

**Objectives and rationale of the Board of Directors' opinions
to facilitate shareholders' considerations**

Agenda 1 To certify the Minutes of the 2018 Annual General Meeting of Shareholders convened on April 27, 2018

The Company Secretary had prepared the minutes of the 2018 Annual General Meeting of Shareholders convened on April 27, 2018 which was subsequently considered by the Board who agreed that the said minutes correctly contained complete information and the resolutions of such meeting. The questions, answers and clarifications from the Board and the management were also attached to the minutes. Apart from having been delivered to the Stock Exchange of Thailand within 14 days from the date of the meeting, the minutes has also been posted on the Company's website at www.gmmgrammy.com for the shareholders to acknowledge and check its accuracy within an appropriate period. No shareholder raised an objection or requested an amendment to the minutes. (Please see details in Enclosure 2) Therefore, it was deemed appropriate to present the minutes of the 2018 Annual General Meeting of Shareholders convened on April 27, 2018 to the Meeting to certify the minutes.

Required Resolution:

According to the Company's Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote.

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Agenda 2 To acknowledge the operational results and the Annual Report for the year 2018

The report by the Board and management with respect to the Company's business performance for the year 2018 ended December 31, 2018 has been produced portraying the operational results of the Company during 2018. The Board, having considered and deemed it correct and sufficient, hereby proposes that the Meeting acknowledge the Company's business performance during 2018 and as contained in the 2018 Annual Report which were delivered to the shareholders together with this Invitation Letter.

Required Resolution:

This agenda does not require any vote as this is to inform the Meeting for acknowledgement.

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Agenda 3 To approve the Statements of Financial Position and the Comprehensive Income Statements for the fiscal year ending December 31, 2018

In accordance with Section 112 of the Public Limited Companies Act B.E.2535 (and as amended), the Company has to prepare the latest Statement of Financial Position and the Income Statement as at the end of the Company's fiscal year, to be presented and approved at the Annual General Meeting. The Company's Statement of Financial Position and the Comprehensive Income Statement for the year as of December 31, 2018, had been reviewed by the Board and the Audit Committee, having considered and deemed them correct, complete and sufficient pursuant to the

generally accepted accounting standards, and was duly audited and certified by auditors from **EY Office Limited**, who is the auditor of the Company. Details from the Statement of Financial Position and the Comprehensive Income Statement as of December 31, 2018 appears in the 2018 Annual Report and a printed summary of key financial information from the 2018 Annual Report is also attached to this Invitation Letter (Enclosure 3)

Required Resolution:

According to the Company's Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote.

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Agenda 4 To approve the omission of profit apportionment as statutory reserve fund from the 2018 operational results

According to Section 116 of the Public Limited Companies Act B.E.2535 (and as amended) and the Company's Articles of Association, Clause 38 which stated "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."

Therefore, in order to comply with the law and the Company's Articles of Association, the Board proposed to the Meeting to approve the omission of profit apportionment as statutory reserve fund from the 2018 operational results. Because at present the Company has the appropriation of as statutory reserve fund of 81,994,972.90 Baht which is equivalent to 10 percent of the registered capital at the amount of 819,949,729 Baht.

Required Resolution:

According to the Company's Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote.

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Agenda 5 To approve the omission of dividend payment from the 2018 operational results

The Company has a policy paying the dividends to shareholders at a rate of not less than 40% of the net profit after corporate income tax each year, based upon the separate Company's financial statements. According to Section 115 of the Public Act and the Company's Articles of Association Clause 37 which stated that "Dividends cannot be disbursed from other sources of funds except profits. In the event that the Company has accumulated losses, no dividends will be paid"

According to the Company's performance in 2018 (Separate financial statements), the Company recorded a net profit of 15.11 million Baht, nonetheless, the accumulated losses (Separate financial statements) is equal to 3,032.66 million Baht. Therefore, it should not be able to pay the dividend. Therefore, the Board deemed appropriate to propose to the Meeting consider and approve the omission of dividend payment from the 2018 operational results

