

Information Memorandum on the Disposal and the Acquisition of Asset of GMM Grammy Public Company Limited Regarding the Disposal of GMM Music Public Company Limited's Ordinary Shares to a Strategic Investor and the Acquisition in the case of the Establishment of a New Joint Venture (Schedule 2)

The Board of Directors' Meeting No. 6/2024 of GMM Grammy Public Company Limited (the "**Company**"), held on 14 August 2024, has approved the sales of ordinary shares of GMM Music Public Company Limited ("**GMM Music**"), a subsidiary of the Company, to a strategic investor, which is not a connected person of the Company, and approved to propose such transaction including the related delegation of authorities to the shareholders' meeting of the Company. The Company will sell GMM Music's ordinary shares to Warner Music Hong Kong Limited ("**WMHK**"), to which WMHK is a subsidiary of Warner Music Group Corp. ("**WMGC**") (collectively referred to Warner Music Hong Kong Limited, Warner Music Group Corp., and/or affiliates of the aforementioned companies as "**WMGC Group**"), in the total amount of 12,000,000 shares or equivalent to 1.50 percent of the total issued and paid-up ordinary shares of GMM Music, at a consideration value of USD 10,500,000 (approximately equivalent to THB 367,366,650¹) (the total value of GMM Music's ordinary shares sold to WMGC Group, when equivalent to 100.00 percent, will be valued at USD 700,000,000). WMGC Group will pay the consideration for such shares via cash in a single payment on the share transfer date ("**Disposal of GMM Music's Ordinary Shares**"). The Company has decided to proceed with the Disposal of GMM Music's Ordinary Shares since the Company recognizes various business opportunities from forming a strategic partnership with the WMGC Group, which is a leading and renowned company in the global music industry, through collaborative capabilities and knowledge potential from both GMM Music and WMGC Group. As a result, the Company foresees synergies from this alliance, such as expanding revenue opportunities in the global market (Upscale Opportunities), increasing production capacity and elevating the quality of artists and music by leveraging the strengths of both parties (Uplift Quality), and elevating the infrastructure of the Thai music industry toward becoming a New Music Economy. All these factors will sustainably enhance GMM Music's competitive capabilities.

Under the terms of the transaction related to the Disposal of GMM Music's Ordinary Shares, GMM Global Company Limited ("**GMM Global**"), a subsidiary of the Company in which the Company indirectly holds a 90.00 percent stake in GMM Global through holding shares in GMM Music (the Company directly holds a 90.00 percent stake in GMM Music and GMM Music directly holds a 100.00 percent stake in GMM Global), has entered into a Commercial Joint Venture Label Agreement with Warner Music (Thailand) Company Limited ("**Warner**") and Warner Music Asia ("**WMA**"), to which (a) Warner is a subsidiary of WMGC and (b) WMA is a registered branch of WMHK, established under the laws of the Hong Kong Special Administrative Region of the

¹ Calculated based on the conversion rate of THB 34.9873 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 13 August 2024

People's Republic of China (collectively referred to as “**Warner Group**”). GMM Global has entered into a Commercial Joint Venture Label Agreement with Warner Group with the purpose of jointly operating a music label. According to the terms of the Commercial Joint Venture Label Agreement, GMM Global and Warner will each invest up to THB 54,564,930 under a Joint Operation (the Company will invest according to its indirect 90.00% shareholding in GMM Global through holding shares in GMM Music). Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage. Therefore, the Board of Directors' Meeting No. 6/2024 of the Company held on 14 August 2024 has approved the joint venture investment between the subsidiary of GMM Music and strategic investor, and approved to propose such transaction including the related delegation of authorities (“**Acquisition in the case of the Establishment of a New Joint Venture**”) to the shareholders' meeting of the Company.

After entering into the transaction of the Disposal of GMM Music's Ordinary Shares and the Acquisition in the case of the Establishment of a New Joint Venture, GMM Global, a subsidiary of the Company through its shareholding in GMM Music, will operate a music label business in collaboration with Warner Group under a Commercial Joint Venture Label Agreement. Additionally, Warner Group will provide a worldwide distribution service of sound recordings and audio-visual recordings that GMM Music owns / will own, and/or controls / will control. Warner Group will have the sole exclusive right to distribute such works worldwide through designated online platforms.

The Disposal of GMM Music's Ordinary Shares is considered as the disposal of the listed company's assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including any amendment thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the “**Notifications on Acquisition or Disposal of Assets**”). The calculation of the transaction size is based on the Company's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor, along with GMM Music's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor. The highest transaction size, calculated based on the net operating profits criteria, equals to 6.38 percent.

Furthermore, in the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Disposal of GMM Music's Ordinary Shares at this time, the Board of Directors' Meeting of the Company had approved the sales of ordinary shares of GMM Music to Black Serenade Investment Limited, a company collaboratively established by Tencent Music Entertainment Group and Tencent Holdings Limited, to which Black Serenade Investment Limited is considered as a subsidiary of Tencent Music Entertainment Group

(“**Black Serenade**”), in the total amount of 80,000,000 shares or equivalent to 10.00 percent of the total issued and paid-up ordinary shares of GMM Music at a consideration value of USD 70,000,000 (approximately equivalent to THB 2,570,827,000²). According on the sales of ordinary shares of GMM Music to Black Serenade, the highest transaction size, calculated based on the net operating profits criteria, equals to 49.61 percent. When considering the Disposal of GMM Music’s Ordinary Shares with the disposal of assets transactions within the period of 6 months preceding the aforementioned Board of Directors’ Meeting of the Company to approve the Disposal of GMM Music’s Ordinary Shares at this time, the combined highest transaction size, based on net operating profits criteria, amounts to 55.99 percent. Therefore, Disposal of GMM Music’s Ordinary Shares is classified as a Class 1 Asset Disposal Transaction, to which the transaction size is equivalent to 50.00 or higher but less than 100.00 percent.

The Acquisition in the case of the Establishment of a New Joint Venture is considered as an acquisition of the listed company’s assets pursuant to the Notifications on Acquisition or Disposal of Assets. The calculation of the transaction size is based on the Company’s consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor. The highest transaction size, calculated based on the total value of consideration criteria, equals to 0.52 percent.

