



## Minutes of the 2010 Annual General Meeting of Shareholders

### GMM Grammy Public Company Limited

Monday 26 April 2010 at 2.10 p.m.

at the Meeting Room located on the 21<sup>st</sup> Floor, GMM Grammy Place  
50 Sukhumvit 21, Klongtoei-uea, Wattana, Bangkok 10110

---

#### **Meeting Commenced**

Mr. Paiboon Damrongchaitham, the Chairman of the Company, assigned Vice Chairman Ms. Boosaba Daorueng to act as Chairman of the Meeting (the “Chairman”). The Chairman welcomed all shareholders and presented the commencement address to the 2010 Annual General Meeting of Shareholders (the “AGM” or the “Meeting”).

The Chairman stated that the Company is well aware of the importance of Good Corporate Governance Policies, and strong supports it to encourage greater transparency, and inspire confidence from shareholders, investors, and all stakeholders. Therefore, in organizing the AGM every year, the Company will consider the rights of shareholders and treat every person equally. Therefore, the Company has invited all shareholders to nominate qualified persons to stand for election as a Company Director as well as to propose the 2010 AGM of shareholder’s agenda on the Company’s website ([www.gmmgrammy.com](http://www.gmmgrammy.com)). However, there was neither proposal of director nominee nor the Meeting agenda submitted to the Company.

For the shareholders’ convenience in accessing the information and considering the agendas and related documents, the Company disclosed the entire set of documents related to the Invitation to attend the 2010 AGM of shareholders together with the 2009 Annual Report, proxy forms and all related documents in Thai and in English on the Company’s website, prior the Meeting occur at least 30 days, that is, from 25 March 2010.

The Chairman then introduced the Directors, Executive Directors, Member of the Audit Committee, Management of the Company and Auditors to the Meeting as follows:

#### **The Directors, Executive Directors and Member of the Audit Committees Present**, total of 9 persons:

- |                |                 |  |
|----------------|-----------------|--|
| 1. Mr. Paiboon | Damrongchaitham | Chairman of the Company / Chairman of the Nomination and Remuneration Committee / Chairman of the Company Advisors |
| 2. Mr. Chai    | Nasylvanta      | Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee       |
| 3. Mr. Dej     | Bulsuk          | Independent Director / Member of the Audit Committee/ Member of the Nomination and Remuneration Committee          |

4. Mr. Weerawong	Chittmittrapap	Independent Director / Member of the Audit Committee
5. Ms. Boosaba	Daorueng	Director / Co-Chief Executive Officer / Chairman of the Risk Management Committee / Vice Chairman
6. Mr. Sumeth	Damrongchaitham	Director / Executive Director / Member of the Risk Management Committee / Member of the Nomination and Remuneration Committee / Chairman of the Sub-CG & Ethics Committee / Company Secretary / Secretary to the Board of Directors / Secretary to the Executive Committee
7. Mr. Krij	Thomas	Director / Executive Director
8. Mr. Kreingkarn	Kanjanapokin	Director / Executive Director
9. Mr. Sataporn	Panichraksapong	Director / Executive Director

**The Directors Absent**, total of 3 persons:

1. Mr. Wanich	Jarungidanant	Independent Director / Member of the Audit Committee
2. Ms. Saithip	Montrikul Na Audhaya	Director / Co-Chief Executive Officer
3. Mr. Takonkiet	Viravan	Director / Executive Director

**Management Present:**

Mr. Sirichai	Tantiponganant	Executive Director / Chief Financial Officer / Member of the Risk Management Committee
--------------	----------------	--

**The Auditors of Ernst & Young Office Limited Present**, total of 2 persons:

1. Mr. Khitsada	Lerdwana	Auditor
2. Mr. Polkrit	Rattanaprukpan	Auditors' representative, the Company is honored by the presence of <b>Mr. Polkrit Rattanaprukpan</b> , who will serve as an " <b>Inspector</b> " and a witness of the vote counting process to ensure that the meeting proceeds according to the Company's rules and regulations.

The Chairman welcomed representatives from the Stock Exchange of Thailand / the Thai Institute of Directors / the Thai Listed Companies Association / the Right Protection Volunteer from the Thai Investors Association and other associations that honored the Company in observing the meeting that day.

**Informed the quorum**

The Chairman informed the 2010 AGM that there were a total of **162 shareholders** present, comprising of 78 shareholders representing 325,062,993 shares present in person, 69 shareholders represented by proxy holding 93,419,298 shares and 15 shareholders with 11,662,273 shares assigned by proxy to Independent Directors, totalling **430,144,564 shares equivalent to 81.12%** of 530,264,947 outstanding shares, constituting a quorum.

To conduct the meeting, the Chairman delegated the task to **Mr. Sumeth Damrongchaitham**, the Company Secretary, to act as the Conductor of the Meeting (the “**Conductor**”) and convened the Meeting in accordance with the notified agendas.

Prior to the commencement of the Meeting, the Conductor had explained the voting process in detail to proxy holders, and indicated that counting votes was resolved in the meeting. These proceedings were recorded on video (of approximately 4.40 minutes in duration), 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, the resolution shall be passed by the majority votes of the total number of votes of shareholders who attend the meeting and cast their votes whereby one share shall have one vote and in the case of an equality of votes, the Chairman shall have a 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 there is dissent, the Conductor will request that those shareholders reveal themselves and bring their ballot cards to the officials to be accounted for. If there are no contrary opinions or abstentions, it shall be deemed that the meeting unanimously approved the resolution put to vote.

