1 May 2020-30 April 2021) 666 Baht, increased by 4.5%</p> <p>3rd year (1 May 2021-30 April 2022) 700 Baht, increased by 5.0%</p>
Price setting policy	Referring to market rate during contract renewal.
Total rent and service fees that the Group pays to Geurt Fah in 2019	122.77 million Baht (The rental and service fees from the Company in the amount of 110.27 million Baht and subsidiaries in the amount of 12.50 million Baht).
Total consideration	Approximately 373 million Baht throughout the 3year 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 637-700 Baht per sq.m per month is reasonable and fair. This rate is in the range of market rental rates, which currently runs between 650-720 Baht per sq.m per month, according to an appraisal report by Jones Lang LaSalle (Thailand) Limited, an independent appraiser on the SEC's approved lists.

**รถฉุกเฉิน MY AMBULANCE**

**เริ่มตอนแรก วันศุกร์ 6 กันยายนนี้**  
**ทุกคืนวันศุกร์ และ วันเสาร์ เวลา 20:10 น. ทางช่อง one31**

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# 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%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:

- 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 healthy 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 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 2019
Shareholders Investors	<ul style="list-style-type: none"> <li>Return (dividends or stock dividends) and sustainable organizational growth</li> <li>The Board of Directors have normative ethics</li> </ul>	<ul style="list-style-type: none"> <li>Organized Annual shareholder's meeting</li> <li>Joined the activities of SET</li> <li>Made press Release on the Company's investment or every significant business activities</li> <li>Presented the Company's information and overall industrial condition to the domestic institutional investors</li> <li>Organized site visit</li> <li>Gave information and answered questions by E-mail, letter, phones</li> </ul>
Business Partner	<ul style="list-style-type: none"> <li>Financial strength</li> <li>Personnel's knowledge and expertise</li> <li>Fair and transparent business</li> </ul>	<ul style="list-style-type: none"> <li>Meeting</li> <li>Company's visit</li> <li>Complaints filing and channels for submitting complaints, suggestions and recommendations</li> </ul>
Analysts	<ul style="list-style-type: none"> <li>Complete, correct and updated information used to analyze and recommend for investors</li> </ul>	<ul style="list-style-type: none"> <li>Welcomed analysts who visit the Company to enquire about its operating results</li> <li>Organized site visit</li> <li>Made press release on the Company's investment or significant business activities</li> <li>Gave information and answered questions by E-mail, letter, phones</li> </ul>
Customers Consumers	<ul style="list-style-type: none"> <li>Good products and services delivered in time with fair price</li> <li>View TV programs and/ or radio programs with variety of news, information and entertainment</li> <li>Artists are role model for the society</li> </ul>	<ul style="list-style-type: none"> <li>Assigned sale representative to visit customers' shop</li> <li>Organized meet and greet events for artist fan clubs</li> <li>Gave information, answered questions and gathered the claims via call center and sales</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>Regulatory compliance among fair and moral competitions</li> <li>Non-infringement of intellectual property rights</li> </ul>	<ul style="list-style-type: none"> <li>Met at business meetings on various occasions</li> </ul>
Trade Partners	<ul style="list-style-type: none"> <li>Fulfil obligations under the business contracts</li> <li>Fair trading practice</li> </ul>	<ul style="list-style-type: none"> <li>Organized partner agreement discussion</li> <li>Organized business partner meetings with the executives</li> <li>Cooperated to organize social activities</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>Fulfil the obligations under the loan contracts</li> <li>Receive the loan payment in time</li> </ul>	<ul style="list-style-type: none"> <li>Organized meeting with banks and financial institution</li> <li>Welcomed bank to meet the executive</li> <li>Company's visit</li> <li>Invited creditors to join conference on business partnership</li> </ul>

Stakeholders	Prospect	Activity/Channel of relationships in 2019
Employees	<ul style="list-style-type: none"> <li>• Compensation and privileges</li> <li>• Promotion</li> <li>• Seminars and trainings to develop employee skill</li> <li>• Adequate facility, healthy and safety workplace</li> </ul>	<ul style="list-style-type: none"> <li>• Organized GMM Songkran festival with the executives</li> <li>• Made merit in the Company anniversary</li> <li>• Organized fire drill and first aid training</li> <li>• Provided the channels and processes for any complaints</li> <li>• Offered employees to attend seminars and trainings</li> <li>• Monitored the operation of each business every month and learned from executive coaching</li> <li>• Communication channels such as intranet, E-mail</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Transparent disclosure</li> <li>• Safety and environmental preservation</li> <li>• Corporate responsibility to improve quality of life</li> </ul>	<ul style="list-style-type: none"> <li>• Provided the channels and processes for any complaints</li> <li>• Organized CSR activities such as “Music Therapy” to encourage prisoners to return to society with good deed every year</li> <li>• Company’s visit</li> </ul>
Auditors	<ul style="list-style-type: none"> <li>• Fair compensation</li> <li>• Complete and correct information</li> </ul>	<ul style="list-style-type: none"> <li>• Provided the meeting with the Audit Committee without the executives at least once a year</li> <li>• Cooperated to give the information</li> </ul>
Regulators Government	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Supporting the government projects</li> </ul>	<ul style="list-style-type: none"> <li>• Attended seminars and trainings</li> <li>• Joined the event named “Thank You Thailand” under the concept of appreciating our country, “Tub Fah Khu Thai Puar Chaipattana”, etc.</li> </ul>
Media	<ul style="list-style-type: none"> <li>• Transparent disclosure</li> </ul>	<ul style="list-style-type: none"> <li>• Made press release on the Company’s investment or significant business activities</li> </ul>

## 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 2019, 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 in terms of both commercial, art and culture in order to build up mutual benefit for both the corporate and society.
4. Presenting contents covering online, on-air and on-ground, especially focused on online content.
5. Seeking investment opportunities to grow strongly and steadily.
6. Good corporate governance abiding 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](mailto: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 2017, there were no reports or cases of fraudulent activities involving the Company and/or affiliated companies.