Details comparing the past 3 years for the dividend payments are shown as follows:

Details of dividend payment	Separate financial statements				
	2018	2017	2016	2015	2014
Net Profits/(Loss):Million Baht	15.11	515.78	408.25	(930.00)	(3,963.3)
Retained Earnings/(Deficit):Million Baht	(3,032.66)	(3,054.06)	(3,580.60)	(3,970.49)	(3,015.2)
Earnings /(Loss) per Share:Baht	0.02	0.63	0.50	(1.13)	(6.02)*
Rate of Dividend Payment					
• Interim Dividend Payment (Baht/Share)	-	-	-	-	-
• Annual Dividend Payment (Baht/Share)	None	-	-	-	-
Total Dividends Payment (Baht per Share)	-	-	-	-	-
Number of Shares (Million Share) - new	819.9	819.9	819.9	819.9	819.9
Total Dividend Payouts (Million Baht)	-	-	-	-	-
Dividend Payout Ratio (%)	-	-	-	-	-

*Weighted Average

Required Resolution:

According to the Company's Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote.

Agenda 6 To approve the appointment of directors in place of those who are due to retire by rotation for the year 2019

Pursuant to the Public Act and Clause 14 of the Company's Articles of Association, one-third of all directors shall be retired by rotation each year. At this 2019 Annual General Meeting of Shareholders, there are 4 directors (from 11 directors) due to retire by rotation, namely:

Name	Position in the Board	Position in the Sub-Committees
1. Dr. Naris Chaiyasoot	Independent Director	<ul style="list-style-type: none"> Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee
2. Mr. Chanitr Charnchainarong	Independent Director	<ul style="list-style-type: none"> Member of the Audit Committee

Name	Position in the Board	Position in the Sub-Committees
3. Mrs. Saithip Montrikul na Audhaya	Director (Authorized Director)	-
4. Mr. Fahmai Damrongchaitham	Director (Authorized Director)	<ul style="list-style-type: none"> • Member of the Group Executive Committee • Member of the Risk Management Committee

With respect to the Company's Good Corporate Governance Policy, the shareholders were given the opportunity to nominate the names of qualified persons for being considered to be elected as directors in advance for the 2019 Annual General Meeting of Shareholders via the Company's website www.gmmgrammy.com, from October 1, 2018 to January 2, 2019. However, there was no shareholder nominating the qualified persons to the Company.

The Nomination and Remuneration Committee (the "NRC") at the Meeting No.1/2019 held on February 28, 2019 (excluding the director who have conflicts of interest in this agenda) had deliberately considered, taking into account the individual directors' qualifications in various aspects based on the best interest of the Company under the policy, criteria and nomination process of the Company, and found that all the 4 retired directors, namely (1) Dr. Naris Chaiyasoot, (2) Mr. Chanitr Charnchainarong, (3) Mrs. Saithip Montrikul na Audhaya and (4) Mr. Fahmai Damrongchaitham are fit to work for the Company as the directors for another term by reason of their qualifications that meets the requirements of the Public Act, have qualifications suitable for the business of the company, their knowledge, abilities, experience, vision, and working performance including their devotion and support to the Company's business operation in the past years.

By considering to propose to (1) Dr. Naris Chaiyasoot and (2) Mr. Chanitr Charnchainarong as an independent director because they are qualified in accordance with the definition of the independent directors of the Securities and Exchange Commission, the Stock Exchange of Thailand and the Company and both of you will be able to give opinions independently as an independent director and member of audit committee. Throughout their term, have performed their duties with responsibility, due care and integrity, in compliance with laws and the Company's objectives and regulations, and the resolutions of the Board of Directors and the Shareholders' meetings throughout the time of his directorship in the past, and in accordance with relevant guidelines details of the definition of independent directors of the company according to the attachment 4.5

Additional Information of Director Qualification

Mr. Fahmai Damrongchaitham is a director and holds 25% shares of Judtangton Co., Ltd, which the objective of such company is to be a Social Enterprise. Such company holds 50% shares of Suesa Tid Peak Krub Co., Ltd., which produced television programs that in a manner similar to the operation of the Company. In the year 2016, Suesa Tid Peak Krub Co., Ltd. has television program to support the startup business of the new generation people in society. However, Mr. Fahmai

Damrongchaitham is also a director of Suea Tid Peak Krub Co., Ltd, therefore would like to inform the meeting to acknowledge.