3. In the case where the proxy holder represents the shareholder by proxy, it shall be deemed that the proxy holder shall have the number of votes equivalent to the total number of shares held by the proxy holder. 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 according to each agenda article. Votes casted by those holding Proxy Form “C” can split their votes. And those who hold these forms 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. In voting for **Agenda 6**, to approve the appointment of directors to replace those who are due to retire on rotation: this will be done in accordance with the Company’s Good Corporate Governance policies which are in line with the AGM Checklist quality assessment program. This program was organized by the Thai Investors Association, the Thai Listed Companies Association and the Securities and Exchange Commission. Therefore, all shareholders are requested to vote for **each individual appointment**.

The Conductor will call each individual Director nominee to receive votes. Only shareholders **who disagree with the nomination or choose to abstain are** requested to show themselves and their ballots for greater convenience when tallying their votes.

Nonetheless, for this particular agenda, **the Company will exclude votes of directors with conflicts of interests** from the total vote count, along with their shares and related right to vote.

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

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

9. After the Meeting is adjourned, the shareholder and the proxy holder should hand their ballot paper to the Company's staff as further evidence.

The Conductor then commenced the Meeting according to the following agenda:

**Agenda 1: To certify the minutes of the 2009 Annual General Meeting of Shareholders.**

The Conductor proposed that the Meeting consider and certify the minutes of the 2009 Annual General Meeting of Shareholders held on 27 April 2009. The Minutes, with attachments of Questions and Answers, and Clarification from the Directors and Management team. They were circulated to each shareholder prior to this Meeting as Enclosure No. 1 attached to the invitation letter. The said minutes was also posted on the Company's website ([www.gmmgrammy.com](http://www.gmmgrammy.com)) within 14 days after the meeting.

The Conductor invited shareholders and proxies to speak up if they had any queries or amendments to the minutes of the meeting but no questions were raised. The Conductor then requested the Meeting to vote.

After due consideration, the Meeting by majority votes certified the minutes of the 2009 Annual General Meeting of Shareholders, with the following results:

Shareholders entitled to vote	Number of Votes	Percentage
Certified	429,992,564	99.9647
Not certified	-	-
Abstained	152,000	0.0353

**Agenda 2: To acknowledge 2009 operational results and certify the Company's Annual Report.**

Before the Conductor announced the results of the 2009 annual performance, the Conductor requested that all shareholders and proxies view a video clip outlining various business operations of the Group over the past year. (The duration of the clip was 8.32 minutes). After the screening, the Conductor proceeded to summarize the Group's performance in 2009, as follows:

**Overall Performance in 2009**

In 2009, GMM Grammy Public Company Limited ("Grammy") embarked on two significant missions. Firstly, the Company strongly emphasized businesses that are considered 'Star Businesses' or those that show potential in bringing about future prosperity. Secondly, we adjusted our strategies to better meet changes in consumer behavior and constantly evolving technology.

**First mission: Star Businesses**, Grammy views that 'Star Businesses' are those that can take advantage of the Group's vast content, manage and adapt them to suit modern consumers' lifestyles, or are capable of creating new businesses through our existing content. These businesses include Digital Business, Satellite Television Business, Show Business, and International Music Business.

- ***Digital Business*** has, on average, grown 50% over the past two years due to our strategy of introducing monthly subscription services through every leading mobile telephone operator. We are considered pioneers in creating this highly successful business model, which manages content in a new format.
- ***Satellite Television Business***, Grammy was able to harness both its longstanding expertise in targeting a wide spectrum of viewer segments and the strength of its content to launch four channels within one year, all of which were well-received by both the audience and sponsors.
  - 'Fan TV' is the leading channel for fans who enjoy Thai country music, and it has rapidly risen to become the third highest ranking channel on national cable television. 'Bang Channel' is among the top tier cable channels favored by teenagers, while 'Green Channel' wins the hearts of working age viewers who enjoy contemporary music and rare footages of concerts, whilst 'Acts Channel' caters to sit-com and drama fans.
  - In addition, the Company and the Stock Exchange of Thailand have jointly invested in Family Knowhow Company Limited, which operates the 'Money Channel', currently considered a central source of information on finance and investments in Thailand.
- ***Show Business***, which focuses on organizing concerts, is one of the best ways to make use of music content. In 2009, the emphasis was on creating new types of concerts, particularly music festivals, which are the latest trend. One such concert was the 'Dee Boy Pop Fest' in Nakorn Ratchasima.

At the beginning of 2010, Grammy also organized the 'Big Mountain Music Festival', which showcases creativity for such event in Thailand. Besides offering a wide expanse for artist to perform and welcoming the largest audience the Company had ever managed, other forms of entertainment and activities were available to ensure that all thoroughly enjoyed themselves throughout the duration of the festival which lasted three days and two nights.

- ***International Music Business***, which emphasizes creating new markets for Thais living abroad and for foreigners who enjoy listening to Thai music. By expanding into this untapped market, the Company can export more content in terms of physical products and digital formats, as well as managing our music publishing business to many countries, and together with our foreign partners, groom more artists under projects such as "Asian Hero".