## 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 conduct 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 2019, 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 Provident Funds.
- 4.5 Arranged and dispatched its employees to attend of 18 courses (155.7 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 1.10 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 such as GMM Songkran Celebration, Corporate Anniversary Charity, Blood Donation Day



- 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](mailto:auditcommittee@gmmgrammy.com) for investigation and submission to the Board of Directors.

Encouraging employees to participate in an array of activities regularly arranged by the Group such as GMM Songkran Celebration, Corporate Anniversary Charity, Blood Donation Day

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 2019, the Company took measures to ensure safety and health as follows:

- 1) Spraying insecticide at the office every month to prevent the build up of dirt, contagion insects.
- 2) Daily Fit Daily Firm activities to promote exercising for health
- 3) Vaccination against flu virus in 4 species.
- 4) Training on the use of air conditioning system of the building.
- 5) Training on the fire escape and evacuation drills to rescue those trapped in the building basics to employees annually at GMM Grammy Place
- 6) Provide training staffs and occupational safety staffs With commitment to the safety and health of employees, in 2019, 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 channel and allowed to return the ticket 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 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 call for information or request to return goods at (662) 817 9988 or e-mail care@gcj.co.th.

5.2 The Group is committed to develop goods and services of all categories, aiming to access every customer and bring about customer satisfaction by offering quality goods and service 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:

- Well-known 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), "Phra Racha Phu Songtham" (The Virtuous King) special songs in order to express our loyalty for the royal institution.
- Songs to create willpower, give spirit and positive attitude, leading life from the past until 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), and "Rot Fai Kabuan Haeng Kwahm Fun" (Train of Dreams).
- 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 reflect 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.
- Radio station, Green Wave F.M. 106.5, owned by A-Time Media Company Limited, the Company's joint venture, is a radio station which is the first and only station in Thailand focuses on environmental conscience. Green Wave also plays music which appeals to every generation and enjoys the longest 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%



## 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 2019, the Company arranged the training for the employees on the use of air conditioning system of the building. The office air conditioning system has been improved with the installation of automatic temperature control cabinet and Sensor detector of temperature in AHU room to control the temperature to meet the standard of all floors for the whole building causing the temperature in the work area to be stable and the air compressors does not function hard at the same time (compressor rotary in functioning) to reduce energy and save energy costs by approximately 10%. This can support the conservation and the use of natural resources, the environment, and the reduction of energy. It is also the care on the employee's health both directly and indirectly.

## 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 2019, the Group's major projects on community and social responsibility were as follows:



### The Projects for Glorification on the Auspicious Occasions to His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua, Her Majesty Queen Sirikit the Queen Mother, and the Members of the Royal Family



- GMM Grammy (Public) Co., Ltd. wrote a song entitled "Volunteer Spirit" with a music video in order to encourage volunteers who have done good deeds so that they will feel proud and appreciate the value of being volunteers as well as the dedication and unity without expecting anything in return. The song was performed by 10 artists of GMM Grammy, i.e., Bird — Thongchai McIntyre, Palaphol — Tachapol Pholkongseng, Noom — Noppasin Sangsuwan, Mike — Phiromphorn Pintapakang, Tai — Orathai Dabkham, Gun — Napat Injauea, Gam — Wichayanee Pearklin, New — Napssorn Phuthornjai, Jew — Piyanut Sueajongpru, and T — Pipitpol Pookkanasut. The content of the song was written to convince Thais to do good deeds by being "volunteers" for unceasing social and national development.





- Mr. Paiboon Damrongchaitham, Chairman of the Board of GMM Grammy (Public) Co., Ltd.; and Boosaba Daorueng, CEO of GMM Grammy (Public) Co., Ltd., along with the artists of GMM Grammy (Public) Co., Ltd., i.e., Bird — Thongchai McIntyre, Palaphol — Tachapol Pholkongseng, Noom — Noppasin Sangsuwan, Mike — Phiromphorn Pintapakang, Tai — Orathai Dabkham, Gun — Napat Injaiuea, Gam — Wichayanee Pearklin, New — Napssorn Phuthornjai, Jew — Piyanut Sueajongpru, and T — Pipitpol Pookkanasut, joined the ceremony of bestowing the royal badge and the coronation insignia before the image of H.M. the King on the occasion when GMM Grammy (Public) Co., Ltd. arranged the song entitled “Volunteer Spirit” with a music video performed by these 10 artists of GMM Grammy.

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Tina — Christina Aguilar, Mai Charoenpura, Nat — Myria Benedetti, Name — Prakarn Raiva, Phai — Phongsathon, and Paowalee — Pornpimol Fuengfung, convinced people to wear yellow polo shirts with the symbol of the coronation ceremony in order to praise and show loyalty all together in this period of the holy ceremony between April — July 2019.



- The artist of GMM Grammy (Public) Co., Ltd., i.e., Bird — Thongchai McIntyre, performed a play “Sweet Dream Garden”: Showing Loyalty to H.M. the King, one of the celebratory performances on the occasion of the coronation ceremony 2019.





- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, Tu — Nantida Kawbuasai, Jew — Piyanut Sueajongpru, New — Napssorn Phuthornjai, Lookwa — Pijika Jittapua, Ice — Saranyu Winaipanit, and Dew — Arunpong Chaiwinit, joined the special record of the glorification of “67 Years of Maha Vajiralongkorn” to praise and to appreciate the royal grace of H.M. King Bhumibol Adulyadej, bestowed upon underprivileged people. This activity included educating people about cancer prevention and control, held by the Kanchanabaramee Foundation as a merit-making activity for H.M. the Late King and was broadcast on Sunday 28 July 2019 on Channel 5

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Toy — Pathompong Reonchaidee and Muse — Ornpassaya Suksai, were selected by the National Council on Social Welfare of Thailand to be the presenters selling jasmine flowers on Mother’s Day 2019. They also joined photoshoots for PR through TV spots, posters, and publication in the Mother’s Day Book 2019. The income was contributed to a charity fund started by the King for helping suffering people, the disabled, and the elderly and to be given as a scholarship to impoverished children and juveniles across the country.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Patcha Anek-ayuwat, Lookwa — Pijika Jittapua, and Amp - Phurikulkrit Chusakdiskulwibul, joined the preview of the Khon Performance 2019, Sueb Manka episode, by the Support Foundation. The performance was requested by the command of H.M. Queen Sirikit the Queen Mother as Thais rarely have a chance to view Khon performances due to the difficult of scheduling them. Thus, the Queen Mother presented her royal request for the meetings among the experts and concerned persons involved with Khon as well as the craftsmen and also presented the royal request for new designs of the Khon costumes to be used in the performance.





- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng and Ohm — Panthapol Prasarnrajkit, were the representatives to encourage people to show the power for stopping diseases in the event “Chulabhorn Royal Academy: 3rd Walk — Run for Charity,” with running to stop diseases in 10 provinces in order to find treatment for patients across the country under the title “One to Ten Health in Action,” with the aim to stay healthy. The aim of this event was to win the cup from H.R.H Princess Chulabhorn, the Princess Srisavangavadhana, the chairperson of the event and the founder of Chulabhorn Hospital, in order to carry out her intention to make Thais become healthy and live with a good quality of life.

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Bird — Thongchai McIntyre, Palaphol — Tachapol Pholkongseng, Lookwa — Pijika Jittap, Matung — Radubdao Srirawong, Earn — Suratikan Pakcharoen, and Earnkwan Warunya, invited people to join the “7th Friends in Need (of “PA”) 2019” by the Friends in Need (of “PA”) Volunteer Foundation, Thai Red Cross under the concept of “Sharing, Sufficient, Sustainable.” Moreover, they also invited people to support the products and souvenirs from the Friends in Need (of “PA”) Shop. The income was collected to help flood victims.





## TO BE NUMBER ONE Project

The Company participated in “To Be Number One” Project in the anti-drug campaign project initiated by H.R.H. Princess Ubolrat Ratchakalya Siriwattana Pannawaidi and organized by Mental Health Department, Ministry of Public Health, by sending artists to join the concert shows with members of To Be Number One club



- The artist of GMM Grammy (Public) Co., Ltd. joined the “To Be Number One” Project, with H.R.H. Princess Ubolrat Ratchakalya Siriwattana Pannawaidi as the chairperson. “To Be Number One” concerts were held across the country so that those attending in different provinces could make use of their leisure time to stay away from drugs. The activity was held throughout the year by the Department of Mental Health, Ministry of Public Health.

## Anti-Drug Campaign Projects

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 groups.

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 brings positive things in your life. Let them know that they can be number one without being dependent on illegal drugs. The project also consists of rehabilitation procedure “Whoever is addicted to drugs, raise your hand.” with aim to return better person to the society.



- The artist of GMM Grammy (Public) Co., Ltd., i.e., Toy — Pathompong Reonchaidee, was selected as the representative for the campaign on International Day Against Drug Abuse and Illicit Trafficking 2019; with PR media clips. The Office of the Narcotics Control Board, Ministry of Justice, as a central agency of anti-drug campaigns, set up the continual campaign activities on that day (26 June) under the slogan “Determined to Eliminate Drug Hazards.”



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pornpimol Fuengfung, HI-U and Yes'sir Days, conducted the campaign of the “Just Say No” project against drugs. Students were invited to create the symbol of the project as its artists. The campaign was arranged to motivate Thais to refuse, not to buy, not to sell, and not to try drugs. The company has always held this event to support the policies and participated in the campaign all the way through.

## Promoting a Good Quality of Life in Society Project

The Promoting a Good Quality of Life in Society Project was a project conducted with cooperation by GMM Grammy (Public) Co., Ltd., the public sector, and other agencies to support the activities that are undertaken for society.

- Boosaba Daorueng, CEO of GMM Grammy (Public) Co., Ltd., donated to the Queen Sirikit Centre for Breast Cancer Foundation as a financial contribution to support the Pink Park Village Project, helping patients with end-stage breast cancer.