Therefore, the Board (except those 4 retired directors who have conflicts of interest in this agenda), considered and scrutinized carefully the suitability of the person who was nominated for this time have qualifications suitable for the business of the company. In accordance with the opinion of the NRC above and agreed with the NRC to propose the Meeting to endorse the appointment of the 4 aforementioned candidates as the Company's directors. Their profiles and other supporting information and the qualification of the Company's independent director are set out in Enclosure 4.1 - 4.5.

Required Resolution:

A resolution for electing directors can be passed according to the method and procedure as stated in Clause 13 of the Company's Articles of Association (Enclosure 6).

Agenda 7 To approve the remunerations of the Board of Directors and subcommittees for the year 2019

For the 2019 Annual General Meeting of Shareholders, the NRC and the Board considered the Board's remuneration and the Sub-Committees' remuneration for the year 2019 according to the Company's the guidelines and procedures by considering various factors in support of their determination, including the scope of responsibilities, contributions, work performance of the Company's directors, business expansion, a comparison with other companies in the same industry and similar nature of business, as well as the report of the 2018 Survey on Directors' Remuneration of Listed Companies in the Stock Exchange of Thailand conducted by Thai Institution of Directors (IOD). It was apparent that the Company's Board of Directors' and Audit Committee's remuneration was not different from the overall market average rate. Therefore, it was deemed appropriate to propose to the Meeting as the followings:

1) The Board of Directors and Audit Committee's Remuneration

It was deemed appropriate to propose the Meeting to approve the Board of Directors and Audit Committee's remuneration for the year 2019 as follows:

1.1) Monetary Remuneration

It was deemed appropriate to approve the Board of Directors and Audit Committee's remuneration totaling at the amount of 6,650,000 Baht (Six million six hundred and fifty thousand Baht), which is the same amount as the previous year, comprising of the monthly remuneration, the meeting allowance (being paid to a director who attends the meeting only) and annual bonus, as detailed below:

(Unit: Baht/year)

Committee	2019 (Proposed)	2018	2017	2016
The Board of Directors	Total proposed remuneration not exceeding 6,650,000 Baht	Total remuneration not exceeding 6,650,000 Baht	Total remuneration not exceeding 6,650,000 Baht	6,000,000
Audit Committee				650,000

1.2) Non-Monetary Remuneration / Other Benefits

- None -

2) The Board of Directors' Remuneration Criteria

- **Monthly Remuneration pay to the Board of Directors.**

Committee	Position	Monthly Remuneration (baht / person / month)			
		2019 (Proposed)	2018	2017	2016
The Board of Directors	Chairman of the Board	50,000	50,000	50,000	-
	Independent Director	20,000	20,000	20,000	-
	Non-Executive Director	20,000	20,000	20,000	-
	Executive Director *	- None -	- None -	- None -	-

Remarks: * The Executive Director receives salary from being an employee of the Company.

- **Meeting Allowance (Being paid to a director who attends the meeting only)**

Committee	Position	Meeting Allowance (baht / person / time)			
		2019 (Proposed)	2018	2017	2016
The Board of Directors	Chairman of the Board	20,000	20,000	20,000	13,000
	Independent Director	20,000	20,000	20,000	3,000
	Non-Executive Director	20,000	20,000	20,000	3,000
	Executive Director *	- None -	- None -	- None -	3,000

Remarks: * The Executive Director receives salary from being an employee of the Company.