**Second mission: Adjusting the strategies of Physical Products** to better meet changing consumer behavior and technological innovations by increasing the variety of distribution channels so that consumers can more readily access our music. This has been done by increasing the number of mobile sales units and expanding our telesales capacity, in addition to expanding the range of music products such as VCDs and DVDs of concerts, and edutainment products.

The Company's remaining core businesses showed satisfactory growth despite Thailand facing an economic and political crisis.

- **Television program production** for free television channels continued to grow, spurred by primetime dramas, sit-coms, reality shows such as 'The Star', which proved popular across a wide audience. The latter also is an avenue for recruiting new artists. Variety shows and dramas targeting teenaged audiences have done particularly well, with GMM Grammy retaining its leadership in these two genres.
- **Radio Business**, new strategies to boost and retain its radio-related revenue share such as concerts, activities, and travel agencies yielded results indicating that these changes are pushing the business in the right direction.
- **Publishing Business** has increasingly embraced new media. One example is creating Maxim's "e-gazine". In addition, we are working to transfer magazine content to the satellite television programs.
- **Movie Business**, our subsidiary GTH, four films were produced in 2009. **BTS: Bangkok Traffic** (Love) Story earned 146 million baht in box office sales, making it the most financially successful Thai film in 2009, in addition to being a winner of numerous awards.

Thus, 2009 is a year that Grammy has set its goals on being a leader in entertainment content by creating a high quality content platform to meet the needs of various consumer groups. Grammy firmly believes in ability to utilize its strong content over a long period of time, and delivered through the appropriate media or products which most conveniently matches the lifestyle of its target consumers. In parallel, the Company has created a media platform that is suited with the changing times, whether it be new media or segmented media, with the full backing of Grammy's leadership in a comprehensive range of mass media businesses.

After declaring the Company's 2009 operational results, the Conductor invited shareholders to ask questions but none were raised, the Conductor, then, requested the Meeting to consider and certify the figures.

After due consideration, the Meeting by majority votes acknowledged the Company's 2009 operational results and certified the Company's Annual Report by the following voting:

Shareholders entitled to vote	Number of Votes	Percentage
Acknowledged and certified	429,372,291	99.8205
Unacknowledged and not certified	620,273	0.1442
Abstained	152,000	0.0353

**Agenda 3: To acknowledge 2009 operational results and certify the Company's Annual Report.**

The Conductor declared the Meeting that according to the Public Company Act B.E. 2535, the Company has to prepare the latest Balance Sheet and Profit and Loss Statement as at the end of the Company's fiscal year, to be presented and approved at the Annual General Meeting. The Company and its' subsidiaries' Balance Sheet and Profit and Loss Statement for the year as at 31 December 2009, has been duly audited and certified by auditors from **Ernst and Young Office Limited**, and reviewed by the Company's Board of Directors and Audit Committee, and presented to the Meeting. A summary of key information is as follows:

(Unit: Baht in Million)	2009	2008	Change	% Change
Total Assets	6,925.8	6,813.3	112.5	+1.7%
Total Liabilities	3,440.4	3,138.3	302.1	+9.6%
Minority Interest	501.2	707.2	-206.0	-29.1%
Shareholders' Equity	2,984.2	2,967.8	16.4	+0.6%
Total Revenue	8,124.3	7,806.1	318.2	+4.1%
Net Profit	510.8	705.3	-194.5	-27.6%
Earning per Share (Baht/Share)	0.97	1.44	-0.47	-32.6%

**Remark:** Details from the Balance Sheet and Profit and Loss Statement as at 31 December 2009 appears in the 2009 Annual Report, page 076.

#### **Group Financial Standing as of 2009 Year-end**

The Group had total assets at the end of 2009 amounting to 6,925.8 million Baht, increasing by 112.5 million Baht from 2008, of which there was an increase of 131 million Baht in current assets and 18 million Baht in fixed assets.

The Group's total liabilities was 3,440.4 million baht, which is an increase of 302.1 million Baht consisting of an additional 120 million Baht in loans from financial institutions. During the year, the Company also adjusted its short-term and long-term loans to reduce its overall financial expenditures.

#### **Liquidity and Cashflow**

The Company maintained its liquidity well. At the end of 2009, the Company and its subsidiaries had cash and cash equivalent holdings amounting to 908.3 million Baht, or 159.4 million Baht less than the preceding year. This was primarily due to spending on manufacturing equipment purchases and expanding various businesses. Total loans came to 1,315.5 million Baht, rising 119.8 million Baht, and the Company's Debt/Equity ratio stands at 0.99.

The Group's total annual revenues in 2009 was 8,124 million Baht, increasing 4% over 2008, primarily from the media business, which accounted for 48% of total revenues.

**Sources of Revenue by Business Line:**

(Unit : Million Baht)

Revenue Source	2009	2008	% Change
Music Business	3,572	3,688	-3%
Movie Business	329	220	+50%
Television Business	1,647	1,448	+14%
Satellite Television Business	117	2	+5,750%
Radio Business	580	669	-13%
Publishing Business	189	254	-26%
Events and Creation Agency	1,388	1,180	+18%
Other revenue	303	345	-12%
<b>Total Revenue</b>	<b>8,125</b>	<b>7,806</b>	<b>+4%</b>

The Company's net profits totaled 510.8 million Baht, fell 194.5 million baht or 27.6% from the previous year, with net profits per share of 0.97 Baht, reducing 32.6% against 2008.