- The artist of GMM Grammy (Public) Co., Ltd., i.e., Mike — Phiromphorn Pintapakang, provided PR media to Pol. Gen. Adul Sangsingkeo, Minister of Labour, in order to support the “Speech for Workers before going to work in the Republic of Korea”.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, Ying - Rhatha Phongam, Paowalee — Pompimol Fuengfung, Yinglee — Thidarat Srijumpol, and Toy — Pathompong Reonchaidee, joined the campaign for safe travel during the Songkran Festival. The campaign conformed to the vision of the Department of Disaster Prevention and Mitigation, under the policy “The Integration of Road Accident Prevention and Reduction during Songkran Festival 2019” in order to be prepared and bring confidence to travelers during that time.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Mai Charoenpura, Paowalee — Pornpimol Fuengfung, Hay — Chutima Singjaichuen, Aye — Sarunchana Apisamaimongkol, and Mon — Tanutchai Vijitcongthing, joined “Kindness...for Merit-Making: One Drop Saves Lives” in order to run the campaign of receiving the donated “Ananda Mahidol Badge” 2019 and the donations to support the Anandamahidol Foundation and the Thai Red Cross Children’s Home. Some of the donations were also provided to help sick monks and impoverished patients at King Chulalongkorn Memorial Hospital, the Thai Red Cross Society and to support the mobile team of blood donation by medical students of Chulalongkorn University and the National Blood Center, Thai Red Cross Society.





- GMM Grammy (Public) Co., Ltd. cooperated with the Energy Regulatory Commission (ERC) to hold an event “Solar From Sky: A Clean and Accessible Energy” in order to announce their cooperation for PR and for building knowledge and understanding of the use of solar energy to the target audience through the famous artists of GMM Grammy and through various inclusive channels, e.g., ONE31, GMM25, GREEN WAVE, and THE CLOUD. Bird — Thongchai McIntyre was also included as the KOL (Key Opinion Leaders) of the project, with over 200 artists, vocalists, DJs, and broadcasters involved as “Thailand Volunteers” at GMM Grammy Place

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Dew — Arunpong Chaiwinit and Tree — Chainarong Yota, joined the press release for “130 Years, Red Roof” of the Somdet Chaopraya Hospital Foundation Under the Royal Patronage. The main activity of the foundation is to hold activities to gain financial support for the construction of the building for patients with mental disorders. The Chalmphrakiet Building for the 60th Year Anniversary of H.R.H. Princess Maha Chakri Sirindhorn has been under construction so far for the OPD of the nervous system and aging inpatients with mental disorders.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Mike — Phirornphorn Pintapakang, Tai — Orathai Dabkham, Hay — Chutima Singjaichuen, Guy — Sivakorn Lertchucot, and Gigie — Sarocha Burin, joined the campaign of helping underprivileged patients at Siriraj Hospital on the occasion of “Mahidol Day” on 24 September, the day to commemorate the departure of Prince Mahidol Adulyadej of Songkla, “Thailand’s Father of Modern Medicine.”





- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, Gun — Napat Injaiuea, Gam — Wichayanee Pearklin, Dew — Arunpong Chaiwinit, Matung — Radubdao Srirawong, Bambam — Niwirin Limkangwalmongkol, Muse — Ornpassaya Suksai, Earnkwan — Warunya Mahawong, Tree — Chainarong Yota, and Nek — Naruepol Yaiim, convinced people to buy “Thai Ioincloth garlands” following the intention of Pracharath Rak Samakkee (Thailand) Co., Ltd. to strengthen the economy of communities and to bring people happiness with higher incomes



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Id — Issarapong Dokyor and Louis — Thanawin Theeraphosukarn, joined the press release for the “Walk-Running for Charity by PTT NGD, PTT LNG & the Police General Hospital Foundation Charity Run” for the fundraising for the Police General Hospital Foundation under the Royal Patronage of H.M. the Queen to provide medical tools and equipment and to support the medical treatment for police officers in the lower ranks.





- The artist of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pornpimol Fuengfung, joined the campaign on “World Soil Day,” marked on 5 December every year. This is also the birthday of His Majesty the late King Bhumibol Adulyadej Borommanat Bophit, which is celebrated in order to praise his royal grace and recognize his exceptional competencies. Both of them also included photoshoots for PR and presentations through the main contents under the theme “Stop Soil Erosion, Save Our Future” to raise the awareness of Thais to protect and take care of soil resources.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Matung — Radubdao Srirawong, Off — Jumpol Adulkittiporn, and Na — Thanaboon Wanlopsirinun, joined the activity “Be Aware, Prevent, Be Safe,” held by the National Disaster Warning Center, Department of Disaster Prevention and Mitigation, Ministry of Interior, in order to build juvenile perception and awareness so that they can prepare to cope with natural disasters in different forms, including prevention, self-protection, and warning channels.

- The artist of GMM Grammy (Public) Co., Ltd., i.e., Hay — Chutima Singjaichuen, joined the “51st National Disabled Day” 2019 under the theme “Carry on the Royal Wish, The Disabled Join Volunteering” in order to encourage the disabled.





- The artists of GMM Grammy (Public) Co., Ltd., i.e., Lula — Kanyarat Tiyaornchai, New — Napssorn Phuthornjai, Laem — Sompol Rungpanich, Sin — Tossaporn Achawanuntakul, Noth — Panot Khunprasert, Song — Chakrapong Siririn, and Moo — Apichat Pomraksa, brought drawings to pass on happiness in the project “Eyes of Happiness,” held by the Eye Bank, Thai Red Cross Society, for an auction. The total income was given to the Eye Bank.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Toy — Pathompong Reonchaidee and Praew — Kanitkul Netbut, joined the “Orientation for Preparation before Entering the Work System Project,” held by the Department of Skill Development, Ministry of Labour, in order to promote employment and jobs to young laborers following the 3 A’s Policy of the ministry.

