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Minutes of the Extraordinary General Meeting of Shareholders No.1/2014

GMM Grammy Public Company Limited

Wednesday, 24 September 2014 at 2.00 p.m.

at the Grand Ballroom located at Grande Centre Point Hotel Terminal 21,  
Sukhumvit Soi 19 (Wattana), Sukhumvit Road, Klongtoey Nua, Wattana, Bangkok

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Mr. Paiboon Damrongchaitham, Chairman of the Board of Directors (the "Board"), assigned Ms. Boosaba Daorueng, Vice Chairman of the Board of Directors, to preside over the Meeting as Chairman of the Meeting (the "Chairman"). In conducting the Meeting, the Chairman delegated the role to Ms. Patchararat Patcharaput, Company Secretary, to conduct the Meeting (the "Conductor").

Quorum Announcement

The Moderator announced the number of attendants for the Extraordinary General Meeting of Shareholders No.1/2014 (the "Meeting") of GMM Grammy Public Company Limited (the "Company") that there were the total of 162 shareholders, attending in person and by proxy, representing 406,697,848 shares or equivalent to 63.91 % of the total number of the 636,317,936 outstanding shares of the Company. These comprised of 91 shareholders attending the Meeting in person, representing 368,191,247 shares, and 71 shareholders attending the Meeting by proxy granted to other specific persons, representing 38,506,601 shares. (The total number of attendants who were shareholders and proxy holders was equal to 138 persons). The quorum was thereby constituted according to the Company's Articles of Association.

Thereafter, the Moderator informed the Meeting about the security of the hotel that in case of conflagration or emergency alarm, shareholders could leave the meeting room and head for the hotel gathering center point which there is emergency exits that would lead you to emergency doors as shown in the monitor.

Meeting Commencement

The Moderator then invited the Chairman to welcome all shareholders and declared the commencement of the Extraordinary General Meeting of Shareholders No.1/2014.

The Chairman stated that the Company was well aware of the importance of Good Corporate Governance Policy, and provided strong support to encourage greater transparency and confidence to shareholders, investors, and all stakeholders. Therefore, in organizing the Meeting of Shareholders, the Company would consider the rights and equitable treatment of shareholders.

For the shareholders' convenience in accessing the information and considering the agendas and related documents, the Company had disclosed the entire set of documents related to the invitation to

attend the Extraordinary General Meeting of Shareholders No.1/2014 and all related attachments both in Thai and in English on the Company's website that was from 9 September 2014 onwards.

The Chairman then introduced the directors, members of the sub-committees, management of the Company, the advisor of the Company and auditors who attended the today's Meeting as follows:

The Directors and Members of the Sub-committees Attending the Meeting, total of 10 persons:

1. Mr. Paiboon	Damrongchaitham	Chairman of the Board of Directors / Director / Chairman of the Company Advisory Board
2. Dr. Naris	Chaiyasoot	Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee / Independent Director
3. Mr. Dej	Bulsuk	Chairman of the Nomination and Remuneration Committee Member of the Audit Committee / Independent Director
4. Ms. Suvabha	Charoenying	Member of the Audit Committee / Member of the Corporate Governance and Ethics Committee / Independent Director
5. Mr. Kudun	Sukhumananda	Member of the Audit Committee / Member of the Corporate Governance and Ethics Committee / Independent Director
6. Ms. Boosaba	Daorueng	Vice Chairman of the Board of Directors / Chairman of the Risk Management Committee / Chairman of the Group Executive Committee / Director / Group Chief Executive Officer
7. Mrs. Saithip	Montrikul Na Audhaya	Member of the Risk Management Committee / Member of the Group Executive Committee / Director / Chief Executive Officer-GMM Media
8. Mr. Krij	Thomas	Chairman of the Corporate Governance and Ethics Committee Member of the Risk Management Committee / Member of the Group Executive Committee / Director / Chief Executive Officer-GMM Music / Acting Chief Executive Officer-GMM Z
9. Ms. Suwimon	Chungjotikapisit	Member of the Nomination and Remuneration Committee / Director / Member of the Company Advisory Board
10. Mr. Sataporn	Panichraksapong	Member of the Risk Management Committee / Member of the Corporate Governance and Ethics Committee / Director

The Absented Director, total of 1 person:

1. Mr. Kreingkarn Kanjanapokin Director (Travelling abroad)

Management Attending the Meeting, total of 3 persons:

1. Mr. Takonkiet Viravan Chief Executive Officer- GMM Digital TV
2. Mr. Premon Pinskiul Chief Financial Officer / Member of the Risk Management Committee / Member of the Group Executive Committee
3. Mrs. Jiraporn Rungsritthong Chief Investment Officer / Acting Chief Administrative Officer / Member of the Risk Management Committee / Member of the Group Executive Committee

The Financial Advisor of Bualuang Securities Public Company Limited

1. Mr. Soravis Krairiksh Executive Vice President

The Legal Counsel of Weerawong, Chinnavat and Peangpanor Company Limited

1. Ms. Sawita Peetawan Associate

The Auditors of EY Office Limited, total of 2 persons:

1. Mr. Khitsada Lerdwana Auditor
2. Mr. Polkrit Rattanaprukpan Assistant Auditor

The Company was honored by the presence of **Mr. Polkrit Rattanaprukpan**, who would serve as an “**Inspector**” of the Meeting and being a witness of the vote counting process and to ensure that the meeting proceeded according to the laws and the Company’s Articles of Association.