Furthermore, in the period of 6 months preceding the aforementioned Board of Directors’ Meeting of the Company to approve the Acquisition in the case of the Establishment of a New Joint Venture, the Board of Directors’ Meeting of the Company had approved the following asset acquisition transactions:

1. The establishment of a joint venture between GDH 559 Company Limited, a subsidiary of the Company and a non-connected person of the Company, with the highest transaction size based on the total value of consideration criteria equals to 0.01 percent
2. The acquisition of 3 ordinary shares of Joox Thailand (Hong Kong) Limited (“**Joox Thailand**”), which is equivalent to 30.00 percent of the total issued and paid-up ordinary shares of Joox Thailand, at a consideration value of USD 25,000,000 (equivalent to approximately THB 918,152,500³) from

² Calculated based on the conversion rate of THB 36.7261 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 30 May 2024

³ Calculated based on the conversion rate of THB 36.7261 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 30 May 2024

Black Serenade, with the highest transaction size based on the total value of consideration criteria equals to 14.23 percent

3. The establishment of GMM Global, a subsidiary of the Company through holding shares in GMM Music, with the highest transaction size based on the total value of consideration criteria equals to 0.01 percent

When considering the Acquisition in the case of the Establishment of a New Joint Venture with the acquisition of assets transactions within the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Acquisition in the case of the Establishment of a New Joint Venture at this time, the combined highest transaction size, based on total value of consideration criteria, amounts to 14.77 percent. Therefore, the Acquisition in the case of the Establishment of a New Joint Venture does not fall under the criteria that requires a disclosure of information memorandum according to the Notifications on Acquisition or Disposal of Assets. However, since the Acquisition in the case of the Establishment of a New Joint Venture is related to the Disposal of GMM Music's Ordinary Shares, and to adhere to good corporate governance principles, the Company's Board of Directors recommends to propose such transaction along with the Disposal of GMM Music's Ordinary Shares to the shareholders' meeting of the Company for approval.

In this regard, the Disposal of GMM Music's Ordinary Shares and the Acquisition of an Asset in the case of the Establishment of a New Joint Venture are not considered to be connected transactions of the Company as defined by the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendment thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including any amendment thereto) (collectively, the "Notifications on Connected Transaction").

The Company would like to provide information regarding the Disposal of GMM Music's Ordinary Shares as follows:

1. **Date of the Transaction**

On 14 August 2024, the Company's Board of Directors Meeting has resolved to approve the Disposal of GMM Music's Ordinary Shares and the Acquisition in the case of the Establishment of a New Joint Venture, and to approve the proposal of such transactions to the shareholders' meeting of the Company. With respect to various conditions of the related agreements between the Company and The WMGC Group, the completions of the Disposal of GMM Music's Ordinary Shares and the Acquisition of a Subsidiary in the case of the Establishment of a New Joint Venture will be subject to the fulfillment of conditions precedent under Share Purchase Agreement of GMM Music as specified in Clause 4.3, or any waiver from the relevant counterparty, and the fulfillment of conditions to enter into the transaction as specified in Clause 12. The Company anticipates the Disposal of GMM Music's Ordinary Shares to be completed by

the third quarter of 2024 and the Acquisition in the case of the Establishment of a New Joint Venture to be completed by the fourth quarter of 2025.

2. Parties Involved and Their Relationship with the Company

The Disposal of GMM Music's Ordinary Shares

Seller: Company

Purchaser: WMGC Group

The Acquisition in the case of the Establishment of a New Joint Venture

Joint Venture Party 1: GMM Global, a subsidiary of GMM Music (the Company indirectly holds 90.00 percent shares in GMM Global through holding shares in GMM Music)

Joint Venture Party 2: Warner and WMA, to which to which (a) Warner is a subsidiary of WMGC and (b) WMA is a registered branch of WMHK, established under the laws of the Hong Kong Special Administrative Region of the People's Republic of China

Relationship with the Company:

WMGC Group does not have any sort of relationship that may be deemed as a connected person of the Company pursuant to the Notifications on Connected Transaction.

3. General Characteristics, Type and Size of the Transaction

The Disposal of GMM Music's Ordinary Shares

The Company Group will sell GMM Music's ordinary shares to WMGC Group in the amount of 12,000,000 shares or equivalent to 1.50 percent of the total issued and paid-up ordinary shares of GMM Music, at a consideration value of USD 10,500,000 (approximately equivalent to THB 367,366,650⁴) (the total value of GMM Music's ordinary shares sold to WMGC Group, when equivalent to 100.00 percent, will be valued at USD 700,000,000), to which WMGC Group will pay the consideration for such shares via cash in a single payment on the share transfer date.

The Disposal of GMM Music's Ordinary Shares is considered as the disposal of the listed company's assets pursuant to the Notifications on Acquisition or Disposal of Assets. The calculation of the transaction size is based on the Company's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor, along with GMM Music's consolidated financial statements for the fiscal year ended

⁴ Calculated based on the conversion rate of THB 34.9873 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 13 August 2024

31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor. The details of calculation of the transaction size are as follows:

Criteria		Calculation Method and Transaction Size
Net Tangible Asset (NTA)	=	$\frac{\text{NTA of GMM Music expected to be disposed of proportionately}}{\text{NTA of the Company}}$
	=	$\frac{\text{THB 462.64}^{(3)} \text{ million} \times 1.50 \text{ percent}}{\text{THB 3,825.12 million}^{(4)}}$
	=	0.18 percent
Net Operating Profits	=	$\frac{\text{Net profits attributable to the parent company of GMM Music (excluding non-controlling interests) expected to be disposed of proportionately}}{\text{Net profits attributable to the parent company of the Company (excluding non-controlling interests)}}$
	=	$\frac{\text{THB 463.15}^{(3)} \text{ million} \times 1.50 \text{ percent}}{\text{THB 108.82 million}^{(4)}}$
	=	6.38 percent
Total Value of Consideration	=	$\frac{\text{Total value of consideration}}{\text{Total assets of the Company}}$
	=	$\frac{\text{THB 367.37 million}^{(1)(2)}}{\text{THB 9,446.11 million}^{(4)}}$
	=	3.89 percent
Value of Securities of Listed Company Issued as Consideration for the Assets	=	Not applicable, since the Company does not issue its securities as consideration for the assets acquired

Remarks: (1) The values of ordinary shares of GMM Music that will be sold by the Company under the Disposal of GMM Music's Ordinary Shares at USD 10,500,000.

