

MEDIA

Grammy unit sells 22.12% holding in 'Matichon' daily

GMM Media (GMMM), a subsidiary of GMM Grammy Plc, sold its 22.12% stake in Matichon Plc, the publisher of *Matichon*, *Khao Sod* and *Prachachart Turakij* newspapers, for 470 million baht.

The Stock Exchange of Thailand reported a big lot sale of 42.388 million Matichon shares by GMMM for 469.94 million baht, an average price of 11.09 baht apiece. The buyers were not disclosed.

A Grammy executive said GMMM had sold its entire stake in Matichon Plc because Grammy wanted to raise funds to invest in digital TV, for which it has a budget of up to 5 billion baht.

"We don't know who bought Matichon shares from us. We just placed them in the market," the executive said.

GMMM was the second-largest shareholder in Matichon. The largest shareholder is chairman and founder Kanchai Boonpan, who owns 34.93% or some 64.74 million shares.

Matichon has total paid-up shares of 185.349 million baht.

In September 2005, entertainment tycoon Paiboon Damrongchaitam, founder of Grammy, bought a stake in Matichon through GMMM at an average price of about 11.10 baht a share.

It was suspected at the time there was a political motivation for Mr Paiboon's stake in Matichon, as he has a close tie with former premier Thaksin Shinawatra.

Markets speculate the buyer of the stake is Somporn Juangroongruangkit, one of the richest tycoons on the Forbes Thailand Richest list. Mrs Somporn, president of the auto-parts maker Thai Summit Group, was previously the major shareholder of Nation Multimedia Group Plc.

Matichon (MATI) shares on the SET fell 20 satang yesterday to close at 10.50 baht in trade worth 503.95 million baht. Grammy shares closed at 23.60 baht, down 20 satang, in trade worth 707,000 baht.