The Chairman also welcomed the representative from Thai Investors Association that honored the Company in observing the Meeting today and then allowed the Conductor to proceed.

Prior to proceeding the meeting agenda, the Conductor invited shareholders and proxy holders to acknowledge the voting process for the Extraordinary General Meeting of Shareholders No.1/2014 through the video presentation (Length: 4.40 minutes), with details as follows:

1. According to Section 107(1) of the Public Company Act B.E. 2535, and Clause 31(1) of the Company’s Articles of Association, in general case, the resolution shall be passed by the majority votes of the total number of votes of shareholders who attend the meeting and casting their votes whereby one share shall have one vote, and in the case of equality of votes, the Chairman shall be entitled to a final casting vote.

2. In the event that the shareholder attends the Meeting in person or the shareholder grants the proxy holder the right to vote in the Meeting, the Conductor will ask the Meeting at every agenda whether any shareholder disagrees or abstains on voting for the proposed agenda. If such cases occur, the

Conductor will request that those shareholders reveal themselves and deliver their ballots to the Company's officers to be accounted for. If there is no disagreement or no abstention, it shall be deemed that the meeting unanimously approved the proposal put to vote.

3. In the case where the proxy holder represents the shareholder by proxy, it shall be deemed that the proxy holder have the number of votes equivalent to the total number of shares held by the shareholder who granted the proxy. Therefore, in such case, the number of votes given in the proxy for each agenda shall be counted as the votes for the resolution.

4. Votes casted by those holding Proxy Forms "A" and "B" cannot be split for each agenda article. Votes casted by those holding Proxy Form "C" can be split, and are only granted to foreign shareholders who have appointed a custodian in Thailand to manage their shares.

5. Each shareholder is permitted to have only one proxy attending and voting at the meeting. Having multiple proxies holding shares and separately casting votes is not permitted.

6. An act for casting the vote which does not comply with the form prescribed above is considered null and void.

7. In every agenda, the shareholder or the proxy holder who wishes to propose any other comments or queries is required to introduce his or her name and position as a shareholder or a proxy holder to the Meeting before proceeding.

8. After the Meeting is adjourned, the shareholder and the proxy holder should hand their ballots to the Company's officers as further evidence.

The Conductor additionally informed about the vote counting process which would be conducted by computer system as follows:

- Process 1: the Company's officer shall record the votes of all registered shareholders as "Agree".
- Process 2: The vote of "Disagree" and "Abstain" shall be deducted according to the proxy authorization.
- Process 3: The vote of "Disagree" and "Abstain" shall be deducted according to the ballots presented in the meeting room.

Guidelines for raising questions or comments during the meeting were advised that the shareholder or the proxy holder who wished to propose any other comments or queries were required to introduce his or her name and position as a shareholder or a proxy holder to the Meeting before proceeding with concise message, and be related to each agenda proposed at that time. Other questions or comments irrelevant to the agenda shall be proposed during Agenda 5 as it was the agenda for general matters.

The Conductor then proceeded with the Meeting agenda as follow:

**Agenda 1: To consider and certify the minutes of the 2014 Annual General Meeting of Shareholders**

The Conductor proposed that the Meeting consider and certify the minutes of the 2014 Annual General Meeting of Shareholders held on 25 April 2014 which was considered containing correct and complete information so as to be subsequently certified by the Meeting. The said minutes was also posted on the Company's website and no shareholder raised an objection or requested an amendment to the minutes. Besides, the copy of the minutes had been delivered to the Stock Exchange of Thailand (the "SET") within 14 days from the date of the meeting and to the Ministry of Commerce as required by laws.

The Conductor invited shareholders and proxy holders to show up if they had any query or amendment to the minutes as mentioned above. The Conductor then asked shareholders to vote on this agenda.

After due consideration, the Meeting resolved, by a majority vote of the shareholders presented at the meeting and casting their votes (excluding those who abstained in the vote casting), to certify the minutes of the 2014 Annual General Meeting of Shareholders, with the following results: (Closing vote at 14:25:42 hrs.)

Voting	Number of Votes (Shares)	Percentage
Agreed	509,990,156	100.0000
Disagreed	0	0.0000
Abstained	2,411	-
Total	509,992,567	100.0000

**Agenda 2: To consider and approve the increase of the Company's registered capital**

The Conductor invited Mr. Soravis Krairiksh ("Mr.Soravis"), the Financial Advisor of Bualuang Securities Public Company Limited, to present details of this Agenda to the Meeting.

