

GMM Grammy issues new shares ahead of licence bid

THE NATION

IN PREPARATION for its bid to secure digital terrestrial TV licences, entertainment giant GMM Grammy yesterday issued 106,052,989 new ordinary shares at par value of Bt1 each, to be offered to existing shareholders at a ratio of one new share per five existing ordinary shares at a price of Bt10 each.

Meanwhile, GMM Grammy's board consented to a Bt106,052,989 increase in the firm's registered capital from Bt530,264,947 to Bt636,317,936 through the issuance of the new ordinary shares.

The move is part of the firm's strategic investment plan, which encompasses the coming digital terrestrial TV business and further expansion in existing media, music and entertainment business.

"This is the last piece in the jigsaw puzzle to complete our goal of being the king of media and content," chief executive officer Busaba Daoruang said yesterday.

Busaba added that the digital terrestrial TV business was a key milestone in the firm's almost 30-year history. The

National Broadcasting and Telecommunications Commission (NBTC) is set to hold the country's first spectrum auction of 24 commercial digital terrestrial TV licences by the end of the current quarter. GMM Grammy plans to join this unique bid and hopes to clinch three types of commercial TV licences: variety channels in both standard and high definition, and a children's channel.

The company has earmarked about Bt4 billion for the bid and for operating costs of the new digital TV stations.

To facilitate the new investment, the company sold 42.39 million shares held by its subsidiary GMM Media in the Matchon publishing group, amounting to 22.12 per cent of its total holding, at Bt10.09 per share. The sale was valued at about Bt469.94 million.

Last week, GMM Media also sold the majority of its holding in Post Publishing.

Apart from the new digital terrestrial TV business, the company is focused on pay-TV service under its GMM Z brand, with annual investment of about Bt2 billion.