The Conductor opened up the floor to shareholders and proxy holders to ask questions. The questions and answers have been summarized and attached at the end of the minutes. Thereafter, the Conductor requested that the meeting vote.

After careful consideration of the details of the Company's performance, the resolution was passed with majority votes passing the balance sheet and profit and loss statements for the year as at 31 December, 2009 with the following results:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	429,992,564	99.9647
Disapproved	-	-
Abstained	152,000	0.0353

<b>Agenda 4: To approve the appropriation of net profit for statutory reserves.</b>
---

The Conductor declared the Meeting that according to Section 116 of the Public Company Act B.E. 2535 and the Company's Articles of Association Clause 38, "The Company has to allocate not less than 5% of annual net profits as statutory reserves, net of accumulated losses (if any), until the value of statutory reserves is not less than 10% of registered capital unless the Company has another rule or regulation that otherwise specifies a higher reserve."

Nonetheless, at the end of 2008, the Company has fully set the statutory reserve requirement of 10% of the Company's registered capital, of 53,055,610 baht. Therefore, **there is no need to set aside additional statutory reserves.**



The Board of Directors proposes the Meeting approve that there is no need to set additional statutory reserves since the Company has already fully set aside the requisite 10% of its registered capital of 53,055,610 baht.

The Conductor invited shareholders if there were questions but no question was raised. The Conductor then requested the Meeting to vote.

After due consideration, the Meeting by majority vote approved not to set additional statutory reserves by the following voting:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	430,142,564	99.9995
Disapproved	-	-
Abstained	2,000	0.0005

**Agenda 5: To acknowledge an interim dividend payment and approve the appropriation of the net profit on dividend payments for 2009 operational results.**

The Conductor declared the Meeting that the Company has a policy paying the dividends to shareholders at a rate of not less than 40% of net profit after corporate taxes. According to the Public Company Act B.E. 2535 and the Company's Articles of Association Clause 37, **"the Board of Directors may consider allocate interim dividend payments to shareholders if the Company has adequate profits and reports these payouts at the next shareholders' meeting."**

On the basis of 2009 operational results, the separate financial statement's net profit after corporate taxes amounted to Baht 485.8 million. Therefore, the Board of Directors has considered and proposed that the Company pay dividends for the whole year of 2009 at a rate of Baht 0.87 per share, totaling Baht 461.3 million or 95.0% of separate financial statement's net profit which exceeds the Company's dividend payout policy.

However, the Board of Directors' resolution No. 4/2009 held on 13 August 2009 had already approved an interim dividend payment for the first half-year operational results of 2009, at a rate of Baht 0.55 per share, for 530,264,947 shares, totaling Baht 291.6 million, paid out to shareholders on 9 September 2009. Consequently, the Board of Directors proposed the Meeting approve the payment of the remaining dividend at a rate of **Baht 0.32 per share to 530,264,947 shares, totaling to Baht 169.7 million.** The remaining dividend will be paid on 21 May 2010 whilst the shareholder register book for the right to receive the dividend shall be recorded on 10 May 2010 (Record Date). Also, 11 May 2010 shall be the book closing date on which the shareholder list as specified in section 225 of the Securities and Exchange Act shall be compiled.

Details comparing past dividend payment records are as follows:

Details of dividend payment	2009 (separate)	2008 (separate)	2007* (separate)	2006	2005
Net Profits (Million Baht)	485.8	681.2	463.1	208.8	203.5
<b>Rate of Dividend Payment</b>					
· Interim Dividend Payment (Baht/Share)	0.55	0.60	0.13	0.20	0.20
· Annual Dividend Payment (Baht/Share)	0.32	0.65	0.52	0.20	0.15
<b>Total Dividends Payment (Baht per Share)</b>	<b>0.87</b>	<b>1.25</b>	<b>0.65</b>	<b>0.40</b>	<b>0.35</b>
Number of Shares (Million share) - previous	530.3	490.0	490.0	490.0	490.0
Number of Shares (Million share) - new		530.3			
Total Dividend Payouts (Million Baht)	461.3	638.7	318.5	196.0	171.5
Dividend Payout Ratio (%)	95.0	93.8	68.8	93.9	84.3

\* In 2007, the Company began calculating dividends on the basis of operational net profits in accordance with new accounting standards

The Conductor invited shareholders if there were questions but no question was raised. The Conductor then requested the Meeting to vote.