Mr. Soravis declared the Meeting that the Company has an intention to increase the Company's registered capital by THB 183,631,793, from THB 636,317,936 to THB 819,949,729, by issuing 183,631,793 new ordinary shares, at the par value of THB 1 per share.

The Company has fund raising plan to accommodate its business investments which will reflect the growth and sustainability of the Company's operation. Objectives of fund raising are as follows:

(1) to have funds for investing in new projects according to strategic investment plan to strengthen competitive potentiality;

(2) to have funds for the repayment of loan to maintain financial ratio to be at the appropriate level and generate the Company's long term financial stability;

(3) to have additional working capital;

(4) to expand the Company's investors base and enhance the liquidity of the Company's shares trading on the Stock Exchange of Thailand.

The Company expects that the funds received from this capital increase will support the Company's financial strength and sustainable operation development which will provide long term benefits for shareholders.

In this regard, benefits which shareholders will receive from the capital increase and the allocation of shares are as follows:

(1) Dividend Policy

The Company's policy is to pay dividends at a rate of at least 40 percent of its net profit from the Company's financial statement after the deduction of relevant reserves. The resolution of the Board of Directors regarding the payment of dividends will be proposed to a shareholders' meeting for approval.

(2) Entitlement to receive dividends of subscribers

Subscribers of new shares issued for this capital increase will be entitled to receive dividends from the Company's business operations starting when such subscribers are registered as the shareholders of the Company.

The Conductor invited shareholders and proxy holders to show up if they had any query or amendment to the minutes as mentioned above. The Conductor then asked shareholders to vote on this agenda.

After due consideration, the Meeting resolved, by the votes of more than three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the right to vote, to approve the increase of the Company's registered capital, with the following results: (Closing vote at 15:06:46 hrs.)

Voting	Number of Votes (Shares)	Percentage
Agreed	510,048,469	99.9986
Disagreed	7,220	0.0014
Abstained	100	0.0000
Total	510,055,789	100.0000

**Agenda 3: To consider and approve the amendment of Clause 4 of the Company's Memorandum of Association to correspond with the increase of the Company's registered capital**

The Conductor declared to the Meeting that according to the increase of the Company's registered capital in the Agenda 2, to correspond with the increase of the Company's registered capital,

Clause 4 of the Company's Memorandum of Association shall be amended by substituting with the following content:

"Clause 4.	Registered capital	THB 819,949,729	(Eight hundred nineteen million nine hundred forty nine thousand seven hundred and twenty nine baht)
	Divided into	819,949,729 shares	(Eight hundred nineteen million nine hundred forty nine thousand seven hundred and twenty nine shares)
	Par value per share	THB 1.00	(One baht)
	Divided into		
	Ordinary shares	819,949,729 shares	(Eight hundred nineteen million nine hundred forty nine thousand seven hundred and twenty nine shares)
	Preferred shares	- shares	( - )

In this regard, a person authorized by the Board of Directors to register the amendment of the Memorandum of Association with the Department of Business Development, the Ministry of Commerce, shall have the power to amend or add content to the amended content or any other action as directed by the Registrar.

The Conductor invited shareholders and proxy holders to show up if they had any query or amendment to the minutes as mentioned above. The Conductor then asked shareholders to vote on this agenda.

After due consideration, the Meeting resolved, by the votes of more than three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the right to vote, to approve the amendment of Clause 4 of the Company's Memorandum of Association to correspond with the increase of the Company's registered capital, with the following results: (Closing vote at 15:17:17 hrs.)

Voting	Number of Votes (Shares)	Percentage
Agreed	510,053,469	99.9995
Disagreed	2,420	0.0005
Abstained	0	0.0000
Total	510,055,889	100.0000

<b>Agenda 4: To consider and approve the allocation of the Company's newly issued shares</b>
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The Conductor invited Mr.Soravis Krairiksh (“Mr.Soravis”), the Financial Advisor of Bualuang Securities Public Company Limited, to present details of this Agenda to the Meeting.

Mr.Soravis declared the Meeting that according to the plan to increase the Company's registered capital and to issue and offer the newly issued ordinary shares as mentioned in the Agenda 3 above, it is proposed that the Meeting consider and approve the allocation of up to 183,631,793 newly issued shares of the Company, at the par value of THB 1 per share, as follows:

- (1) To allocate and offer up to 63,631,793 newly issued ordinary shares of the Company, at the par value of THB 1 per share, at the price of THB 13.50 per share, to the Company's existing shareholders pro rata to their shareholding (Rights Offering), at the ratio of 10 existing shares for 1 newly issued ordinary share, whereby any fraction of newly issued ordinary shares shall be rounded down.