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Matung — Radubdao Srirawong, Dew — Arunpong Chaiwinit, Moo — Bundit Sea-Ngow, Earn — Suratikan Pakcharoen and Hay — Chutima Singjaichuen, joined the Red Cross Fair 2019 under the concept “Peace and Happiness under the Royal Benevolence, Beautiful Stream of Giving” in order to glorify H.M. King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua for his patronage of the Thai Red Cross Society and to collect income for contributing to a charity fund founded by the King in order to support the Thai Red Cross Society under the resolution of ‘relieve sufferings, retain happiness, remedy diseases, and remove threats.’





## Blood Donation Campaign



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Nok — Lnyong Nonghinhow and Nanon — Korapat Kirdpan, invited people to join the event “World Blood Donor Day 2019” held by the National Blood Center, Thai Red Cross Society, in cooperation with the Committee for Blood Donation Promotion of the Thai Red Cross Society. The event focused on the awareness of regular and abundant blood donation for a sufficient and safe reserve of blood.

## Project to raise the awareness in not infringing the intellectual properties



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Jida — Jidapa Siribunchawan, Noon — Thunyaphat Inyawilert, and Lissa — Marisa Ann Wonson, acted as the witnesses in the ceremony of destruction of the materials in dispute in the ended cases of intellectual property piracy. The event was held by the Department of Intellectual Property in cooperation with the Internal Security Operations Command (ISOC), Royal Thai Army, Royal Thai Police, Thai Customs, and the Department of Special Investigation.



## Projects for Child and Youth

GMM Grammy Co., Ltd. supports the development of child and youth, who are the national power, to have good thoughts and attitudes toward themselves, people around them, and public, e.g. Gift for You project on National Children's Day, food and support for disadvantaged children, and activities on National Youth's Day etc



- General Surayud Chulanont, Chief of the Privy Council and Vice-Chairman of the Royal Scholarship Project, received textbooks and instructional media from Mr. Paiboon Damrongchaitham, Chairman of the Board of GMM Grammy (Public) Co., Ltd., in order to donate them all to school libraries in rural areas under "the Royal Scholarship Project," by the private assets of His Majesty the late King Bhumibol Adulyadej Borommanat Bophit. The objectives of the project are to support students and schools in rural areas for their instructional standards to be equal to those in city schools and to reduce the gap between the different instructional standards.

- Mr. Paiboon Damrongchaitham, Chairman of the Damrongchaitham Foundation, held a merit-making ceremony on the occasion of "the 21st Anniversary of the Damrongchaitham Foundation" along with the certificate presentation to the scholarship graduates of 2019. Arun Watcharasawat, Torroong Jarunggidanan, Suwimon Jhungjotikapisit, Prapawadee Thanirananon, the board and employees of the foundation, and the scholars also joined the ceremony.







- The artists of GMM Grammy (Public) Co., Ltd., i.e., Ying — Linpita Jindapoo and Dew — Arunpong Chaiwinit, joined the executives from GMM Grammy in order to donate money and provide food to underprivileged children under the patronage of Phra Prachanatmune, the abbot of the Wat Dob Chan temple, Ta Sala Subdistrict, Mueang District, Chiang Mai Province.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Hay — Chutima Singjaichuen and SDF, performed a special mini concert to encourage and entertain the disabled and underprivileged children in the activity “Every Happiness is Always Great for Special Children, Year 5.”



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Dew — Arunpong Chaiwinit, Tao — Pusin Warinruk, and Karntong Toongngern, cooperated with the Power of Thai Foundation to carry on the mission “Bring Smiles Back to School” and to contribute the supporting budget of over 7 million baht at the Wat Khu Dua temple, Mueang District, Ubon Ratchathani Province. The objective was to rehabilitate 34 schools in four provinces in the lower northeastern region that were affected by the Podul and Kajigi tropical storms.





- The artists from Thaitosmith of GMM Grammy (Public) Co., Ltd. were the representatives traveling with kind adults to the northern region in order to provide support, donate instructional as well as sports equipment, and provide food to children at the Wat Don Chan Orphanage.

## Royal Thai Armed Forces Support Projects

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pimpimol Fuengfung, Hay — Chutima Singjaichuen, and Earnkwan Warunya, invited people to join the campaign activities on the occasion of “Veterans Day,” marked on Sunday 3 February 2019. The War Veterans Organization of Thailand arranged the ceremony and activities in order to salute and recall their bravery and dedication under the title “To Honor Brave Soldiers on 3 Feb, Veterans Day,” in which red poppies made by the Foundation for the Family Welfare of War Veterans under the Royal Patronage of Princess Srinagarindra were sold as the symbol of Veterans Day. The objective was to provide financial support for the War Veterans Organization of Thailand in order to help veterans and their families.
- The artist of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, was honored to join the performance in the 45th Red Cross Fair Concert 2019, held by Royal Thai Navy and the Thai Red Cross Society. The music was performed by the Royal Thai Navy Orchestra. The total income was contributed to H.M. Queen Sirikit the Queen Mother for support of the Thai Red Cross Society.