(2) Calculated based on the conversion rate of 34.9873 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 13 August 2024.

(3) Based on GMM Music's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor

(4) Based on the Company's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor

From the calculation set out above, the transaction size has the highest value when calculating under the net operating profits criteria, which equals to 6.38 percent. Furthermore, in the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Disposal of GMM Music's Ordinary Shares at this time, the Board of Directors' Meeting of the Company had approved the sales of ordinary shares of GMM Music to Black Serenade in the total amount of 80,000,000 shares or equivalent to 10.00 percent of the total issued and paid-up ordinary shares of GMM Music at a consideration value of USD 70,000,000

(approximately equivalent to THB 2,570,827,000⁵). According on the sales of ordinary shares of GMM Music to Black Serenade, the highest transaction size, calculated based on the net operating profits criteria, equals to 49.61 percent. When considering the Disposal of GMM Music's Ordinary Shares with the disposal of assets transactions within the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Disposal of GMM Music's Ordinary Shares at this time, the combined highest transaction size, based on net operating profits criteria, amounts to 55.99 percent.

Therefore, Disposal of GMM Music's Ordinary Shares is classified as a Class 1 Asset Disposal Transaction, to which the transaction size is equivalent to 50.00 or higher but less than 100.00 percent, which the Company is required to comply with the Notifications on Acquisition or Disposal of Assets as follows:

- Immediately prepare a report disclosing the transaction to the Stock Exchange of Thailand ("SET"), whereby the information memorandum must comprise at least the information specified under Schedule (1) annexed to the Notifications on Acquisition or Disposal of Assets;
- Appoint an independent financial advisor to give the opinions in connection with the Disposal of GMM Music's Ordinary Shares and submit such opinions to the Office of the Securities and Exchange Commission (the "SEC") and the SET;
- Send to shareholders a notice to attend the shareholders' meeting no less than 14 days prior to the date of the shareholders' meeting, whereby the notice of the shareholders' meeting must consist of at least the information specified in Schedule (2) annexed to the Notifications on Acquisition or Disposal of Assets, together with the opinion of the independent financial advisor;

The Acquisition in the case of the Establishment of a New Joint Venture

The Company has established a subsidiary, GMM Global, to enter into a Commercial Joint Venture Label Agreement with Warner Group to jointly operate a music label. According to the terms of the Commercial Joint Venture Label Agreement, GMM Global and Warner will each invest up to THB 54,564,930 under a Joint Operation. Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage.

The Acquisition in the case of the Establishment of a New Joint Venture is considered as the acquisition of the listed company's assets pursuant to the Notifications on Acquisition or Disposal of Assets. The calculation of the transaction size is based on the Company's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor. The details of calculation of the transaction size are as follows:

⁵ Calculated based on the conversion rate of THB 36.7261 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 30 May 2024

Criteria		Calculation Method and Transaction Size
Net Tangible Asset (NTA)	=	Not applicable, since the Equity Joint Venture is conducted through GMM Global, a newly established company
Net Operating Profits	=	Not applicable, since the Equity Joint Venture is conducted through GMM Global, a newly established company
Total Value of Consideration	=	<u>Total value of consideration</u> Total assets of the Company
	=	<u>THB 49.11 million⁽¹⁾</u> THB 9,446.11 million ⁽²⁾
	=	0.52 percent
Value of Securities of Listed Company Issued as Consideration for the Assets	=	Not applicable, since the Company does not issue its securities as consideration for the assets acquired

Remarks: (1) The investment amount that the Company will invest, according to its 90.00% shareholding in GMM Global, will not exceed THB 49,108,437, which is based on the Commercial Joint Venture Label Agreement which GMM Global and Warner will each invest up to THB 54,564,930 under a Joint Operation.

(2) Based on the Company's consolidated financial statements for the fiscal year ended 31 December 2023 and consolidated financial statements for the six-month period ended 30 June 2024, as audited and reviewed by a certified auditor

From the calculation set out above, the transaction size has the highest value when calculating under the total value of consideration criteria, which equals to 0.52 percent. Furthermore, in the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Acquisition in the case of the Establishment of a New Joint Venture, the Board of Directors' Meeting of the Company had approved the following asset acquisition transactions:

1. The establishment of a joint venture between GDH 559 Company Limited, a subsidiary of the Company and a non-connected person of the Company, with the highest transaction size based on the total value of consideration criteria equals to 0.01 percent
2. The acquisition of 3 ordinary shares of Joox Thailand (Hong Kong) Limited, which is equivalent to 30.00 percent of the total issued and paid-up ordinary shares of Joox Thailand (Hong Kong) Limited, at a consideration value of USD 25,000,000 (equivalent to approximately THB 918,152,500⁶) from

⁶ Calculated based on the conversion rate of THB 36.7261 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 30 May 2024

Black Serenade, with the highest transaction size based on the total value of consideration criteria equals to 14.23 percent

3. The establishment of GMM Global, a subsidiary of the Company through holding shares in GMM Music, with the highest transaction size based on the total value of consideration criteria equals to 0.01 percent

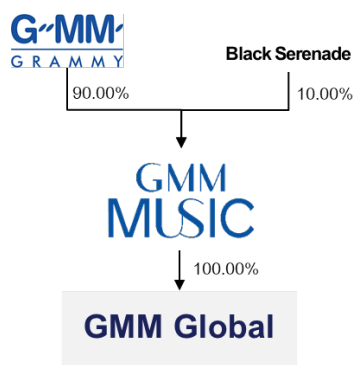
When considering the Acquisition in the case of the Establishment of a New Joint Venture with the acquisition of assets transactions within the period of 6 months preceding the aforementioned Board of Directors' Meeting of the Company to approve the Acquisition in the case of the Establishment of a New Joint Venture at this time, the combined highest transaction size, based on total value of consideration criteria, amounts to 14.77 percent. Therefore, the Acquisition in the case of the Establishment of a New Joint Venture does not fall under the criteria that requires a disclosure of information memorandum according to the Notifications on Acquisition or Disposal of Assets.