The Company will allocate and offer the newly issued ordinary shares to the Company's existing shareholders according to their rights offering for one round and if there are shares outstanding from the allocation to the shareholders according to their rights offering as stated in (1), the Company will allocate and offer such outstanding shares to specific persons under the Private Placement Scheme, together with the shares to be allocated by the Company to the Private Placement Scheme as will be stated in (2) below, at the same price as the Company will allocate the newly issued ordinary shares to specific persons under the Private Placement Scheme.

The Company scheduled the date to determine the names of shareholders who will be entitled to obtain the allocation and offer of newly issue ordinary shares (Record Date) on 2 October 2014 and the date to gather the name of shareholders under Section 225 of the Securities and Exchange Act by closing the share register book and the suspension of share transfer on 3 October 2014.

The Company scheduled the subscription date and payment date of newly issued ordinary shares which will be allocated to existing shareholders pro rata to their



shareholding (Rights Offering) on 17, 20, 21, 22 and 24 October 2014 (5 business days in total) during 9 a.m. – 3.30 p.m..

- (2) To allocate and offer up to 120,000,000 newly issued shares of the Company, at the par value of THB 1 per share, to specific persons under the Private Placement Scheme, as defined in Clause 24 of the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (as amended) which shall not be the connected persons of the Company, and to authorize the Company's authorized directors and/or person(s) authorized by the Board of Directors to determine the offering price of such newly issued ordinary shares which will not be lower than the offering price to the Company's existing shareholders pro rata to their shareholding (Rights Offering) as stated in (1).

In addition, in the case that there are outstanding shares from the allocation of shares to existing shareholders proportionate to their shareholdings as stated in (1), the number of newly issued ordinary shares that the Company will offer and allocate to specific persons under the Private Placement Scheme as state in (2) will be more than 120,000,000 shares.

In respect of the determination of the offering price for specific persons under the private placement scheme, such price may be lower than 90% of the market price pursuant to the relevant notifications of the Capital Market Supervisory Board, as the Company will calculate the offering price through a comparative analysis of the demand and supply in the newly issued shares of the Company (Book-Building).

The range of shares price, to be determined by Book-Building, will depend on the demand of institutional investors and/or special investors and will also take into account the average price of the shares of the Company traded on the Stock Exchange of Thailand during the offering period prior to the subscription date.

The market price means the weighted average of the Company's ordinary shares trading on the Stock Exchange of Thailand for 7 consecutive business days before the date that the Board of Directors' Meeting passes a resolution to propose the offer of new shares by the Company to the Extraordinary General Meeting of Shareholders No.1/2014 for its approval. These business days run from 31 July 2014 to 8 August 2014, so the Market Price is equivalent to THB 15.70 per share (information from SETSMART, [www.setsmart.com](http://www.setsmart.com), of the Stock Exchange of Thailand).

The Company's authorized directors and/or person(s) authorized by the Board of Directors is to be authorized to consider and determine other details with regard to the allocation, including but not

limited to (1) the number of allocations of the newly issued shares, whether single or sequential allocation, the period of the offering, offering price, terms of payment, conditions and other details with regard to such allocation of the newly issued ordinary shares and (2) the negotiation, making agreement and execution of documents and agreements in connection with the allocation of such newly issued ordinary shares and (3) the execution of applications for permission and waivers, and necessary evidence in connection with the allocation of such newly issued ordinary shares, as well as the communicating, filing of applications for permission or waivers, documents and evidence to the relevant authorities or agencies, having the Company's newly issued ordinary shares listed on the Stock Exchange of Thailand and being empowered to take any other action which is required and appropriate for the allocation of such newly issued ordinary shares.

Details of the allocation of the newly issued ordinary shares are displayed in the Report of Capital Increase Form (F53-4) which was already delivered to shareholders.

The Conductor invited shareholders and proxy holders to show up if they had any query or amendment to the minutes as mentioned above. The Conductor then asked shareholders to vote on this agenda.

After due consideration, the Meeting resolved with the following results:

- (1) The allocation and offering newly issued ordinary shares of the Company to the Company's existing shareholders pro rata to their shareholding (Rights Offering).

After due consideration, the Meeting resolved to approve the allocation and offering newly issued ordinary shares in the form of Rights Offering, by a majority vote of the shareholders presented at the meeting and casting their votes (excluding those who abstained in the vote casting), with the following results: (Closing vote at 15:32:38 hrs.)

Voting	Number of Votes (Shares)	Percentage
Agreed	510,053,370	99.9995
Disagreed	2,419	0.0005
Abstained	100	-
Total	510,055,889	100.0000

- (2) The allocation and offering newly issued shares of the Company to specific persons under the Private Placement Scheme, at the offering price lower than 90% of the market price.

After due consideration, the Meeting resolved to approve the allocation and offering newly issued shares of the Company to specific persons under the Private Placement Scheme, by the votes of more than three-fourths (3/4) of total number of votes of the shareholders attending the meeting and

having the right to vote, and there are no shareholders holding an aggregation of shares of 10 percent or more of the total votes attending the meeting object to such allocation of shares: (Closing vote at 15:34:43 hrs.)