After due consideration, the Meeting acknowledged the interim dividend payment and by majority votes approved the 2009 annual dividend payment plan as proposed by the Board of Directors by the following voting:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	430,142,564	99.9995
Disapproved	-	-
Abstained	2,000	0.0005

**Agenda 6: To approve the appointment of directors to replace those who are due to retire on rotation.**

The Conductor declared the Meeting that pursuant to the Public Limited Company Act B.E. 2535 and Clause 14 of the Company's Articles of Associations that one-third of all Directors shall be retired in rotation each year. This year, the directors due for retirement on rotation comprise of 4 persons (from 12 Directors), namely:

- (1) Ms. Boosaba Daorueng                      Director / Vice Chairman / Co-Chief Executive Officer /  
Chairman of the Risk Management Committee /  
Chief Creative Officer (Creative Division)
- (2) Mr. Chai Nasylvanta                        Independent Director / Chairman of the Audit Committee
- (3) Mr. Dej Bulsuk                                Independent Director / Member of the Audit Committee
- (4) Mr. Weerawong Chittmitrapap          Independent Director / Member of the Audit Committee

The Nomination and Remuneration Committee (the “Committee”) except those with conflicts of interest in this agenda, has considered and are in agreement that the four aforementioned directors, who are due to retire on rotation, have qualifications complying with the Public Listed Company Act B.E. 2535 and are knowledgeable, competent, experienced and deemed beneficial to the Company, performed their duties well as Directors.

In addition, nominated Directors no. 2 to 4 are considered an independent director due to their qualifications which comply with the definition of the Independent Director of the Company, which is also equivalent to the minimum requirement issued by the SEC and the SET in the amendment (reference source is the amendment of independent directors and the audit committee’s qualifications announced by SEC in the letter no. SEC Kor (Wor). 32/2551, Revisions of Requirements for Independent Directors and Audit Committee Directors dated June 5, 2008).

Pursuant to the Company’s Good Corporate Governance Policy, the Conductor requested shareholders to appoint each director individually and indicated that shareholders should show themselves with the ballot to the Company’s staff **only** if there is a disagreement or abstention. Background information of the four directors had been enclosed with the AGM invitation letter. Prior to vote casting, the Conductor presented brief background information in brief of the proposed Directors as follows;

**[1] Ms. Boosaba Daorueng** (Age: 58 years), has been appointed Director of the Company since 1994 (16 Years and 1 Month).

**Education:**

- Bachelor of Liberal Arts, Thammasat University

**Present positions in the Company:**

- Director / Vice Chairman / Co-Chief Executive Officer / Chairman of the Risk Management Committee / Chief Creative Officer (Creative Division)

**Present position in other companies:** (2 companies)

- Advisor, GMM Media Plc.
- Director, Index Event Agency Plc.

**Present position in other companies that may cause any conflict of interests to the Company:**

- None

**Percentage of Share Holding:**

- Amount of 1,000,100 shares, and spouse held 500,100 shares, totally 1,500,200 shares, equivalent to 0.28% of paid up capital.

In addition, Ms. Boosaba has no legal disputes. Her meeting attendance in 2009 is as follows:

- The Board of Directors : Attended Meetings 5/5 times
- The Executive Committee : Attended Meetings 12/12 times
- Shareholders Meeting in 2009 : Attended Meetings 1/1 time
- The Risk Management Committee : Attended Meeting 1/1 time

The Company excluded Ms. Boosaba's 1,000,100 votes from this agenda.

After due consideration, the Meeting by majority vote approved the reappointment of Ms. Boosaba Daorueng as a Company Director for another term, with results as follows:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	428,522,191	99.8550
Disapproved	620,273	0.1445
Abstained	2,000	0.0005

[2] **Mr. Chai Nasylvanta** (Age: 52 years), has been appointed Independent Director of the Company since 1999 (11 Years).

**Education:**

- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- M.B.A. (Finance), University of Pennsylvania, U.S.A.

**Present positions in the Company:**

- Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee

**Present position in other companies:** (7 companies)

- Director, National Power Supply Co., Ltd.
- Director, National Power Co.,Ltd.
- Director / Vice Chairman, Advance Aviation Co., Ltd.
- Independent Advisor, Benchachinda Holding Co.,Ltd
- Director, AON (Thailand) Ltd.
- Director, AON Group (Thailand) Ltd.
- Director / Chairman, Marketing & Image Advertising Co., Ltd.

**Present position in other companies that may cause any conflict of interests to the Company:**

- None

**Percentage of Share Holding:**

- Amount of 1,300,000 shares, equivalent to 0.25% of paid up capital.

In addition, Mr. Chai has no legal disputes. Her meeting attendance in 2009 is as follows:

- The Board of Directors : Attended Meetings 3/5 times
- The Audit Committee : Attended Meetings 2/4 times
- Shareholders Meeting in 2009 : Attended Meetings 1/1 time
- The Nomination and Remuneration Committee : Attended Meeting 1/1 time

The Company excluded Mr. Chai's 1,300,000 votes from this agenda.

After due consideration, the Meeting by majority vote approved the reappointment of Mr. Chai Nasyvanta as a Company Independent Director for another term, with results as follows:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	428,072,291	99.8199
Disapproved	770,273	0.1796
Abstained	2,000	0.0005

**[3] Mr. Dej Bulsuk** (Age: 60 years), has been appointed Independent Director of the Company since 2002 (7 Years and 9 Months).