- **Annual Bonus**

The 2019 Annual Bonus will be paid from the rest of the remuneration of the Board of Directors and Audit Committee, after deducting the monthly remuneration and meeting allowances paid to the Company's directors and the Audit Committee. The Annual Bonus will be calculated in proportion to the number of attendance at the Board of Directors Meeting of each director. The Chairman of the Board will receive twice of his attendance. Independent Director, Executive Director and Non-Executive Director will receive one time of their attendance. The Chairman of the Nomination and Remuneration Committee is responsible for approving the appropriation of such Annual Bonus.

3) The Sub-Committees' Remuneration

It was deemed appropriate to propose the Meeting to approve the Sub-Committees' remuneration which were appointed by the Board as follows:

The Audit Committee

The Audit Committee's Remuneration Criteria as follows;

- **Monthly Remuneration pay to the Audit Committee.**

Committee	Position	Monthly Remuneration (baht / person / month)			Yearly Remuneration *
		2019 (Proposed)	2018	2017	(baht / person / Year)
The Audit Committee	Chairman of the Audit Committee	30,000	30,000	30,000	200,000
	Member of the Audit Committee	10,000	10,000	10,000	150,000

Remarks: * The Audit Committee's remuneration has changed from yearly remuneration to monthly remuneration since 2017

- **Meeting Allowance** (Being paid to a member who attends the meeting only)

Committee	Position	Meeting Allowance (baht/person/time)			
		2019 (Proposed)	2018	2017	2016
The Audit Committee	Chairman of the Audit Committee	20,000	20,000	20,000	-
	Member of the Audit Committee	20,000	20,000	20,000	-

- **Non-Monetary Remuneration / Other Benefits**

- None -

Other Sub-Committees

Other sub-committees, namely the Nomination and Remuneration Committee, the Risk Management Committee, the Corporate Governance and Ethics Committee, and the Group Executive Committee received no remuneration.

The Board of Directors and the Audit Committee's remuneration payment in 2018 (by individual)
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In 2018, the Company compensated the Board of Directors and the Audit Committee in a total of 6,650,000 baht (Six million six hundred and fifty thousand baht), which is equal to the amount approved by the 2018 Annual General Meeting of Shareholders. Details on remuneration for each director in 2018 are as follows:

Name	Title	Remuneration for the Board of Directors (BOD)			Remuneration for the Audit Committee (AC)		Non-monetary	Total Remuneration (BOD+AC) (Baht)
		Meeting Allowance	Monthly Remuneration	Director's annual gratuity	Meeting Allowance	Monthly Remuneration		
		(Baht)	(Baht)	(Baht)	(Baht)	(Baht)		
1. Mr. Paiboon Damrongchaitham	Chairman	80,000	600,000	420,000	-	-	None	1,100,000
2. Dr. Naris Chaiyasoot	Chairman of the Audit Committee+ Independent Director	100,000	240,000	262,500	80,000	360,000	None	1,042,500
3. Mr. Chanitr Charnchainarong	Member of the Audit Committee+ Independent Director	100,000	240,000	262,500	80,000	120,000	None	802,500
4. Mr. Suvit Mapaisansin	Member of the Audit Committee+ Independent Director	100,000	240,000	262,500	80,000	120,000	None	802,500
5. Mrs. Veeranuch Thammavaranucupt	Member of the Audit Committee+ Independent Director	60,000	240,000	157,500	20,000	120,000	None	597,500
6. Miss Suwimon Jhungjotikapisit	Non-Executive Director	100,000	240,000	262,500	-	-	None	602,500
7. Dr. Lackana Leelayouthayotin	Non-Executive Director	100,000	240,000	262,500	-	-	None	602,500
8. Mrs. Saithip Montrikul Na Audhaya	Non-Executive Director	60,000	200,000	210,000	-	-	None	470,000
9. Miss Boosaba Daorueng	Director / Executive Director	-	-	262,500	-	-	None	262,500
10. Mr. Phawit Chitrakorn	Director / Executive Director	-	-	210,000	-	-	None	210,000
11. Mr. Fahmai Damrongchaitham	Director / Executive Director	-	-	157,500	-	-	None	157,500
Total Remuneration (Baht)		700,000	2,240,000	2,730,000	260,000	720,000		6,650,000

Remark:

\1 Mrs. Saithip Montrikul Na Audhaya is a new non-executive director since March 1, 2018, due to the resolution of the Board of Directors No. 2/2018 on February 27, 2018, approving a new management structure.