However, since the Acquisition in the case of the Establishment of a New Joint Venture is related to the Disposal of GMM Music's Ordinary Shares, and to adhere to good corporate governance principles, the Company's Board of Directors recommends to propose such transaction to the shareholders' meeting of the Company for approval. The Acquisition in the case of the Establishment of a New Joint Venture must be approved by at least 3 out of 4 of the total votes of the shareholders attending the meeting and entitled to vote, excluding those with a conflict of interest. Additionally, the Company will appoint an independent financial advisor to provide an opinion on the Acquisition in the case of the Establishment of a New Joint Venture. The Company will distribute the circular notice on the invitation to the shareholder's meeting, containing at least the information specific in Schedule (2) annexed to the Notifications on Acquisition or Disposal of Assets along with the independent financial advisor's opinion, to the shareholders at least 14 days prior to the shareholder's meeting.

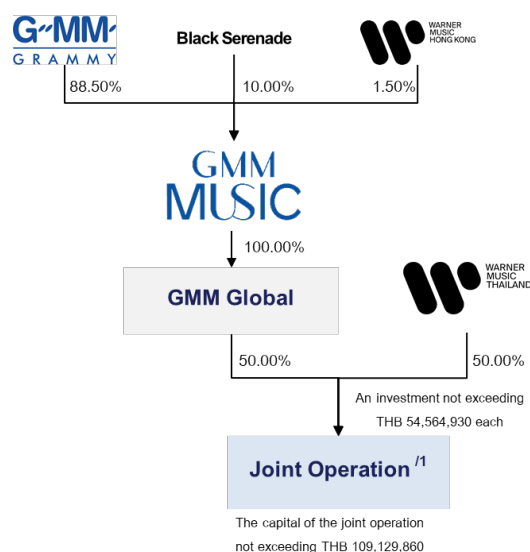
The details of the Company's shareholding structure before and after entering into the Disposal of GMM Music's Ordinary Shares and the Acquisition in the case of the Establishment of a New Joint Venture, specifically in relation to the transactions⁷, are as follows:

⁷ This shareholding structure specifically demonstrates the companies related to the transaction and does not represent the entire shareholding structure of the Company Group.

Before entering into the Transaction
(as of the date of this Information Memorandum)



After entering into the Transaction



Remark: /1 Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner plan to establish an Equity Joint Venture. Nonetheless, such establishment is subject to the internal approval of both parties at a later stage.

4. Details of Disposed and Acquired Assets

4.1 Details of Disposed Asset

Details of GMM Music

Company Name	:	GMM Music Public Company Limited (GMM Music)
Registered Head Office	:	50, Sukhumvit 21 Road (Asoke), Khlongtoei Nuea, Wattana, Bangkok 10110
Registration Date	:	7 April 2023
Conversion into a Public Company Date	:	11 March 2024
Business Type	:	Integrated music business from artist selection, music production, marketing, rights management, digital and physical music products distribution, concert and festival promoter and artist management
Registered Capital and Paid-Up Capital	:	As of the date of this information memorandum, GMM Music has registered capital of THB 880,000,000 and a paid-up capital of THB 800,000,000, in which the paid-up capital is divided into 800,000,000 ordinary shares

with a par value of THB 1 per share, in which the Company holds 90.00 percent of shares in GMM Music.

- Board of Directors : In reference to the details of GMM Music's Board of Directors as of the date of this Information Memorandum. After the transaction, GMM Music's Board of Directors will consist of 9 directors as follows:
1. Mr. Paiboon Damrongchaitham
 2. Mr. Phawit Chitrakorn
 3. Ms. Jirayong Anuman-rajadhon
 4. Mr. Kaweewut Temphuwapat
 5. Mr. Rawit Hanutsaha
 6. Ms. Janjira Panitpon
 7. Mr. Fahmai Damrongchaitham
 8. Mr. Sompohb Budspawanich
 9. Mr. Tsai-Chun Pan

- List of Shareholders of GMM Music before Entering into the Transaction : Details of the GMM Music's shareholders as of the date of this information memorandum are as follows:

(At a Par Value of THB 1 per Share)

No.	Shareholder Name	Number of Shares (Shares)	Percentage
1.	the Company	719,999,980	90.00
2.	Black Serenade	80,000,000	10.00
3.	Mr. Phawit Chitrakorn	10	<0.01
4.	Mr. Fahmai Damrongchaitham	10	<0.01
Total		800,000,000	100.00

- List of Shareholders of GMM Music after Entering into the Transaction : Refer to the details of GMM Music's shareholders as of the date of this information memorandum are as follows:

(At a Par Value of THB 1 per Share)

No.	Shareholder Name	Number of Shares (Shares)	Percentage
1.	the Company	707,999,980	88.50
2.	Black Serenade	80,000,000	10.00
3.	WMHK	12,000,000	1.50
4.	Mr. Phawit Chitrakorn	10	<0.01
5.	Mr. Fahmai Damrongchaitham	10	<0.01
Total		800,000,000	100.00

Remark: The above shareholder structure has not taken into consideration change which may arise from the plan for the Initial Public Offering ("IPO") of GMM Music and the listing of the ordinary shares of GMM Music on the SET ("Spin-Off Plan" or "IPO Plan"). By taking into account of any changes that may arise from the Spin-Off Plan, the Company's shareholding percentage in GMM Music will be no less than 58.50 percent.

Summary of Consolidated Financial Position and Operating Results of GMM Music

The summary of consolidated financial position and operating results of GMM Music for the year ended 31 December 2021, 31 December 2022 and 31 December 2023, and for the six-month period ended 30 June 2023 and 30 June 2024 based on GMM Music's consolidated financial statements that have been audited or reviewed by a certified auditor are as follows:

(in THB million)	As of and for the year ended			As of and for the six-month period ended	
	31 December 2021	31 December 2022	31 December 2023	30 June 2023	30 June 2024
Consolidated statement of financial position					
Total assets	1,307.85	2,286.56	2,884.77		3,181.18
Total liabilities	1,197.70	1,951.03	2,498.73		2,585.03
Total shareholders' equity	110.15	335.53	386.04		596.14
Consolidated income statement					
Total revenues	1,838.28	3,072.90	3,912.75	1,719.73	1,796.18
Total expenses	(1,718.86)	(2,658.04)	(3,335.21)	(1,492.08)	(1,489.37)
Net profit	80.16	304.58	402.81	153.25	210.10

4.2 Details of New Joint Venture

Company Name : Company Name Under Consideration

Country of Registration : Thailand

Business Type : Music Label

Investment Amount : GMM Global and Warner will each invest up to THB 54,564,930 under a Joint Operation. Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage.