Voting	Number of Votes (Shares)	Percentage
Agreed	508,283,860	99.6526
Disagreed	1,596,489	0.3130
Abstained	175,540	0.0344
Total	510,055,889	100.0000

<b>Agenda 5: Other business</b>
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The Conductor had given the shareholders and the proxies the opportunity to propose any other matters to the Meeting for its consideration subject to the shareholders' rights under Section 105 of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto), and there were no persons raised any additional matters for consideration except the matters set out in the notice convening this meeting. Other questions and opinions on this agenda item were recorded in the document attached herewith.

Hence, the conductor asked the Chairman to declare the Meeting adjourned.

The Chairman, therefore, expressed his appreciation to all shareholders for their dedication in attending the meeting and their cooperation in the Meeting. Then, the Chairman then declared the Meeting adjourned.

The Meeting was adjourned at 4.20 p.m.

Signed *- Boosaba Daorueng -* Chairman of the Meeting  
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 (Ms. Boosaba Daorueng)

Signed *- Patchararat Patcharaput -* Minutes Recorder  
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 (Ms. Patchararat Patcharaput)

Summary of Questions and Answers

Extraordinary General Meeting of Shareholders No. 1/2014, Wednesday 24 September 2014 at 2.00 p.m.

GMM Grammy Public Company Limited

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**Agenda 2: To consider and approve the increase of the Company's registered capital**

1. **Mrs. Patcharin Charnmetha** (a shareholder) stated that as the Company had increased its registered capital of approximately THB 1,000 million, then he would like to know how much of these funds were used and how much amount has been left.

**Mr. Premon Pinskiul** clarified that the funds derived from the Company's capital increase last year was exhausted in the subscription-based Satellite TV Platform business and the preparation for the Company's bid to secure Digital Terrestrial TV licenses. The Company planned to use part of the funds derived from this capital increase in the development of the Digital Terrestrial TV project for the two channels for which the Company won the auction and for other necessary investment.

2. **Mr. Wicha Chokphongphan** (a shareholder) made enquiries and expressed his opinion as follows:

- At present the price of the Company's shares trading on the Stock Exchange of Thailand (the "SET") is not reasonable for additional investment. If the Company planned to increase its capital, it might not be successful. Therefore, it was advisable for the Company to reduce the offering price of the newly issued shares of THB 13.50 per share by 50 percent and issue one-year warrants. This approach should provide a better option for the Company.

**Mr. Soravis Krairiksh** clarified as follows:

- The main purpose of the Company's capital increase was to raise a certain amount of funds and the funds must be available immediately. Therefore, issuing warrants might not be an appropriate approach for fund-raising because the Company would not know when the warrants would be exercised and the amount of funds the Company would raise. In comparison with the capital increase, the funds raised would be immediately available and at the Company's disposal as planned.
- The offering price of the newly issued shares of THB 13.50, 14 percent below the market price, was reasonable. In this regard, after the Company had disclosed the information with respect to the capital increase, several institutional investors expressed their interest in investing in the Company's shares. The shareholders could therefore be assured that investors would be interested in the offering of the newly issued shares of the Company.

3. Mr. Sakchai Sakulsrimontri (a shareholder) enquired as follows:

- According to the copy of the Minutes of the 2014 Annual General Meeting of the Shareholders, the Company was the winning bidder in the auction of the High Definition Digital Terrestrial TV (ONE channel), and the Standard Definition Digital Terrestrial TV (BIG channel) at the winning bid price of THB 3,320 million and THB 2,290 million, respectively. Please clarify the details with regard to the term of the minimum license fee and additional license fee set out in the schedule of bidding price payment that how much the Company was required to pay the National Broadcasting and Telecommunications Commission (NBTC) in the first year.

Mr. Premon Pinskul clarified that the payment term for the license fee was calculated as a percentage of the minimum bid price and additional bid price (incurred from the minimum). The payment would be made in 6 years for the additional bid price. In the first year of 2014, the Company would be required to pay the NBTC the amount for both channels at approximately THB 1,300 million and the payment will be separated in tranches afterwards during 2015 – 2017, approximately THB 900 million per year, and during 2018 – 2019, approximately THB 744 million per year.

- The Company would raise funds of approximately THB 2,500 million in the capital increase this time. If the Company used the funds raised from the capital increase for payment of Digital Terrestrial TV expenses which was approximately THB 5,500 million, the funds raised would be insufficient. Did the Company plan for any additional capital increase?

Mr. Premon Pinskul clarified that the Company estimated that the capital investment for the Digital Terrestrial TV of the 2 channels was approximately THB 4,000 million which the Company had secured a loan of THB 2,000 million. After the capital increase of THB 2,500 million, the Company's debt per equity ratio (D/E Ratio) would be lower than 1 time. If the Company was to use additional funds of THB 2,000 million, the D/E Ratio would not be greater than 3 times, which would satisfy the conditions that the Company had agreed with the bank. Therefore, if there was no change to the normal operating plan, the Company should not require additional funds.

