



Minutes of the Annual General Meeting of Shareholders for the Year 2004
GMM Grammy Public Company Limited
Held on Monday 26th day of April, 2004 at 4.00 p.m.

Held at the Auditorium located on 21st Floor, GMM Grammy Place, 50 Sukhumvit 21 (Asoke), Klongtoei-nuea, Wattana, Bangkok 10110

Attendants : The shareholders and proxies attending the Meeting were totally equal to **48 persons** representing **346,853,318 shares** which were equivalent to **70.79 percent** of the total shares of the Company in the **amount of 490 million shares** (equivalent to registered capital of 500 million shares less treasury stocks of 10 million shares, which are not constituted a quorum). The said amount constituted a quorum.

Time of Commencement : 4.00 p.m.

Opening of the meeting : The Chairman of the Company has been engaged with an urgent matter and cannot attend the Meeting. The Meeting, therefore, appointed **Ms.Boosaba Daorueng** to act as the Chairman of the Meeting (“the Chairman”). The Chairman requested **Mr.Sumeth Damrongchaitham**, the Company’s Chief Operating Officer and Acting Chief Financial Officer, to be the Host of the meeting (“the Host”), he asked the Meeting to consider the following agendas :

Agenda 1 To certify the minutes of the Year 2003 Annual General Meeting of Shareholders held on April 29, 2003.

The Host proposed the Meeting to approve the minutes of the Annual General Meeting of Shareholders for the Year 2003 held on April 29, 2003 of which details are shown in a copy of the said minutes circulated to each shareholder prior to this Meeting.

Resolved : The Meeting considered and resolved to certify the minutes of the Annual General Meeting of Shareholders for the Year 2003.

Agenda 2 To approve the Company’s balance sheet as at December 31, 2003 and profit and loss statement for the Year ended December 31, 2003.

The Host declared the operational results of the Year 2003 to the Meeting as described in details in the annual report for the Year 2003 submitted to each shareholder prior to this Meeting.

In addition, the Host proposed the Meeting to consider balance sheet as at December 31, 2003 and profit and loss statement for the year ended December 31, 2003 already certified by the Company’s auditors as follows:

Consolidated balance sheet as at December 31, 2003 in comparison with the Year 2002.

(Unit : Million Baht)

	<u>As at</u>		<u>Changing</u>
	<u>December 31, 2003</u>	<u>December 31, 2002</u>	<u>increase (decrease)</u>
Total assets	5,025.9	5,851.9	(826.0)
Total liabilities	1,654.4	1,823.2	(168.8)
Minority interest	280.2	367.7	(87.5)
Shareholders' equity	3,091.3	3,661.0	(569.7)

The operational results for the year ended December 31, 2003 in comparison with the Year 2002.

(Unit : Million Baht)

	<u>Year Ended</u>		<u>Changing</u>
	<u>December 31, 2003</u>	<u>December 31, 2002</u>	<u>increase (decrease)</u>
Total income (inclusive of interest income)	5,986.5	5,721.1	265.4
Total costs and expenses	5,154.5	4,692.0	462.5
Corporate income tax	226.9	359.9	(133.0)
Earnings before minority interest	605.1	669.2	(64.1)
Minority interest in net earnings of subsidiaries	(80.0)	(4.9)	(75.1)
Net earnings for the year	525.1	664.3	(139.2)
<i>Net earnings per share (Baht)</i>	<i>1.07</i>	<i>1.34</i>	<i>(0.27)</i>

Resolved : The Meeting acknowledged the annual report of the Company and unanimously resolved to approve the balance sheet as at December 31, 2003 and the profit and loss statement for the year ended December 31, 2003 and certified the operational results as proposed by the Host.

Agenda 3 To approve the allocation of net profit for legal reserve and the allocation of operational results and retained earnings to be paid out as the annual dividend for the Year 2003.

The Host declared that the Company was profitable and had full legal reserve in compliance with the applicable laws where a reserve for not less than 10 percent of the registered capital is required. The Board of Directors therefore, proposed not to reallocate more legal reserve.