Composition of the Company's Board of Directors	:	The board of directors of the new joint venture consists of 4 members, with GMM Global having the right to nominate and appoint or remove 2 members, and Warner having the right to nominate and appoint or remove 2 members.
Shareholding Structure	:	Each party will invest under a Joint Operation, with each party having a 50.00% interest in the joint operation. Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage, with each party holding a 50.00% stake

4.3 Summary of Material Agreements between the Company and WMGC Group

Share Sale and Purchase Agreement ("SPA")

Parties	:	Seller : The Company Purchaser : WMHK
Shares sale	:	WMHK will purchase GMM Music's ordinary shares from the Company in the amount of 12,000,000 shares or equivalent to 1.50 percent of the total issued ordinary shares of GMM Music.
Consideration Value	:	USD 10,500,000 via cash
Material Conditions Precedent	:	- The Board of Directors and/or Shareholders' Meeting of the Company have approved the transaction as required by law - The parties involved entered the following agreements - Share Sale and Purchase Agreement - Side Agreement to GMM Music's Share Sale and Purchase Agreement - Shareholders Undertaking Agreement - Distribution Agreement - Commercial Joint Venture Label Agreement

Side Agreement to SPA

Parties	:	Seller : The Company Purchaser : WMHK
Effective Date	:	The date on which the SPA contract is completed

Purchase Price Adjustment	:	The Purchase Price of the SPA may be adjusted under the conditions of this agreement. The purchase price after the adjustment will be referred to as the Final Purchase Price. - The purchase price adjustment of GMM Music shares comes into effect only after the effective date of this agreement until the date that GMM Music's ordinary shares are listed on the SET. - In the event that the value of GMM Music's shares corresponding to WMHK's shareholding proportion in GMM Music, based on the sale of GMM Music's shares to other parties, is lower than the value of GMM Music's shares offered to WMHK, and/or in the event that WMHK's shareholding proportion decreases by more than 15.00 percent from the shareholding proportion of WMHK in GMM Music (at which WMHK's shareholding percentage is lower than 1.275 percent of the total issued and paid-up ordinary shares of GMM Music after the sale of GMM Music's shares to other parties), the purchase price will be adjusted downward which will occur one time after the IPO (The Company may choose to settle this via cash and/or ordinary shares of GMM Music at the Company's sole discretion.)
Other important conditions	:	- WMHK has the right to sell shares that were purchased under the SPA to the Company and/or person designated by the Company if GMM Music terminates the Distribution Agreement due to a breach of agreement during the Initial Period as stipulated in the Distribution Agreement below - WMHK shall and shall procure any of WMHK's subsidiaries to not pledge, create any encumbrance on, sell, dispose of, or transfer shares held by WMHK to any other persons for a period of 1 year from the first trading date of GMM Music's shares on the SET after GMM Music's shares are listed on the SET, under any circumstances. However, WMHK may gradually sell up to 25.00 percent of the total shares they hold in GMM Music after 6 months from the first trading date of GMM Music's shares on the SET. - In the event that WMHK's shareholding in GMM Music is diluted due to a stock incentive plan, purchase plan, participation plan, employee purchase plan or any similar plan issued and allocated to employees and directors of GMM Music before the IPO, as

		approved by GMM Music's Board of Directors in accordance with the applicable laws ("ESOP Program"). The Company must transfer additional ordinary shares in GMM Music to WMHK at no cost in any manner to restore WMHK's shareholding proportion in GMM Music to the level before the ESOP Program.
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Moreover, the purchase price adjustment clause is a standard condition that is widely used in Mergers and Acquisitions, thus in the event that the value of GMM Music's shares corresponding to WMHK's shareholding proportion in GMM Music, based on the sale of GMM Music's shares to other parties, is lower than the value of GMM Music's shares offered to WMHK, the purchase price will be adjusted downward to ensure that WMHK's purchase price is equitable with other parties, which is a standard practice widely used in Mergers and Acquisitions. Such adjustment will occur one time after the IPO (the Company may choose to settle this via cash and/or ordinary shares of GMM Music at the Company's sole discretion. However, in the case that the Company chooses to settle this via ordinary shares of GMM Music, the Company's shareholding proportion in GMM Music will decrease corresponding to the number of shares transferred to WMHK. The decrease of such shareholding proportion will result in shareholders of the Company being affected by a reduction in the shareholding proportion in GMM Music (Control Dilution), as well as a decrease in the share of profits (Earnings Dilution) from GMM Music at the same proportion, corresponding to the Company's reduced shareholding in GMM Music.)

Shareholders Undertaking Agreement

Parties	:	The Company and WMHK
Effective Date	:	The date on which the SPA contract is completed
Termination	:	This agreement shall be terminated upon any of the following events: 1. Upon the first date on which GMM Music is listed on the SET or any alternative stock exchanges 2. Upon the mutual written agreement of the parties 3. When any contracting party ceases to hold any GMM Music's shares without committing a breach under this agreement 4. When an effective shareholders' resolution is passed for the winding-up of GMM Music 5. A binding order is made by Government Authority or court of laws for the winding-up of GMM Music
Duties and obligations related to the IPO plan	:	Both contractual parties will vote in favor of GMM Music's IPO plan and take other actions to complete the IPO plan by the end of 2026.
Other important conditions	:	• In the event that WMHK wishes to transfer GMM Music's shares, written consent must be obtained from the Company.

	• The Company and subsidiaries of the Company in the Asia region shall not sell or offer to sell the GMM Music's ordinary shares that they hold to specified individuals without obtaining prior consent from WMHK. • WMHK shall give Artist Co-Development Right of First Refusal to GMM Music as specified in the agreement's terms. • In the event that the Company wishes to transfer GMM Music's ordinary shares that they hold (entirely or partially) to other persons which results in a loss of controlling power in GMM Music, the Company must notify WMHK in writing. WMHK has the right to send a written notice to the Company stating that WMHK wishes to sell all of its shares to another party at the price, terms, and conditions offered by the other party at the same time. However, the Company will not have the right to sell shares transferred to other persons unless the Company ensures that the other party purchases all the shares held by WMHK that WMHK offers.
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Distribution Agreement

Parties	:	GMM Music and Warner and WMA (Collectively referred Warner and WMA as "Warner Group")
Effective Date	:	The date on which the SPA contract is completed
Content authorized for distribution	:	Sound recordings and audio-visual recordings owned and/or controlled, and/or to be owned and/or controlled by GMM Music, will be exclusively distributed by Warner Group worldwide through designated online platforms
Distribution Fee	:	• The distribution fee is calculated as a percentage of Net Receipts⁸. • Warner Group shall pay the Minimum Guarantee, which can be offset against service fees under the terms of the agreement, to GMM Music for the period of at least 3 years from the effective date of the agreement.