## Cultural Dissemination and International Relationships Promotion Projects



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, Matung — Radubdao Srirawong, Meentra — Intira Morales, and Id — Issarapong Dokyor, joined the “20th Thai Festival 2019” at Yoyogi Park, held by the Royal Thai Embassy in Tokyo, Japan.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pornpimol Fuengfung and Cham Chamrum, encouraged Thai laborers on “Thai Labour Day 2019” at the field close to the Nicoll Highway MRT station, Singapore, held by the Ministry of Labour, Office of Labour Affairs; in cooperation with the Ministry of Manpower, Immigration Bureau, and the civil society.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., New — Napssorn Phuthornjai and Jew — Piyanut Sueajongpru, were selected as the representatives from Thailand to join the international performances in the ASEAN—Japan Music Festival 2019, Vietnam - Prayer for Peace, held by the Special Ambassador of Japan to ASEAN and the Japan Foundation Asia Center in order to demonstrate the good relationships and for the economic, social, and cultural promotion between Japan and ASEAN countries.



## Project to help flood victims



- The artist of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pornpimol Fuengfung, and the cast from Bravo Boys acted as the volunteers packing survival kits of Friends in Need (of “PA”) 2019” by the Friends in Need (of “PA”) Volunteer Foundation, Thai Red Cross Society in cooperation with the public and private sectors in order to provide the kits for flood victims in the northeastern region.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Amp – Phurikulkrit Chusakdiskulwibul and Guy — Sivakorn Lertchucot, traveled with the “To Be Number One” project, led by H.R.H. Princess Ubolrat Ratchakalya Siriwattana Pannawaidi as the chairperson, in order to present the bestowed survival materials to flood victims in Ubon Ratchathani Province.



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Palaphol — Tachapol Pholkongseng, Cham Chamrum, and Dome Jaruwat, and a newsreader, Noi Buncha, acted as the volunteers traveling to help and encourage flood victims in Khueang Nai District and Warin Chamrap District, Ubon Ratchathani Province.





- The artists of GMM Grammy (Public) Co., Ltd., i.e., Tono — Phakin Khamwilaisak, Champ — Nitinan Jantaradecha (SDF), Heart — Chindana Dechawaleekul, and Au — Ekkaphon Deeboonmee Na Chumphae, cooperated with the Relief and Community Health Bureau, Thai Red Cross Society, by traveling to help and encourage flood victims in Phibun Mangsahan District, Ubon Ratchathani Province. “Than Nam Jai” kits and drinking water were provided for the victims.



## Artist Awards 2019



- The artists of GMM Grammy (Public) Co., Ltd., i.e., Toy — Pathompong Reonchaidee and Muse — Ornpassaya Suksai, were selected by the National Council on Social Welfare of Thailand under the Royal Patronage to receive the award for “Filial Children toward their Mothers,” 2019

- The artists of GMM Grammy (Public) Co., Ltd., i.e., Paowalee — Pornpimol Fuengfung, Hay — Chutima Singjaichuen, Aye — Sarunchana Apisamaimongkol and Mon — Tanutchai Vijitwongthong, were bestowed the “Ananda Mahidol Badge” 2019 from H.R.H. Princess Maha Chakri Sirindhorn as the “contributors” in the campaign of donating the “Ananda Mahidol Badge” to acquire financial support for the “Anandamahidol Foundation,” “the Thai Red Cross Children’s Home,” and the sick monks and impoverished patients at King Chulalongkorn Memorial Hospital.



- The artist of GMM Grammy (Public) Co., Ltd., i.e., Toy — Pathompong Reonchaidee, was awarded the plaque for individuals and organizations on International Day Against Drug Abuse and Illicit Trafficking 2019 as the volunteering artists with physical and mental dedication to prevent and solve drug problems seriously and unceasingly. Also, this award was granted to encourage and honor individuals as well as organizations for their dedication against drugs until the accomplishments are clearly recognized.



## 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, CP All Public Company Limited, PTT Public Company Limited, Energy Policy and Planning Office, Ministry of Energy, King Mongkut's University of Technology Thonburi, Thammasat University, Tesco Lotus Company Limited, Siam Paragon Department Stores, Bangkok Metro Public Company Limited, etc. 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 with the guidelines on the prevention of corruption involvement

The Company has determined guidelines on monitoring and evaluating compliance with the guidelines on the prevention of corruption involvement as follows:

1. Executives and employees are required to regularly appraise their own performance in 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.



YouTube ORIGINAL ALBUM



กำกับภาพยนตร์สั้นโดย  
คมกฤษ ตรีวิมล

ที่เดียวในโลก



GMM GRAMMY OFFICIAL

GMM  
GRAMMY

## Details of the Head of Internal

## Audit, Chief Accountant Company Secretary and Head of Compliance

As at 31 December 2019

**Mr. Wichai Santadanuwat (Age: 44 years)**

Head of Internal Audit <sup>11</sup>

### Education

- Master of Business Administration (MBA), Bangkok University
- Bachelor of Accounting, Bangkok University

### Seminar Accomplishment:

#### The Thai Institute of Directors (IOD):

- Family Business Governance (FBG) 9/2017
- Director Certification Program (DCP) 229/2016
- How to Develop a Risk Management Plan (HRP) 07/2015
- 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 (2005)
- Introductory to Computer Assisted in Auditing (2005)

#### 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)

### Number of Share Holding (%) (as of 31/12/19)

- None -

### Relationship among Executives

- 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

## Mrs. Somsuda Ruampumsuk (Age: 47 Years)

Corporate Secretary and Head of Compliance <sup>12</sup>

### Education

- Bachelor of Engineering Computer Engineering  
King Mongkut's Institute of Technology Ladkrabang

### Seminar Accomplishment:

#### The Thai Institute of Directors (IOD):

- Company Secretary Program (CSP) Class 71/2016
- Board Reporting Program (BRP) Class 19/2016
- Company Reporting Program (CRP) Class 16/2016
- Effective Minute Taking (EMT) Class 36/2016