In regard to dividend, the Host informed the Meeting that the Board of Directors' meeting No.3/2003 held on August 13, 2003 resolved the payment of interim dividends for the Year 2003 to the Company's shareholders of Baht 0.55 per share, for the total common stock of 490 million shares, totaling Baht 269,500,000 (Baht Two Hundred Sixty Nine Million Five Hundred Thousand Only), **which was already paid on September 12, 2003.**

In regard to the annual dividend for the Year 2003, the Board of Directors had proposed to the Meeting to approve to pay dividend earned from the operational results of the Year 2003 and retained earnings of **Baht 0.55 per share, for the total common stock of 490 million shares** (registered capital of 500 million shares less treasury stocks of 10 million shares, which are not eligible to dividend payments), **totaling Baht 269,500,000** (Baht Two Hundred Sixty Nine Million Five Hundred Thousand Only), **to be paid out on Monday, May 17, 2004.** The dividend to be paid out do not include the aforementioned interim dividends which were already paid out. **Therefore, the total dividend for the whole Year of 2003 operational results and retained earnings is Baht 1.10 per share.**

Resolved : The Meeting considered and unanimously resolved to approve not to re-allocate additional legal reserve, acknowledged the payment of interim dividend and unanimously resolved to approve the annual dividend payment earned from the operational results of the Year 2003 and retained earnings of Baht 0.55 per share , for the total common stock of 490 million shares, totaling Baht 269,500,000 (Baht Two Hundred Sixty Nine Million Five Hundred Thousand Only), to be paid out on Monday, May 17, 2004.

Agenda 4 **To approve the appointment of new director and election of new directors to replace those who are retiring on rotation and consider the remuneration of the Board of Directors.**

The Host declared to the Meeting that for management efficiency, the Board of Directors' meeting resolved to propose to the Meeting to appoint **Mr.Sumeth Damrongchaitham** to be a new director, whose competency and experiences are deemed beneficial to the Company and qualifications are in compliance with the Public Company Act B.E.2535 and the Securities Act B.E.2535.

Pursuant to the applicable laws and the Articles of Association of the Company providing that one-third of directors shall be retired, the directors retiring on rotation in the Year 2004 were composed of;

1. Ms.Boosaba Daorueng
2. Mr.Kittisak Chuang-a-roon
3. Mr.Banyong Pongpanich

Under the applicable laws, the shareholders were entitled to re-elect the said directors to assume directorship for another term. Therefore, the Board of Directors recommended the Meeting to re-elect the said three (3) directors to assume directorship for another term.

In regard to the directors' remuneration, the Board of Directors' resolved to propose to the Meeting to fix the directors' remuneration for the Year 2004 **not to exceed Baht 6,000,000** (Baht Six Million Only), to be allocated by the Chairman of the company.

Resolved : The Meeting considered and resolved to approve the appointment of **Mr.Sumeth Damrongchaitham** to be a new director and re-elect those three (3) directors consisting of **Ms.Boosaba Daorueng , Mr.Kittisak Chuang-a-roon and Mr.Banyong Pongpanich** to assume directorship for another term and fix the directors' remuneration for the Year 2004 **not to exceed Baht 6,000,000 (Baht Six Million Only)**, to be allocated by the Chairman of the Company.

Agenda 5 **To approve the appointment of the Company's auditor and consider auditing fees.**

The Host declared that in every Annual General Meeting of Shareholders, it was necessary to appoint the Company's auditors and to fix audit fees. For appointment of the Company's auditors, the shareholders were entitled to appoint the same auditors. The Board of Directors proposed the appointment of;

1. Mr.Narong Puntawong, CPA No. 3315 or,
2. Mr.Ruth Chaowanagawi, CPA No. 3247

as Auditor of Ernst & Young Office Limited, who have been the Company's auditor since 1995 and have no relationship in any circumstances such as being shareholders or advisors, to be the Company's External Auditor for the fiscal year ended December 31, 2004 and the auditing fees to be paid by the Company in the amount of not to exceed Baht 1,140,000 (Baht One Million One Hundred Forty Thousand Only).