⁸ Net Receipts refer to revenue generated from the distribution of content authorized for distribution by Warner Group or WMGC Group worldwide under this agreement, including Warner Group's subsidiaries. This includes royalties from the content after deducting any applicable withholding tax, value-add tax or goods and services tax (GST) applicable to Warner Group or the WMGC Group worldwide under applicable law and that is received and collected by Warner Group or WMGC Group worldwide including Warner Group's subsidiaries only.

		Distribution fee may be increased in the event that the parties allow Warner Group to provide other additional services from the agreement's terms.
Contract Duration	:	- A period of 7 years starting from 1 February 2025 (“Initial Period”), or until the distribution fees paid to Warner Group exceed the amount specified under the agreement terms, whichever occurs later, and subject to the full reimbursement of the Minimum Guarantee. - Once the Initial Period ends, the term of the contract will be automatically renewed for one year at a time, unless either party receives written notice of termination at least 6 months in advance (“Renewal Period”).

Commercial Joint Venture Label Agreement

Parties	:	GMM Global and Warner and WMA (Collectively referred Warner and WMA as “Warner Group”)
Effective Date	:	The date on which the SPA contract is completed
Details of the Joint Operation	:	GMM Global and Warner Group intend to invest together, with both parties selecting artists to sign recording and artist management agreements together moving forwards.
Investment	:	GMM Global and Warner will each invest no more than THB 54,564,930 under a Joint Operation and within 1 year from the effective date of the agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage.
Equity Joint Venture	:	GMM Global and Warner agree to establish an Equity Joint Venture within 1 year from the effective date of the agreement, with GMM Global and Warner having equal rights in the overseeing the joint venture, in which the establishment of the Equity Joint Venture will proceed once both GMM Global and Warner receive approval from their respective boards of directors.
Joint Board of Directors	:	<u>Number</u>: The board of directors will consist of 2 directors nominated by GMM Global and 2 directors nominated by Warner, totaling 4 directors. <u>Authority</u>: The board of directors have the authority to make decisions and oversee matters related to the selection of artists, the terms under the artist contract that the artists will sign with both

		GMM Global and Warner, as well as the production, distribution, and marketing plans for those artists. This includes, but is not limited to, determining related expenses and budgets. <u>Joint Board of Directors Resolutions</u> ⁹ : The joint board of directors must reach a unanimous agreement in writing.
Right and Obligations of the Parties	:	- GMM Global shall bear responsibility for performing the roles concerning the market in Thailand which are music production, music promotion, artist management, and others such as training and providing office space. - Warner Group shall comply and shall use reasonable endeavours to procure its affiliates to comply with the terms of this agreement and bear responsibility for performing the roles concerning the international market (excluding Thailand) which are music resources, music marketing, artist management, and others such as negotiating and entering into the artist agreements with the label, accounting for royalties to the artist, and distribution of the recordings. - WMA shall bear the responsibility for the regional marketing in accordance with the usual marketing planning and practices of WMA.
Profit Share	:	GMM Global and Warner agreed to split the profit on a quarterly basis, with each party receiving 50.00 percent of the net revenue. The net revenue is subject to deductions of the fees and related expenses.
Intellectual Properties	:	GMM Global and Warner shall jointly own the rights in equal shares pursuant to the artist agreements for the terms.

5. Total Value of Consideration and Terms of Payment

The Company will sell GMM Music's ordinary shares to WMGC Group in the amount of 12,000,000 shares or equivalent to 1.50 percent of the total issued and paid-up ordinary shares of GMM Music, at a consideration value of USD 10,500,000 (approximately equivalent to THB 367,366,650¹⁰) (the total value of GMM Music's ordinary shares sold to WMGC Group, when equivalent to 100.00 percent, will be valued at USD 700,000,000).

⁹ The resolution of the joint committee must be unanimously approved by all members. Therefore, if any member of the joint committee disagrees with any matter, that matter will be dismissed.

¹⁰ Calculated based on the conversion rate of THB 34.9873 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 13 August 2024

The Company will receive a payment for the sales of GMM Music's ordinary shares from the WMGC Group in cash, with the total amount paid in cash in a single payment on the share transfer date. Nonetheless, the purchase price may be adjusted according to the obligations under the Side Agreement to SPA as mentioned above. The purchase price adjustment clause is a standard condition that is widely used in Mergers and Acquisitions. Moreover, The Company may choose to settle this via cash and/or ordinary shares of GMM Music at the Company's sole discretion.

For the Acquisition in the case of the Establishment of a New Joint Venture, GMM Global, a subsidiary in which the Company holds a 90.00 percent stake, and Warner will each invest up to THB 54,564,930 under a Joint Operation (the Company will invest according to its indirect 90.00% shareholding in GMM Global through holding shares in GMM Music). Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage. Therefore, the total consideration that the Company must pay for the Acquisition in the case of the Establishment of a New Joint Venture amounts to THB 49,108,437.

6. The Value of the Disposed Assets and the Value of the Acquired Assets

The value of the assets to be sold and the value of the assets to be acquired by the Company from entering into the transactions shall be equivalent to the total value of consideration as stated in Clause 5.

7. Criteria Used to Determine the Total Value of Consideration

The value of GMM Music's ordinary shares of 12,000,000 shares, to be sold to WMGC Group at this time, equals to USD 10,500,000 (approximately equivalent to THB 367,366,650¹¹) (The total value of GMM Music's ordinary shares sold to WMGC Group, when equivalent to 100.00 percent, will be valued at USD 700,000,000). Such value was determined through negotiations and agreements between the Company and WMGC Group. During the negotiation process, the Company assessed the value of ordinary shares through Trading Multiples of peers operating in similar business as GMM Music's, to which such valuation method is a commonly used method, by comparing with companies operating in the music business at the regional and global levels, as there are no Thai companies registered on the SET engaged in the music business (Currently, RS Public Company Limited has converted its core business from music business to commercial and entertainment business). This comparison method, known as Trading Multiples, evaluates the market ratios of companies with similar business natures. Such method is also a prevalent method used in the Merger and Acquisition transactions to assess the value of businesses. Furthermore, the Company has also considered other valuation methods, including the Discounted Cash Flow (DCF) Method, and considered other conditions specified in the Share Purchase Agreement of GMM Music and other related agreements, to which the Company agreed with WMGC Group.