**Education:**

- Bachelor of Business Administration, Thammasat University

**Present positions in the Company:**

- Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee

**Present position in other companies:** (7 companies)

- Director, Siam Future Development Plc.
- Independent Director / Member of the Audit Committee, The Erawan Group Plc.
- Independent Director / Member of the Audit Committee, Jay Mart Plc.
- Independent Director / Member of the Audit Committee, AEON Thana Sinsap (Thailand) Plc.
- President, CCC Business Development Co., Ltd.
- Director, Thailand Convention and Exhibition Bureau (TCEB) (Public Organization)
- Chairman of the Good Governance, Recruitment and Remuneration Committee, TCEB

**Present position in other companies that may cause any conflict of interests to the Company:**

- None

**Percentage of Share Holding:**

- None

In addition, Mr. Dej has no legal disputes. Her meeting attendance in 2009 is as follows:

- The Board of Directors : Attended Meetings 5/5 times
- The Audit Committee : Attended Meetings 4/4 times
- Shareholders Meeting in 2009 : Attended Meetings 1/1 time
- The Nomination and Remuneration Committee : Attended Meeting 1/1 time

The Conductor requested the Meeting to vote which results showed that, the Meeting by majority vote approved the reappointment of Mr. Dej Bulsuk as a Company Independent Director for another term, with results as follows:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	429,522,291	99.8553
Disapproved	620,273	0.1442
Abstained	2,000	0.0005

**[4] Mr. Weerawong Chittmittrapap** (Age: 52 years), has been appointed Independent Director of the Company since 2006 (4 Years).

**Education:**

- Bachelor of Laws (LL.B.), Chulalongkorn University
- Master of Laws (LL.M.), University of Pennsylvania U.S.A.
- Thai Barrister-at-Law and the first Thai lawyer admitted to the New York State Bar

**Present positions in the Company:**

- Independent Director / Member of the Audit Committee

**Present position in other companies:** (7 companies)

- Director / Member of the Audit Committee, Thai Airways International Plc.
- Director / Member of the Audit Committee, Siam Food Products Plc.
- Director / Member of the Audit Committee, Berli Jucker Plc.
- Director, Nok Airlines Co., Ltd.
- Chairman, Weerawong, Chinnavat & Peangpanor Ltd. (formally known as "White & Case (Thailand) Ltd.")
- Director, National Power Supply Co.,Ltd.
- Director, National Power Co.,Ltd.

**Other Present works:**

- Qualified Member to Trade Competition Committee, Ministry of Commerce
- Special Speaker, Thai Institute of Directors (IOD)
- Special Advisor, Listed Company Association
- Special Lecturer, Institute of Legal Education, Thai Bar Association

**Present position in other companies that may cause any conflict of interests to the Company:**

- None

**Percentage of Share Holding:**

- None

In addition, Mr. Weerawong has no legal disputes. Her meeting attendance in 2009 is as follows:

- The Board of Directors : Attended Meetings 5/5 times
- The Audit Committee : Attended Meetings 4/4 times
- Shareholders Meeting in 2009 : Attended Meetings 1/1 time

The Conductor requested the Meeting to vote which results showed that, the Meeting by majority vote approved the reappointment of Mr. Weerawong Chittmittrapap as a Company Independent Director for another term, with results as follows:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	429,522,291	99.8553
Disapproved	620,273	0.1442
Abstained	2,000	0.0005

**Agenda 7: To consider and approve the Board of Directors' remuneration in 2010 and acknowledge the Audit Committee's remuneration in 2010.**

The Conductor declared that the Committee has reviewed the Board of Directors' and the Audit Committee's remuneration for 2010, and has carefully considered and evaluated the payment to be appropriate to the duties and responsibilities of each position, the expected value of their contributions to the Company and the compensation benchmarked against their peers in the same industry. Details are as follows:

#### 7.1) The Board of Directors' remuneration for the year 2010

The Committee considered and proposes the Shareholder Meeting approve the Board of Directors' remuneration for the year 2010 at a rate not exceeding 1% of the Company's net profit or Baht 6,000,000. This proposal is identical with the remuneration criteria approved in 2009.

The Board of Directors' remuneration	2010 (proposed year)	2009	2008
Amount not exceed (Baht)	6,000,000	6,000,000	6,000,000

The remuneration comprises meeting fees and annual bonuses allocated by the Chairman of the Nomination and Remuneration Committee. The criteria of payment remains unchanged from 2009, as follows:

**Meeting fees** (paid to Directors who attend the meeting only) (Unit : Baht / person / meeting)

Position	2010 (proposed year)	2009	2008
Chairman	13,000	13,000	13,000
Independent Director (each)	13,000	13,000	13,000
Director (each)	3,000	3,000	3,000

**Annual bonuses:** (Paid once) Criteria for payment remains the same as in 2009.

- Total annual bonuses for the Board of Directors will not exceed Baht 6,000,000, net of total meeting fees paid in 2010. However, the actual bonus to be paid from this remaining amount depends on the Company's overall performance in 2010.

- Payments are allocated according to individual attendance records, with the Chairman of the Board of Directors apportioned twice the amount paid to Directors.

## 7.2) The Sub-Committees' remuneration for the year 2010

The Committee considered and proposes the Shareholder Meeting acknowledge the Audit Committee's remuneration for 2010 in the amount not exceeding Baht 650,000, unchanged from the remuneration approved in 2009, as follows: (Unit : Baht)

Position	2010 (proposed year)	2009	2008
Chairman of the Audit Committee	200,000	200,000	200,000
Member of the Audit Committee (each)	150,000	150,000	150,000
Other Sub-Committees*	-None-	-None-	-None-

\*Other Sub-Committees, namely the Executive Committee, Nomination and Remuneration Committee, the Risk Management Committee and the Sub-CG and Ethics **have not been determined**.