4. Mr. Chawalit Visarankul (a shareholder) enquired as follows:

- At present, several companies have issued warrants whereby the exercise price, exercise ratio, exercise period, and warrants term could be fixed. Furthermore, warrants could be issued in tranches. If the Company was to fix a series of exercise periods, the Company would receive funds in tranches, whereby the Company could fix the time when the warrants could be exercised, and if the exercise price was fixed in a lower amount such as at THB 5.00, the holders would certainly be interested in exercising the warrants. Therefore, the Company should consider issuing warrants as an option.

Mr. Soravis Krairiksh clarified that the purpose of the capital increase was for the Company to obtain funds for its immediate disposal. In addition, the Company wanted to decrease its D/E ratio immediately. Therefore, if the Company chose to issue warrants, the objectives of the capital increase could not be satisfied.

5. Mr. Chuthana Tiyabhummi (a shareholder) enquired that regarding the news that NBTC would reduce the fee by 2 percent, was this a reduction of the minimum bid price and the additional bid price? Regarding the postponement of the fee payment in the second year, did this mean that the Company was not required to pay the fees with respect to these portions?

Mr. Premon Pinskiul clarified that NBTC's reduction of 2 percent of the fee referred to the 2 percent of the additional payment that the Company was required to pay in addition to the bid price. Generally, the Company was required to pay the annual fees at the rate of 2 percent plus 2 percent of the income before expenses. NBTC's reduction of 2 percent of the fee would decrease the Company's costs by 2 percent of the revenue. The postponement of the bid price payment in the second year was a result of the delay in distributing the coupons for promoting the Digital Terrestrial TV. The NBTC then postponed the payment in the second year to lessen the financial burden.

6. Mr. Nara Sripetch (a shareholder) enquired as follows:

- With respect to the capital increase of THB 2,479 million, how did the Company plan to use the funds raised from the capital increase? How much would the Company use in the new project? How much would the Company use for debt repayment and how much would be allocated as reserve fund?

Mr. Premon Pinskiul clarified that the funds raised from the capital increase shall be divided into 2 parts: investment and debt repayment, but the Company had not fixed the proportion of each of these parts. The management would consider this matter one more time for the optimum interest of the Company. For investment, the Company planned to invest mainly in the Digital Terrestrial TV business and in TV program production.

- In the case of any newly issued shares remaining from the allocation to the existing shareholders whereby the Company would allocate to specific persons in the Private Placement Scheme, did the Company already have any discussions with any specific persons, and if so, who were the specific persons?

Mr. Soravis Krairiksh clarified that question was related to the next agenda item. It would, therefore, be explained in the next agenda.

7. **Mrs. Patcharin Chammetha** (a shareholder) enquired as follows:

- How much was the Company required to pay for the license fee of the Digital Terrestrial TV from the first year until the last year?

**Mr. Premon Pinskiul** clarified that the license fee for the 2 channels of the Digital Terrestrial TV should be paid in 2 portions: the minimum license fee which was payable within 4 years and the additional license fee which was payable within 6 years. The summary details of the fees which the Company required to pay each year are as follows:

For 2014, the payable fee is THB 1,319 million (inclusive of auction documentation of the 2 channels totaling of THB 2 million), fully paid by the Company;

For 2015, the payable fee is THB 939 million;

For 2016, the payable fee is THB 933 million;

For 2017, the payable fee is THB 933 million;

For 2018, the payable fee is THB 744 million; and

For 2019, the payable fee is THB 744 million.

In addition, there was additional annual fee mentioned earlier by the shareholder which was 2 percent plus 2 percent, depending on the income of the operators.

8. **Mr. Chawalit Visarankul** (a shareholder) enquired as follows:

- Please advised on the identity of the persons in the Private Placement Scheme to which the Company would allocate the newly issued shares, and what benefits would the Company receive from the capital increase in this method, and why did the Company not allocate all the newly issued shares to the existing shareholders?

**Mr. Soravis Krairiksh** clarified that the capital increase by allocating the newly issued shares to specific persons in the Private Placement Scheme did not refer to any particular specific person. The Financial Advisor would offer the newly issued shares to institutional investors, such as funds, so as to be in line with the main purpose of the Company in the capital increase, that is, to increase the liquidity of the shares on the SET. There were several institutional investors who had shown interest in the newly issued shares of the Company and wanted to be shareholders. The capital increase in the Private Placement Scheme was to offer the newly issued shares to institutional investors by the price fixing method of Book-Building. Allowing the institutional investors to be shareholders of the Company would increase the Company's liquidity and free float, which was the main purpose of the capital increase as stated above.

- The Company could have shares split or issued warrants to increase its liquidity. Why did the Company choose to increase its capital by allocating the newly issued shares in the Private Placement Scheme?