¹¹ Calculated based on the conversion rate of THB 34.9873 to USD 1, based on the average buying rate quoted by commercial banks (currency transfer) as published by the Bank of Thailand as of 13 August 2024

The Company has also considered the value of GMM Music's ordinary shares assessed by a financial advisor approved by the SEC in determining the purchase price of GMM Music's ordinary shares.

The investment amount for the Acquisition in the case of the Establishment of a New Joint Venture, with both GMM Global and Warner each investing no more than THB 54,564,930, is the result of the negotiations and mutual agreements between the Company and WMGC Group, taking into account the expected business plans to be jointly undertaken. Furthermore, the investment amount for the Acquisition in the case of the Establishment of a New Joint Venture that the Company must pay, according to its shareholding proportion in GMM Global (the Company will invest according to its indirect 90.00% shareholding in GMM Global through holding shares in GMM Music), amounts to THB 49,108,437.

8. Expected Benefits to the Company

The Disposal of GMM Music's Ordinary Shares

- (1) The investment by WMGC Group in GMM Music, the Company's subsidiary, is poised to enhance GMM Music's competitiveness. GMM Music stands to benefit significantly from the esteemed reputation and industry leadership of WMGC Group in the global music business. Consequently, this strategic investment does not only present opportunities to expand GMM Music's operations, but also augment its capabilities and knowledge potential in driving its business towards robust growth and resilience.
- (2) GMM Music will benefit from an advanced distribution system, specifically global distribution, provided by the WMGC group. This system can expand the awareness of Thai music and Thai artists to a larger global audience through online platforms (Digital Streaming), which may increase GMM Music's revenue from the global markets, as well as maintain continuous and sustainable stability.
- (3) The investment by WMGC Group in GMM Music is poised to increase opportunities for GMM Music to expand its business internationally due to WMGC Group's global presence. This collaboration between GMM Music and the WMGC group, combining strengths and exchanging knowledge to build strategic partnerships, also helps to elevate the infrastructure of the Thai music industry toward becoming a New Music Economy. The transformation will create opportunities for everyone to participate in the development and shared benefits of the entire music infrastructure, aligning with the IPO Plan that GMM Music has consistently planned and adhered to.
- (4) The Company could utilize the proceeds obtained from the Disposal of GMM Music's Ordinary Shares to repay the Company's and/or subsidiaries of the Company's ("Company Group") debt, and/or invest and expand the business, and/or support the Company Group's working capital.

The Acquisition in the case of the Establishment of a New Joint Venture

- (1) The Company currently operates as a holding company focusing on comprehensive entertainment and technology and platform businesses. Therefore, the joint venture with Warner Group to jointly operate a music label under GMM Music aligns with the Company's strategic business plan. Additionally, it helps diversify the Company's investment risks, enabling the Company to achieve sustainable long-term growth.
- (2) The strategic alliance with WMGC, a leading and renowned company in the global music industry, will significantly and sustainably enhance GMM Music's business growth through the joint venture with Warner Group. This collaboration will integrate knowledge, skills, and capabilities with a strong partner. The Company foresees business opportunities from this alliance and expects synergies, such as expanding revenue opportunities in the global music market (Upscale Opportunities), increasing production capacity and elevating the quality of artists and music by leveraging the strengths of both parties (Uplift Quality), such as teams of music composers, producers, and opportunities to collaborate with world-renowned artists. Additionally, this will unlock the value of GMM Music (Unlock Value) to enhance the overall value of the Thai music industry. All these factors will sustainably enhance GMM Music's competitive capabilities.

9. Risks from Entering into the Transaction

- (1) Risk Associated with Performing the Obligations under the Agreement in connection with Market Risk

The Company is exposed to risks associated with complying with the obligations under the agreement to provide price protection to WMGC Group which is a standard practice widely used in Mergers and Acquisitions. The obligations to provide price protection comes into effect only after the effective date of this agreement until the date that GMM Music's ordinary shares are listed on the SET. In the event that the value of GMM Music's shares corresponding to WMHK's shareholding proportion in GMM Music, based on the sale of GMM Music's shares to other parties, is lower than the value of GMM Music's shares offered to WMHK, and/or in the event that WMHK's shareholding proportion decreases by more than 15.00 percent from the shareholding proportion of WMHK in GMM Music (at which WMHK's shareholding percentage is lower than 1.275 percent of the total issued and paid-up ordinary shares of GMM Music after the sale of GMM Music's ordinary shares to other parties), the purchase price will be adjusted, one time after the IPO, downward to equalize the purchase price with other individuals. Such condition is a common practice in Merger and Acquisitions (the Company may choose to pay in cash and/or ordinary shares of GMM Music at the Company's sole discretion. However, in the case that the Company chooses to settle this via ordinary shares of GMM Music, the Company's shareholding proportion in GMM Music will decrease

corresponding to the number of shares transferred to WMHK. The decrease of such shareholding proportion will result in shareholders of the Company being affected by a reduction in the shareholding proportion in GMM Music (Control Dilution), as well as a decrease in the share of profits (Earnings Dilution) from GMM Music at the same proportion, corresponding to the Company's reduced shareholding in GMM Music). Additionally, the market risks such as economic downturns, political changes, and conditions in the capital markets may affect the operating performance and business of GMM Music. Therefore, market risks may also affect the Company's share price in the SET. Hence, the risk associated with performing the obligations under the agreement in connection with market risk to provide price protection to WMGC Group could affect the Company's operations and working capital.

Hence, investors should consider other factors when making investment decisions on the Company's ordinary shares. However, the Company regularly monitors and plans the use of the Company's working capital. The Company will plan in advance and consider the funding sources that are appropriate for the Company's working capital and business plan. Considering the financial position of the Company at different time periods, the Company still has the sole discretion to control and mitigate impacts on the Company, particularly through diluting the ownership of GMM Music's ordinary shares held by the Company. Such action would reduce the financial burden risk of the Company entirely, allowing the Company to determine the appropriate timing for managing such risks. Therefore, the Company has assessed its working capital risk to be low.