#### TLCA Executive Development Program (TLCA):

- Fundamentals for Corporate Secretaries
- Advances for Corporate Secretaries
- Session Sharing Seminar Guidelines for the disclosure of CG Code Essentially apply or explain (June 11, 2018)"

#### The Securities and Exchange Commission (SEC)

- Smart Disclosure Program (SDP)
- SCP Straight Through
- CSR for Corporate Sustainability: P01 Class 8
- Criminal Liabilities of Representatives of Juristic Person Act Seminar (May 18, 2017)
- New set portal system Seminar (May 23, 2017)
- Guidelines for the use of the Securities Change Management System for Directors, Executives and Auditors (Form 59-2) Seminar (July 11, 2017)
- New CG Code Seminar (July 31, 2017)
- New Issuer Portal Training Course (Nov 10, 2017)
- Training on how to improve the preparation of the Free Float Report (April 19, 2019).
- Training on how to use the SET Link system (1 Oct 2019)

#### Thai Investor Association

- AGM Assessment Project (Jan 21, 2020)

### Number of Share Holding (%) (as of 31/12/19)

- None -

### Relationship among Executives

- None -

### Experience during the past 5 years

#### Listed Companies

Aug 10, 2016-Present	Secretary of the Corporate Governance and Ethics Committee GMM Grammy Plc.
Jan 1, 2016-Present	Director, Office of Corporate Secretary GMM Grammy Plc.
May 13, 2015-Present	Corporate Secretary GMM Grammy Plc.
May 13, 2015- Dec 31, 2015	Manager, Office of Corporate Secretary GMM Grammy Plc.
Mar 2013-May 2015	Co-ordinator 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.
<b>Other Companies</b>	
July 21, 2015 - Present	Company Secretary The One Enterprise , Ltd.
Dec 21, 2017 - Present	Company Secretary GMM Channel Holding , Ltd.

## Ms. Kadearoon Uppathamp (Age: 50 years)

### Head of Accounting

#### Education

- Bachelor of Accounting,  
The University of the Thai Chamber of Commerce

#### Seminar Accomplishment:

##### Dharmniti Seminar and Training

- Tax Planning Corporate income tax and Value add tax (Y2019) EY
- Update Accounting Standards (TFRS 15) and (TFRS16) (Y2019)

##### SET (The Stock Exchange of Thailand)

- TFRS9,TFRS15,TFRS16 (Y2019)

##### Nation Broadcasting and Telecommunication Commission (NBTC)

- Knowledge about annual license fees Accounting Income classification in broadcasting and television business (Y2018)

##### Dharmniti Seminar and Training

- Transfer pricing (Y2018)

##### NYC Management Co., Ltd.

- Revenue from contracts made with customers (TFRS15)
- M wiz Accounting Consultant
- Update Corporate Income Tax Y2017 and Tax issues that accountants should know
- Update Financial Report Standards Y2017 and Tax issues related to revenue recognition
- Update New law Y2016 Guidelines and tax benefits

##### Executive Plus

- Tax for Accounting Y2015
- Update Accounting Standards Y2015

#### Number of Share Holding (%) (as of 31/12/19)

- None -

#### Relationship among Executives

- None -

#### Experience during the past 5 years

##### Listed Companies

Jul 2016 - Present	Accounting Director GMM Grammy Plc.
Jun 2005 - Jun 2016	Accounting Manager United Distribution Business, Ltd.
Mar 2001 - Jun 2005	Accounting Section Chief United Distribution Business, Ltd.
Apr 1996 - Feb 2001	Accounting Staff United Distribution Business, Ltd.



**Remarks:****\1 Duties and Responsibilities according to the Audit Committee's Charter regarding Head of Internal Audit**

- 1) Supervising the Internal Audit Department policies and operations, by evaluating the Internal Audit Charter, the independence of its audits, the scope of work and audit schedules.
- 2) Evaluating, appointing, transferring, and terminating the Head of Internal Audit Department, as well as assessing the performance and approving compensation for the Internal Audit Department in accordance with evaluation performed by the Head of Internal Audit Department and top executives of the Company.
- 3) Reviewing the recommendations conducted by the external auditor and the Internal Audit Department, as well as monitoring the management team to ensure that recommendations have been sufficiently followed and effective action has been taken within an appropriate timeframe.

**\2 Duties and Responsibilities of the Company Secretary (and acting as Head of Compliance)**

- 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 SET's and SEC's regulations, and other regulatory bodies.
- 3) 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.
- 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 management team, and reports of conflicts of interest filed by directors and the management.
- 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.

### 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 Number	:	PCL. 0107537000955
Telephone	:	+66 2669 9000
Facsimile	:	+66 2669 9009
Company Homepage	:	<a href="http://www.gmmgrammy.com">http://www.gmmgrammy.com</a>
Authorized capital	:	819,949,729 baht consisting of 819,949,729 ordinary shares with a par value of 1 baht each (as of December 31, 2019)
Authorized & Paid-up capital	:	819,949,729 baht consisting of 819,949,729 ordinary shares with a par value of 1 baht each (as of December 31, 2019)

### Other Reference Persons

Share Registrar	Thailand Securities Depository Co., Ltd. 14th Floor, 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel: +66 2009 9000 Fax: +66 2009 9992
Auditor	EY Office Limited Lake Rajada Office Complex, 33rd Floor, 193/136-137 Ratchadaphisek Road, Klongtoey, Bangkok 10110 Tel: +66 2264 9090 Fax: +66 2264 0789-90
Legal Advisor	BAKER & MCKENZIE Co.,Ltd Abdulrahim Place, 25th Floor, 990 Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel: +66 2666 2824 Fax: +66 2666 2924  Weerawong, Chinnavat & Partners Ltd. Mercury Tower, 22nd Floor, 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel: +66 2264 8000 Fax: +66 2657 2222