Resolved : The Meeting considered and resolved to approve the appointment of Mr. Narong Puntawong CPA No. 3315 or Mr. Ruth Chaowanagawi CPA No. 3247 as the Auditor of Ernst & Young Office Limited to be the Company's External Auditor for the fiscal year ended December 31, 2004 and the auditing fees of the Company in the amount of **not to exceed Baht 1,140,000 (Baht One Million One Hundred Forty Thousand Only)**.

Agenda 6 To consider the amendments of the Company's and its subsidiary companies' Articles of Association to be in compliance with the Notification concerning connected transactions of the Stock Exchange of Thailand.

The Host declared about the amendments of the Company's and its subsidiary companies' Articles of Association to be in compliance with the Notification concerning connected transactions of the Stock Exchange of Thailand, for the Meeting approve as follows;

1. Article of Association of GMM Grammy Plc., who is a listed company.

"In the event where the parent company and its subsidiaries enter into connected transactions, the Company will comply with the terms and conditions specified in relevant Notifications of the Stock Exchange of Thailand."

2. Article of Association of GMM Grammy Plc.'s subsidiaries, who are limited companies.

"In the event where the Company and its subsidiaries enter into a connected transaction, if the Notification promulgated by the Stock Exchange of Thailand so requires that a company as a subsidiary of the listed parent company needs to proceed with any action, such subsidiary shall comply with the terms and conditions specified in the regulation relating to each matter in question, mutatis mutandis."

Since the above amendments of the Company's and its subsidiary companies' Articles of Association, according to Section 31 of the Public Company Act B.E.2535, it is stated that "the Company may amend the Company's Articles of Association only on the condition that the Meeting of shareholders has reached a resolution for not less than three-fourth of total votes of shareholders attending the Meeting and entitled to vote in such Meeting."

From counting votes, it was apparent that shareholders and proxies attending the Meeting were totally 346,853,318 shares, equivalent to 346,853,318 votes composed of disagreeing in the amount of 3,372,600 votes, agreeing in the amount of 343,480,718 votes or equivalent to **99.03 percent** of all persons entitled to vote. Therefore, the agreeing vote is more than three-fourth of total the vote of shareholders attending the Meeting and entitled to vote.

Resolved : The Meeting considered and resolved to approve the amendments of the Company's and its subsidiary companies' Articles of Association to be in compliance with the Notification concerning connected transactions of the Stock Exchange of Thailand as the Host declared.

Agenda 7 To approve the renewal of the office building rental agreement and adjustment of rental and service fees between the Company and its subsidiary companies and Geurt Fah Company Limited.

The Host declared that the Board of Directors' meeting resolved to propose the Meeting to approve the renewal of the office building rental agreement with Geurt Fah Co., Ltd. to be 3 years with 3 renewal options each every 3 years and **increase rental and service fees by 15%** from the previous fees of Baht **230.00 to be Baht 264.50** (the market rate ranges between Baht 260 – 300, according to the independent appraisal report, Siam Appraisal and Service Co., Ltd.), excluding VAT and other extra service charges. The size of the applicable **rental space is approximately 26,000 square meters**. This is a connected transaction whereas the Company and Geurt Fah Co., Ltd. have the same major shareholders and director, **Mr. Paiboon Damrongchaitam**, who has the conflict of interest and is the connected party status, which details are shown in **Enclosure No.1** circulated to each shareholder prior to this Meeting.

Mr. Paiboon Damrongchaitham including related person were neither attended the Board of Directors meeting, nor eligible for the shareholders' vote on this matter due to the conflict of interest and the connected party status, according to the Section 22 of the Notification of the Stock Exchange of Thailand concerning rules procedures and disclosure of connected transactions of listed company B.E.2546, it is stated that "improving any connected transaction, no less than three-fourth of total votes of shareholders attending the Meeting and entitled to vote in such Meeting, excluding those of the shareholders who are the conflict of interest, shall be required."