Mr. Soravis Krairiksh clarified that if the Company had chosen the share split method, the shares of the Company would still be held by the existing shareholders and this would not have increased the liquidity. As for issuing warrants, the Company would have no control as to when the Company would obtain the funds, as the Company could not control the exercising of warrants. Consequently, the purpose of the capital increase to raise immediate funds would not be achieved. Furthermore, its D/E ratio would not decrease immediately if the Company chose to issue warrants.

9. Mr. Taweecat Chulangkoon (a shareholder) expressed his opinion as follows:

- Issuing warrants might increase the share price but it was not guaranteed that the share price would remain at a satisfactory level at all times. If the shares and the warrants were mismanaged, their prices would be lowered.
- With respect to the Company's liquidity, if the Company's operating result was satisfactory, the share price would increase. The Company's shares could then be disposed of and the liquidity of the shares would increase.
- The Company's planned to offer the newly issued shares in the Private Placement Scheme, which was to institutional investors, did not guarantee that the institutional investors would not dispose those shares after holding them for a short period. The Company should give more emphasis to the existing shareholders.

Agenda 3: To consider and approve the amendment of Clause 4 of the Company's Memorandum of Association to correspond with the increase of the Company's registered capital

1. Mr. Sakchai Sakulsrimontri (a shareholder) enquired whether or not the votes cast by interested persons would be excluded from the agenda which requires a vote of not less than three-fourths (3/4) of the shareholders.

Miss Sawita Peetawan clarified that the law prescribes that for any agenda item which requires a vote of no less than three-fourths, the number of votes required would be three-fourths of the shareholders attending the meeting and eligible to vote, thus the shares held by any interested shareholders shall be considered to have no voting rights and shall not be counted.

2. Mr. Boonyong Thitiwattanakul (a shareholder) enquired about the potential revenue of 2014, and whether the operating results would incur a profit or loss, as Page 53 of the Annual Report showed that the total revenue of the Company had decreased and in 2013 the Company's operation had incurred losses.



Mr. Premon Pinskiul clarified that for the past two years, the Company had been investing in the Pay TV business and it had incurred losses from this investment. Around August 2014, the Company acquired the shares in CTH Public Company Limited and made payment for such shares by means of the share swap method using all the shares in GMM B Company Limited, a company engaged in the Pay TV business, in order to stop operating business that had incurred losses to the Company, resulting in the operating results of 2014 still showing losses. However, in 2015, the Company will still have to keep an eye on its primary Digital Terrestrial TV business of two channels. With respect to the music business showing a decrease, the Company planned to launch a new product to help it gain additional revenue and expected that this would compensate for the shortfall on the revenue of the music business in the future. In 2014, although the Company had tried to maintain the revenue level, its revenue may decrease, due to the past political situation and the losses incurred from the Pay TV business during the first half of 2014.

3. Mr. Chawalit Visarankul ( a shareholder) asked how much the losses will improve per quarter after the Company had sold the Pay TV business.

Mr. Premon Pinskiul clarified that the Company had incurred a loss from the Pay TV business of approximately THB 200 million a month or approximately 600 million a quarter.

**Agenda 4: To consider and approve the allocation of the Company's newly issued shares**

1. Mr. Nara Sripetch (a shareholder) enquired that with respect to the offering and allocation to the existing shareholders, would the existing shareholders be able to subscribe for more than their rights or not?

Mr. Soravis Krairiksh explained that the existing shareholders shall be allocated the newly issued shares proportionate to their shareholding only once, and might not subscribe for more shares than they are entitled to.

2. Mr. Sakchai Sakulsrimontri enquired that, whether, normally, the price of the newly issued shares to be offered to the specific persons should not be lower than 90 percent of the market price, instead of being possibly lower than 90 percent of the market price.

Mr. Soravis Krairiksh explained that the setting of the price of the newly issued shares to be offered to the specific persons had a condition that the price may be lower than 90 percent of the market price, but shall not be lower than THB 13.50. However, the price of THB 13.50 offered to the existing shareholders is lower than 90 percent of the market price.

3. Mr. Kiat Sumongkolthanakul enquired whether or not it was possible for the Company to allocate the newly issued ordinary shares that remained from the first round to those who desire to subscribe more shares over their rights.

Mr. Soravis Krairiksh explained that the structure for this capital increase was not originally set up that the existing shareholders could make a subscription for more shares than their rights, and the Company required the existing shareholders to subscribe for the shares only proportionate to their shareholding. If there were shares remaining after the allocation because any existing shareholder had not made a subscription, the Company would further allocate such shares to the specific persons to increase its investor base.

4. Mr. Thongchai Lakanawisit enquired whether or not the Company was confident that it could allocate all newly issued shares to the specific persons.

Mr. Soravis Krairiksh explained that at the initial stage, there were institutional investors who had expressed their intention to invest with the Company. Therefore, the Financial Advisor was certain that the Company would be able to allocate all newly issued shares to the specific persons.