In 2009 and 2008, the Company compensated the Board of Directors and the Audit Committee a total of Baht 5,746,000 and Baht 6,473,000 respectively, (this depends on the Company's performance, and the number of meetings attended by each Director). Details on remuneration for each individual appear in the 2009 Annual Report, page 054.

The Conductor invited shareholders if there were questions but no question was raised. The Conductor then requested the Meeting to vote.

After due consideration, the Meeting by majority vote approved the Board of Directors' remuneration for the year 2010 and acknowledged the Audit Committee's remuneration for the year 2010 according to the proposed opinion from the Board of Directors and the Committee, as follows:

Shareholders entitled to vote	Number of Votes	Percentage
Approved	429,987,964	99.9636
Disapproved	-	-
Abstained	156,600	0.0364

### **Agenda 8: To approve the appointment of the Company's auditor and consider 2010 audit fees.**

The Conductor notified to the Meeting that pursuant to the Public Limited Company Act B.E. 2535, shareholders are responsible for the appointment and determination of the Company auditor's annual audit fee, the Audit Committee has considered and agreed to propose that the Board of Directors and the Meeting to appoint Ernst & Young Office Limited, ("**Ernst & Young**"), the Company's auditor since 1995 (14 years), as the auditor of the Company and its affiliates for the fiscal year ending December 31, 2010, and that any one of the individuals below be responsible to audit and provide an opinion on the financial statements of the Company and its affiliates.



1. Mr. Narong Puntawong, CPA No. 3315 or,  
(certified in the Company's financial statements for 9 years, since 1997 - 2005)
2. Mr. Supachai Phanyawattano, CPA No. 3930 or,  
(never certified in the Company's financial statements)
3. Miss. Siraporn Ouaanunkun, CPA No. 3844 or,  
(certified in the Company's financial statements for 3.5 years, since July 2006 - present)
4. Mr. Ruth Chaowanagawi, CPA No. 3247 (only for the Company's affiliates) or,  
(certified in the Company's financial statements for 2.5 years, since 1995 - 1996 and January - June 2006)
5. Mr. Khitsada Lerdwana, CPA No. 4958 (only for the Company's affiliates)  
(never certified in the Company's financial statements)

In the event that the aforementioned auditors are unable to perform their duties, Ernst & Young will replace the person with another auditor from their firm to audit the accounts and give an opinion on the financial statements of the Company and its affiliates. The auditors have no relationship in any circumstances and have neither conflict of interest with the Company and its affiliates nor the management and major shareholders of the Company and its affiliates.

**Audit fees:**

The Audit Committee considered and proposed to the Board of Directors and the Meeting to approve audit fees for 2010 of GMM Grammy Plc. in the amount not exceeding **Baht 2,800,000**. This amount does not include additional audit fees which may incur from future business restructuring. This audit fee is 6% higher than the fees paid in 2009 as the Group has many businesses and there was considerable complexity in consolidating the accounts. The Company's audit fees are deemed appropriate when compared to that paid by other companies in the same industry.

In addition, the Board considered and agreed with the Audit Committee and proposes the Meeting to acknowledge the audit fees of the Company and its affiliates totaling Baht 9,022,000. This audit fee is a 2% increase over 2009 fees due to the complexity of consolidating the group's accounts. This amount does not include audit fees of Index Event Agency Plc's Group, or audit fees of the new entities that may be acquired and consolidated as a result of business expansion in future.

The Company and its affiliates did not incur any non-audit service fees with Ernst & Young/person/a company related with Ernst & Young, details of audit fees as follows, (Unit : Baht)

Company	2010-Audit fees (proposed year)	% Change	2009-Audit fees
GMM Grammy Plc.	2,800,000	6%	2,635,000
GMM Grammy's affiliates	6,222,000	0.1%	6,215,000
<b>Total (Baht)</b>	<b>9,022,000*</b>	<b>2%</b>	<b>8,850,000</b>
Non-audit service fees	-None-	-	-None-



## Summary of Questions and Answers

### The 2010 Annual General Meeting of Shareholders

Monday 26 April 2010 at 2.10 p.m.

---

**Question 1:** Mr. Pawin Pichvanich, a shareholder, asked whether total revenues in the music business included total revenue from both domestic and international businesses, and what proportion of total music revenue was derived from international sources.

**Answer:** Mr. Sumeth Damrongchaitham, Director and Company Secretary, indicated that total music revenues combined domestic and international revenue sources. Presently, the proportion of revenue from the Company's international business remains minuscule compared to domestically generated sources which generates considerably higher sales, due to the continued popularity of Thai music compared to foreign music. Thus, international music revenue comprises approximately 3 - 5% of total music revenue.

**Question 2:** Mr. Pawin Pichvanich, a shareholder, stated that AVEX Entertainment (Japan) organizes a mini-concert performed by select artists at its annual general meeting, and asked whether the Company has plans to host a mini-concert for its shareholders.