## Companies in which GMM Grammy holds more than 10% of their shares

ALWAYS PLAY WITH YOU

### 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, satellite television business, digital TV business, home shopping business, movies business and co-investment in other 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	1,500,000
4	GR Vocal Studio Co., Ltd.	Vocal and music schools	Common Shares	50,000
5	GMM Holding Co., Ltd.	Holding company	Common Shares	2,500,000
6	Exact Co., Ltd.	Production of television programmes	Common Shares	600,000
7	GMM Z Co., Ltd.	Satellite television platform provider	Common Shares	6,400,000
8	Z Trading Co., Ltd.	Production and distribution of satellite television and digital TV receivers	Common Shares	59,350,000
9	G Broadcast Co., Ltd.	Satellite television platform provider	Common Shares	450,000
10	GMM CJ O Shopping Co., Ltd.	Wholesale and retail by using advertising media and phone orders service and receiving phone and E-commerce orders	Common Shares	5,400,000
11	OSP TV Co., Ltd.	Satellite television platform provider	Common Shares	10,000
12	GMM Goods Co., Ltd.	Currently non-active	Common Shares	4,000,000
13	Tifa Studios Co., Ltd.	Currently non-active	Common Shares	500,000
14	Gung Ho Studios Co., Ltd.	Currently non-active	Common Shares	500,000
15	Bravo Studios Co., Ltd.	Currently non-active	Common Shares	500,000
16	MGA Co., Ltd.	Currently non-active	Common Shares	1,200,000
17	More Music Co., Ltd.	Currently non-active	Common Shares	160,000
18	GMM Digital Domain Co., Ltd.	Currently non-active	Common Shares	500,000
19	Digital Arms Co., Ltd.	Currently non-active	Common Shares	7,000,000
20	Global Music and Media (China) Limited	Currently non-active	Common Shares	1,507,500
21	Extraorganizer Co., Ltd.	Currently non-active	Common Shares	10,000
22	GDC Co., Ltd.	Currently non-active	Common Shares	500,000
23	Grammy Publishing House Co., Ltd.	Currently non-active	Common Shares	1,650,000
24	Magic Film Co., Ltd.	Currently non-active	Common Shares	22,000
25	G S-one Co., Ltd.	Currently non-active	Common Shares	1,150,000
26	Teen Talk Co., Ltd.	Currently non-active	Common Shares	400,000
27	Deetalk Co., Ltd.	Currently non-active	Common Shares	10,000
28	Digistream Co., Ltd.	Currently non-active	Common Shares	10,000
29	GMM Tai Hub Co., Ltd.	Dissolution, liquidation is being in process	Common Shares	420,000

Company		Business Type	Issued Shares	
			Type	Number
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.	Design and post production 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	500,000
5	Ngandee Thaweesuk Co., Ltd.	Public relations and organizer	Common Shares	100,000
6	Good Things Happen Co., Ltd.	Provide advertising media, public relations consulting, and organizer	Common Shares	50,000
7	Family Know-How Co., Ltd.	Dissolution, liquidation is being in process	Common Shares	2,500,000
8	Lucks (666) Satellite Co., Ltd.	Currently non-active	Common Shares	200,000
Joint Ventures				
1	The ONE Enterprise Co., Ltd.	Production of television programmes and digital on-air and holding company	Common Shares	38,100,000
2	GMM Channel Holding Co., Ltd.	Holding company	Common Shares	20,000,000

**GMM Grammy Plc., subsidiaries, associated companies, joint ventures and other related companies have registered office at 50 GMM Grammy Place, Sukumvit 21 Rd.(Asoke), Khlongtoeinua, Wattana, Bangkok except the following companies**

1 GDH 559 Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
2 GMM Tai Hub Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
3 GMM CJ O Shopping Co., Ltd.	Office : 88/8 Rama 9 Rd.,Huaykwang, Bangkok
4 OSP TV Co., Ltd.	Office : 88/8 Rama 9 Rd.,Huaykwang, Bangkok
5 Global Music and Media (China) Limited	Office : Level 12, 28 Hennessy Road, Wanchai, Hong Kong
6 Scenario Co., Ltd.	Office : 99 Ratchadaphisek Rd., Din Daeng, Din Daeng, Bangkok
7 Nadao Bangkok Co., Ltd.	Office : 92/14 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
8 Sawasdee Thaweesuk Co., Ltd.	Office : 92/44 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
9 Siengdee Thaweesuk Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
10 Ngandee Thaweesuk Co., Ltd.	Office : 92/11 Soi Sukhumvit 31 (Sawasdee), Sukhumvit Rd., Klongtonnua, Wattana, Bangkok
11 Good Things Happen Co., Ltd.	Office : 132 Soi Charoen Mit, North Prakanong, Wattana, Bangkok
12 Family Know-How Co., Ltd.	Office : 93 7th Floor, Ratchadaphisek Rd., Khlongtoei, Bangkok
13 Lucks (666) Satellite Co., Ltd.	Office : 1417 Soi Ladprow 94 (Panjamitr), Plub-Pla, Wangthonglang, Bangkok







**GMM GRAMMY PUBLIC COMPANY LIMITED**

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