From counting votes, it was apparent that shareholders and proxies attending the Meeting were totally 346,853,318 shares, less the holding of the conflict of interest party of 271,481,890 shares, so equivalent to shareholders and proxies attending the Meeting and entitled to vote totally 75,371,428 shares, equivalent to 75,371,428 votes composed of disagreeing in the amount of 3,372,600 votes, agreeing in the amount of 71,998,828 votes or equivalent to **95.53 percent** of all persons entitles to vote. Therefore, the agreeing vote is more than three-fourth of total vote of shareholders attending the Meeting and entitled to vote.

Resolved : The Meeting considered and resolved to approve the renewal of the office building rental agreement and adjustment of rental and service fees between the Company and its subsidiary companies and Geurt Fah Company Limited as the Host declared.

Agenda 8 To approve the acquisition of shares in Ninja Returns Communication Co., Ltd.

The Host declared that the Board of Directors' meeting No.2/2004 held on April 5, 2004 resolved to purpose the Meeting approve the acquisition of shares in Ninja Returns Communication Co., Ltd. Details of such transaction are as follows ;

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|------------------------|---|---|
| 1. Date of transaction | : | Estimated to be in April, 2004. |
| 2. Buyer | : | GMM Grammy Plc. |
| 3. Seller | : | Shareholders of Ninja Return Communication Co., Ltd., who are ; |
| | | 1. Mr.Somsak Songthammakul shareholding 51% |
| | | 2. Mr.Chanin Posaphiwat shareholding 49% |
| | | Total <u>100%</u> |

In regard to shareholding, payment is paid as follows;

		<u>Percent</u>	<u>Amount (million baht)</u>
1. Mr.Somsak	Songthammakul	68%	5.1
2. Mr.Chanin	Posaphiwat	<u>32%</u>	<u>2.4</u>
	Total	<u>100%</u>	<u>7.5</u>

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|----------------------------------|---|---|
| 4. Characteristic of transaction | : | Acquisition of shares of 100% in Ninja Return Communication Co., Ltd. |
| 5. Business type | : | Full-scale entertainment. |
| 6. Registered capital | : | 10,000 shares at Baht 1,000 each, totaling to Baht 10 million. |
| 7. Transaction value | : | Paid-up capital of Baht 7.5 million and prepaid capital of Baht 0.5 million, totaling Baht 8 million. |
| 8. Investment criteria | : | Value of total paid-up capital. |
| 9. Source of fund | : | Company's working capital. |
| 10.Expected return | : | Expansion of network for the Company's entertainment business. |

11. Condition of the agreement :

- 11.1) To make payment of Baht 7.5 million to the existing shareholders and prepayment of capital of Baht 0.5 million to Ninja Return Communication Co., Ltd. on March 31, 2004, the date entering into the agreement.
- 11.2) To make payment of the remaining capital until fully paid-up to Baht 10 million after approved by the Board of Directors.
- 11.3) Afterwards, the registered capital will be increased from Baht 10 million to Baht 50 million for the purpose of the Company's working capital.

Since the investment in the said company results in 100% shareholding, therefore, it is deemed as an acquisition or a transfer of other company's business. According to the Section 107 of the Public Company Act B.E.2535, it is stated that "acquisition or transferring of other company or private company is to be approved by no less than three-fourth of the total votes of shareholders attending the Meeting and entitled to vote in such Meeting."

From counting votes, it was apparent that shareholders and proxies attending the Meeting were totally 346,853,318 shares, equivalent to 346,853,318 votes composed of abstaining from votes in the amount of 1,445,400 votes, disagreeing in the amount of 19,378,376 votes, agreeing in the amount of 326,029,542 votes or equivalent to **94 percent** of all persons entitles to vote. Therefore, the agreeing vote is more than three-fourth of total vote of shareholders attending the Meeting and entitled to vote.

Resolved : The Meeting considered and resolved to approve the acquisition of shares of 100% in Ninja Returns Communication Co., Ltd. as the Host declared.

Agenda 9 To consider other matters (if any)

No shareholders proposed other matters for consideration. The Host expressed gratitude to all shareholders attending this Meeting and declared that the Meeting was adjourned.

Close of the Meeting : at 5.00 p.m.

Signature _____ Chairman
(Ms.Boosaba Daorueng)