Required Resolution:

According to Section 90 of the Public Act, a resolution under this agenda can be passed with a vote of not less than two-thirds (2/3) of the total votes of the shareholders attending the meeting.

Agenda 8 To approve the appointment of the auditors and the determination of the audit fee for the year 2019

Pursuant to the Public Act, shareholders are responsible for the appointment of the Company's auditors and its annual audit fee. Under the Notice of the Capital Market Board No. Tor Chor. 75/2561 (No.14) Re: Rules, conditions and procedures for information disclosure relating to the financial condition and operating results of issuing companies on "Auditor Rotation" whose key points can be summarized as follows: "Listed companies must ensure the rotation of its auditor. In case auditor has reviewed and/or audited and commented on the financial statements of the Company for seven consecutive accounting periods whether consecutive or not, the company will be able to appoint the above auditor at least after the end of the next five accounting periods."

For the 2019 Annual General Meeting of Shareholders, after due consideration by the Board, with a consent from the Audit Committee, it was deemed appropriate to re-elect **EY Office Limited ("EY")**, the Company's auditor since 1995 (24 years) and being certified by the Office of Securities and Exchange Commission, as the auditor of the Company for the fiscal year ending December 31, 2019. That was because of their good working standard, independence and satisfied performance during the past years. The Meeting was proposed to appoint any one of the individuals below be responsible to review, audit and provide an opinion on the financial statements of the Company:

The Company's Auditors:

1. Mr. Termphong Opanaphan CPA No. 4501 or,
(certified in the Company's financial statements in 2011-2012 ,2017 and 2018)
2. Mr. Khitsada Lerdwana CPA No. 4958 or,
(certified in the Company's financial statements in 2013-2015)
3. Mrs. Ponnard Paocharoen CPA No. 5238
(never certify in the Company's financial statements)

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

In addition, the following auditors of EY are the auditors of the Company's affiliates:

The Company's affiliates' Auditors:

1. Mr. Termphong Opanaphan CPA No. 4501 or,
2. Mr. Khitsada Lerdwana CPA No. 4958 or,
3. Mrs. Ponnard Paocharoen CPA No. 5238

The Audit Fee

The Board with the consent from the Audit Committee considered and deemed it appropriate to propose to the Meeting to approve audit fees for the year 2019 of GMM Grammy Plc. at the amount of **3,053,600 baht** (Three million fifty three thousand six hundred baht), as same as the previous year (This amount excludes additional audit fees which may incur from future business restructuring). The Board opined that the amount was appropriate and competitive to those of other audit firms proposed to the Company.

In the previous year, the Company and its affiliates did not receive any other kind of services (Non-audit services) from EY. The audit fee of the Company could be summarized as follows:

(Unit: Baht)

Company	2019 Audit fee (Proposed)	% Change	2018 Audit fee	% Change	2017 Audit fee
GMM Grammy Plc.	3,053,600	0%	3,053,600	0%	3,053,600
Non-audit service fee	- None -	-	- None -	-	- None -

Required Resolution:

According to the Company’s Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote.

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Agenda 9 To approve the allocation of statutory reserve and share premium to compensate for the deficit in Retained Earnings .

According to the Public Limited Companies Act B.E.2535 which was amended (Version 2) in B.E.2544 Section 119 the clause states that “Where approval of the shareholder meeting has been granted, the Company may transfer other reserves which are from the reserve fund referred to in Section 51 or Section 116 or other reserves to compensate for the deficits in Retained Earnings of the Company.

The compensation for the deficits in Retained Earnings of the Company shall be less in the following order of the other reserves, the reserve fund according to Section 116 and Section 51 accordingly”.