**Answer:** Mr. Sumeth Damrongchaitham stated that over the past few years ever since growing numbers of companies listed at the Stock Exchange of Thailand have differentiated themselves from each other by hosting the Annual General Meeting in a variety of ways, resulting in comparisons across companies. Mr. Sumeth indicated that he had met with the Management of the Stock Exchange of Thailand and the Thai Listed Companies Association many times regarding this matter, and that these two governing bodies are seeking appropriate and standardized formats for listed firms' annual general meetings to avoid cross-company comparisons. Meanwhile, the Company will try to treat its shareholders equitably.

**Question 3:** Mr. Pawin Pichvanich, a shareholder, additionally asked what types of music copyrights the Company has.

**Answer:** Mr. Krij Thomas, Director, answered that the Company's agreements on foreign copyrights were in the form of exchanging services. For instance, the Company is responsible for distributing music and managing copyrights of foreign music in Thailand, while foreign companies manage the distribution and copyrights of Thai music abroad.

**Question 4:** Mr. Pawin Pichvanich, a shareholder, queried why the release and distribution of music CDs from AVEX Entertainment (Japan) in Thailand lagged on average six months behind Japan and Hong Kong.

**Answer:** Mr. Krij Thomas explained that the sale of music CDs by AVEX Entertainment (Japan) in Thailand was slower than in Japan and Hong Kong due to details in managing music publishing terms with AVEX Entertainment, since it does not own 100% of all the songs they distribute. Therefore, AVEX Entertainment's ability to sign the copyrights over to another country or Thailand for distribution requires considerable documentation, resulting in a distribution delays in Thailand.

**Question 5:** Mr. Sarayuth Thanatipukanon, a shareholder's proxy, asked about the 2009 Annual Report page 38 "**Industry trends - Environment and Competition**" where it is stated, "the Group's goal is to be a leader in satellite television, both as a producer of highly rated programs for each group of target audience in each program genre, and being capable of paying back its investments within two years. Moreover, it should be able to generate profits in line with its market share of the audience which will significantly shift away from watching free television to satellite and cable television within the next 3 - 5 years."

There are three questions that Mr. Sarayuth posed regarding this excerpt, namely: (1) Has the satellite television business achieved payback? (2) What measures does the Company implement to manage risks related to advertisement budgets from satellite television? (3) Presently, there are numerous competitors in the industry. How does the Company plan to guide this business to achieve its targets? And (4) The proportion of satellite television revenue in 2009, equivalent to 117 million baht. As there were no expenses indicated, does this figure indicate a profit or a loss?

**Answer:** Mr. Krij Thomas responded to each question as follows: (1) Some of the Company's satellite television channels were profitable, while others will begin to payback within 2010. (2) Presently, clients and large agencies have increasingly invested in advertising budgets for satellite television with the Company. Nonetheless, as stated earlier, the Company expects that the number of viewers who turn to cable and satellite television will rise significantly due to the replacement of television aerials by satellite dishes due the greater number of channels and clearer signals. Therefore, this business has prospects of growing and occupying a greater share of clients' advertising budgets in the future.

Mr. Sumeth Damrongchaitham replied to question (3) that it is easy to invest and profit from satellite television businesses today because there are very low costs in increasing additional satellite channels. Therefore, there are many competitors. However, retaining and growing the business' market share is much more challenging for companies that are not sufficiently strong since this requires considerably heavy investing and managing the business seven days a week, 24 hours daily. Thus, companies that are not owners of program content will discover that the costs of investing in production costs will be greater than companies with pre-existing content.

Mr. Sumeth also addressed question (4) regarding the satellite business revenue stream in 2009 of 117 million baht, which was entirely composed of external revenue. Expenses incurred in this business was incurred in purchasing advertisements and publicizing this medium.

From the end of 2008 until 2009, the costs of public relations and advertisements have fallen steadily while investment costs were primarily due to operating costs and utilizing existing content, which meant that their production costs were barely incurred. Most channels were related to music, which is a way of presenting the Company's music in a different way, formatting it is more interesting. On the other hand, Acts Channel focuses on airing drama re-runs of existing content.

**Question 6:** Mr. Taweachat Julangkoon, a shareholder, proposed two ideas for consideration, namely (1) The Company create a channel so that shareholders can conveniently and quickly receive news updates, in terms of activities, concerts, musicals and various events, since each shareholder has varying interests. (2) Given the present political situation, will the Company adjust its operating strategies? If so, how?

**Answer:** Mr. Sumeth Damrongchaitham explained that for question (1) that the channel to receive the latest news for shareholders and investors is at the Company's website ([www.gmmgrammy.com](http://www.gmmgrammy.com)) which has pop ups with updates on businesses and events. Nevertheless, the Company will consider this suggestion and perhaps create newsletters, but was concerned with the frequency of the messages which may disturb shareholders.

For question (2), Mr. Sumeth indicated that the Company normally sets its work and events strategy 3 - 5 months ahead, which will incur publicity expenses across various channels, including ticket sales to the audience, and selling advertisements to key sponsors. Therefore, current political conditions have some impact on the Company's concerts, musicals and various events. However, adjusting operating plans within a short duration is quite difficult, as it incurs additional publicity costs. Nevertheless, the Company reviews its strategies and revises its plans every 6 months, in accordance with circumstances.

-----