5. Mr. Taweecat Chulangkoon enquired if the newly issued shares were not fully issued and sold, would the Financial Advisor buy (underwrite) all of the remaining?

Mr. Soravis Krairiksh answered that Bualuang Securities Public Company Limited would be an underwriter through the offering process made to the institutional investors and the setting up of price called Book-Building method.

#### [Agenda 5:](#) Other business

1. Mrs. Patcharin Charnmetha asked the Company to explain the overall picture of the Digital Terrestrial TV business after it had been granted the licenses for 2 channels of Digital Terrestrial TV.

Mr. Takonkiet Viravan explained that the Company participated in the auction and won 2 licenses for 2 channels of Digital Terrestrial TV namely, ONE and GMM Channel. The Digital Terrestrial TV business was new to the Company and would be the future business of the company. At present, the Digital Terrestrial TV business was unstable due to the instability in the Digital Terrestrial TV platform, for example, the channel numbers were still changeable and confusing, as there were numerous channels. However, the Company was of the view that the Digital Terrestrial TV platform should be more explicit around November this year. According to the Company's experience in the television business and entertainment business over the past 20 years, the Company believed that its Digital Terrestrial TV channels could definitely compete with the other operators. Furthermore, by the time that the Digital Terrestrial TV business has become certain and stable, the Company could be the leader of this type of business.

Mrs. Saithip Montrikul Na Ayudhaya explained that the Company planned to officially launch GMM Channel to the public shortly. Given the Company's long experience in the entertainment business, the Company's personnel were highly experienced and the Company's entertainment outlets drew a great

number of followers, and the GMM Channel would, therefore, combine all the entertainment outlets of the Company. GMM Channel would present different entertainment contents from ONE, which presented varieties of programs including news programs similar to those of Channel 3 or Channel 7. In view of this, GMM Channel was not a brand new channel, since the Company had not started from scratch but had combined all entertainment programs of the Company into GMM Channel, including TV series such as Hormones - the Series, in order to attract viewers to GMM Channel, and this was the Company's strategy in respect of the development of the Digital Terrestrial TV channels.

2. **Mr. Chawalit Visarankul** enquired as follows:

- With respect to the TV program named 'Hormones - the Series' which was extremely popularity with the viewers, Season 1 of the program was available via YouTube, however, Season 2 was not, but Season 2 could only be watched via AIS Application. Could the Company explain whether or not the benefits which the Company would obtain from the program being available via the YouTube and the AIS Application be the same?

**Mr. Krij Thomas** explained that Season 2 of the series was only available via the AIS Application because the Company has a trade agreement with AIS to provide the series on the AIS Application only. However, the Company deemed that the popularity of the series would not be affected by the AIS Application.

- Could the Company provide details of the rental of the Digital Terrestrial TV network and annual expenses of ONE and the GMM Channel?

**Mr. Premon Pinskiul** explained that if the program production cost of both channels was at approximately THB 800 million in total, the cost would be at THB 1,000 million per channel per year. Therefore, if the Company was able to achieve revenue of more than THB 2,000 million per year, the Company would make a profit. In addition, the Thai advertising market has a value of approximately THB 60,000 million per year, but the market share for Digital Terrestrial TV was only approximately THB 10,000, provided however that, NBTC was trying to direct more of the advertising market to the Digital Terrestrial TV platform. Furthermore, the Company believed that the Digital Terrestrial TV channels of the Company would be ranked in the top 5 of the market and that the Company would gain revenue from the Digital Terrestrial TV platform of not less than THB 2,000 million per year in the next 1 or 2 years.

- Could the Company provide details of the current advertising fee per minute?

**Mr. Premon Pinskiul** explained that the Company still did not know the exact advertising fee, since the Company had not yet be aware of the rating information of Digital Terrestrial TV channel, whereby NBCT was in the process of preparing the license for the rating company of the Digital Terrestrial TV platform and setting up the rating standard.

- 3. **Mrs. Patcharin Charnmetha** enquired why the Company was not able to provide the rating information, while there were other companies who could provide the rating information of Digital Terrestrial TV platform and an estimation of the rating.

**Mr. Premon Pinskiul** explained that the current rating company was Nielsen (Thailand) Company Limited and the rating was conducted from a sample group that had been receiving a TV signal through outdoor antenna and True Vision system on which the rating would not represent the actual rating for Digital Terrestrial TV. Therefore, the Company should wait for rating which could be obtained after NBTC has issued the license for the rating company of Digital Terrestrial TV platform and has standardized the rating method.

- 4. **Mr. Nara Sripetch** enquired whether or not the investors who would be allocated the newly issued shares under the Private Placement Scheme would hold the Company's shares for a long time.

**Mr. Soravis Krairiksh** explained that the institutional investors interested in the Company's shares had considered the future business and business plan of the Company for the next three years, as well as the vision and strategy of the Company, which were all long-term investment criteria, however, the Company did not specify the condition on the shareholding period (Lock-up Period).

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