The transferring of the reserve fund according to Section 51 (the reserve fund causing from the share premium of the par value), the reserve fund from Section 116 (the statutory reserve fund) or other reserves to compensate for the deficits in Retained Earnings of the Company would be performed upon the approval of the shareholder meeting has been granted. In this regards, by virtue of Section 119 of the Public Company Amendment Act B.E.2544 , the compensation for the deficits in Retained Earnings of the Company shall be less in accordance with the following order:

1. Other reserves fund:
2. The statutory reserve fund according to Section 116 of the Public Company Act; and
3. The reserve fund causing from the share premium of the par value according to Section 51 of the Public Company Act.

To undertake the above mentioned reserve fund to compensate for the deficits in Retained Earnings of the Company, the Company is required to obtain an approval from the shareholder meeting. The accumulation of the losses of the Company shall be less by the following order of the other reserves fund, the statutory reserve fund and the reserve fund causing from the premium of the par value.

At present, the Company has deficit in Retained Earnings in accordance with the financial statements as of 31 December 2018 in an amount of Baht 3,032,655,571, so the Company is preparing to be able to pay dividends in the future when the net profit and cash flow is sufficient. The Company is therefore required to statutory reserve amount of Baht 81,994,973 and share premium amount of Baht 2,950,660,598 to compensate for deficit in Retained Earnings of the Company in accordance with the financial statements as of 31 December 2018 in an amount of Baht 3,032,655,571. Consequently , the Company will have outstanding share premium of Baht 1,896,968,197 and its deficit in Retained Earnings will be zero. The company will therefore be able to pay dividend in the future if the Company has profits.

The following table shows details of the transferring of statutory reserve and share premium to compensate for deficit in Retained Earnings of the company in the separate financial statements as of 31 December 2018

(Unit: Million Baht)

	Separate financial statements
Deficit as of 31 December 2018	(3,032.66)
Step 1 : Transfer the statutory reserve to compensate for the deficit	81.99
Step 2 : Transfer the share premium to compensate for the deficit	2,950.66
Total amount of compensation for the deficit	3,032.66
The deficit after compensation	0
Share premium after compensating for the deficit	1,896.97

The Board's opinion: The Board considered various suitability and taking into the highest benefits to the shareholders of the Company completely , therefore, deemed it appropriate to propose that the Meeting consider and approve the allocation of statutory reserve amount of Baht 81,994,973 and share premium amount of Baht 2,950,660,598 to compensate for deficit in Retained Earnings of the Company in accordance with the financial statements as of 31 December 2018 in an amount of Baht 3,032,655,571. Consequently, the Company will have outstanding share premium of Baht 1,896,968,197 and its deficit in Retained Earnings will be zero. The Company will therefore be able to pay dividend in the future if the Company has profits.

Required Resolution:

According to the Company's Articles of Association, a resolution under this agenda can be passed with a simple majority vote of the shareholders who attend the meeting and cast the vote..

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Agenda 10 Other matters (If any)

The Board deemed it appropriate to include this agenda so as to be in accordance with Section 105 of the Public Act stating that shareholders holding not less than one-third of the total number of shares sold, may request the meeting to consider any matter other than those specified in the meeting notice, and also for shareholders to ask any questions or provide any opinions (if any) and/or so that the Board shall answer or give explanation to shareholders. Also in case that there were shareholders sent their inquiries or comments in advance.

However, according to the Principles of Corporate Governance of Listed Company issued by Thai Institute of Directors (IOD) and AGM Checklist of Thai Investors Association, it is not recommended to add any other agendas that are not specified in the invitation letter to the Meeting for approval or vote casting.

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Additional Facts on the Meeting Agenda

In order to comply with the Company's Good Corporate Governance Policy, the Company has invited all shareholders to propose agenda for the 2019 Annual General Meeting of Shareholders via the Company's website at www.gmmgrammy.com from October 1, 2018 to January 2, 2019. However, there was no shareholder propose any agenda to the Company. The Board, therefore, deemed it appropriate to set the agendas for the 2018 Annual General Meeting of Shareholders as appears in this Invitation Letter.