(2) Foreign Exchange Rate Risk

As the Company engages in the Disposal of GMM Music's Ordinary, under the conditions of the related agreements, payments will be made by WMGC Group in U.S. dollars (as well as price protection scheme which will be made by the Company in U.S. dollars). This exposes the Company to the risk of foreign exchange rate fluctuations.

However, the Company plans to consider using the financial instruments to manage foreign exchange rate risk if appropriate.

(3) Business Risk

Following the Acquisition in the case of the Establishment of a New Joint Venture, Joint Venture will initially take the form of a Joint Operation. Within one year from the effective date of the Commercial Joint Venture Label Agreement, GMM Global and Warner have a plan to establish an Equity Joint Venture, subject to the internal approval of both parties at a later stage. Consequently, the business risks associated with this Joint Venture could impact the GMM Music's profitability (resulting in the effect on the Company's profitability).

However, the GMM Music regularly reviews its business strategies to address various potential risks, such as changes in industry competition. Additionally, GMM Music, which is a subsidiary of the Company that has received the music business transfer from the Company, has over 40 years of experience in the music business. This will allow GMM Music to leverage this experience and continue to consult with Warner Group to ensure timely responses to any emerging risks.

10. Usages of Funding Received from the Disposal of GMM Music's Ordinary Shares

The Company will use fund from the sale of ordinary shares of GMM Music to repay the Company Group's debt, and/or invest and expand the business, and/or support the Company Group's working capital.

11. Sources of Funding for the Acquisition in the case of the Establishment of a New Joint Venture

The Company will utilize GMM Music's working capital for the joint investment with Warner (the Company will invest according to its indirect 90.00% shareholding in GMM Global through holding shares in GMM Music).

12. Conditions on the Entering into the Transactions

The shareholders' meeting of the Company has resolved to approve the Disposal of GMM Music's Ordinary Shares and the Acquisition in the case of the Establishment of a New Joint Venture.

13. Opinion of the Board of Directors Regarding the Entering into the Transactions

The Board of Directors has considered and approved the Disposal of GMM Music's Ordinary Shares and the Acquisition in the case of the Establishment of a New Joint Venture due to the benefits to the Company as stated in Clause 8. In addition, the total value of GMM Music's ordinary shares that will be disposed to WMGC Group and the conditions stated in the agreements between the Company and WMGC Group are reasonable. However, before the Board of Directors resolved to approve the aforementioned transactions, the Board of Directors thoroughly considered the potential risks arising from these transactions as outlined in Clause 9.

14. Opinion of the Audit Committee and/or Directors of the Company which Differs from the Opinion of the Board of Directors Specified in Clause 13

- None -

15. Board of Directors' Responsibility on the Information Disclosed to the Shareholders

The Board of Directors is responsible for the information disclosed in this information memorandum and other documents delivered to the shareholders. In this regard, the Board of Directors has prudently reviewed the information in this Information Memorandum and affirmed that the information disclosed in this information memorandum and any other documents delivered to the shareholders is accurate and complete without any false statements or concealment of material facts required to be disclosed or material misleading statements.

16. Opinion of the Independent Expert Regarding the Entering into the Transaction

Avantgarde Capital Company Limited (“AgC” or “Independent Financial Advisor”) was appointed as an independent financial advisor to provide opinions on entering into the transaction, whereby the Independent Financial Advisor neither hold shares in the Company nor have any relationships with the Company that might impede the Independent Financial Advisor’s ability to provide an unbiased opinion. In addition, the Independent Financial Advisor has consented to disclose the Independent Financial Advisor’s Opinion Report, as provided in the Enclosure 2 which can be summarized that the Independent Financial Advisor holds the view that the transaction of the sale of ordinary shares of GMM Music, which is a subsidiary of the Company to a strategic investor is reasonable, that the consideration price is appropriate and that shareholders should approve the sale of ordinary shares of GMM Music, which is a subsidiary of the Company, to a strategic investor. Regarding the joint venture between the subsidiary of GMM Music and the strategic investor, the Independent Financial Advisor considers this transaction to be reasonable and recommends that shareholders approve the joint venture between the subsidiary of GMM Music and the strategic investor. Shareholders can review further details of the Independent Financial Advisor’s opinion as provided in the Enclosure 2.

17. Liabilities of the Company

17.1 Total Amount of Issued and Unissued Debentures that the Company’s Shareholders Meeting Has a Resolution and Authorizes the Board of Directors to Consider the Issuance as Deemed Appropriate

- None -

17.2 Total Amount of the Company’s and Subsidiaries’ Term Loans as of 30 June 2024

Loan Type	Amount (THB million)	Collateral
Short-term loan from financial institutions	438.0	Collateralized
Loan for advance purchase of shares	877.0	Non-Collateralized
Current portion of long-term loans	78.1	Collateralized
Long-term loan - Net of current portion	155.5	Collateralized
Total	1,548.7	

17.3 Total Amount of Other Liabilities Including Overdrafts of the Company and Subsidiaries as of 30 June 2024

Liability Type	Amount (THB million)	Collateral
Trade and other payables	1,562.2	Non-Collateralized
Unearned income	887.2	Non-Collateralized
Current portion of lease liabilities	67.7	Non-Collateralized

Liability Type	Amount (THB million)	Collateral
Income tax payable	51.5	Non-Collateralized
Other current liabilities	72.3	Non-Collateralized
Lease liabilities – net of current portion	645.2	Non-Collateralized
Deferred tax liabilities	0.1	Non-Collateralized
Provision for long-term employee benefits	200.5	Non-Collateralized
Other non-current liabilities	39.1	Non-Collateralized
Total	3,525.7	

17.4 Contingent Obligations and Liabilities

- None -

18. The Company's Information

18.1 The Company's General Information

Company Name : GMM Grammy Public Company Limited

Head Office : 50 GMM Grammy Place, Sukhumvit 21 Road (Asoke), Khlongtoei Nuea, Wattana, Bangkok 10110

Registration Date : 11 November 1983

Registered Capital and Paid-up: THB 819,949,729 (as of the date of this information memorandum)
Capital

18.2 The Company's Nature of Business Operations and Business Trends

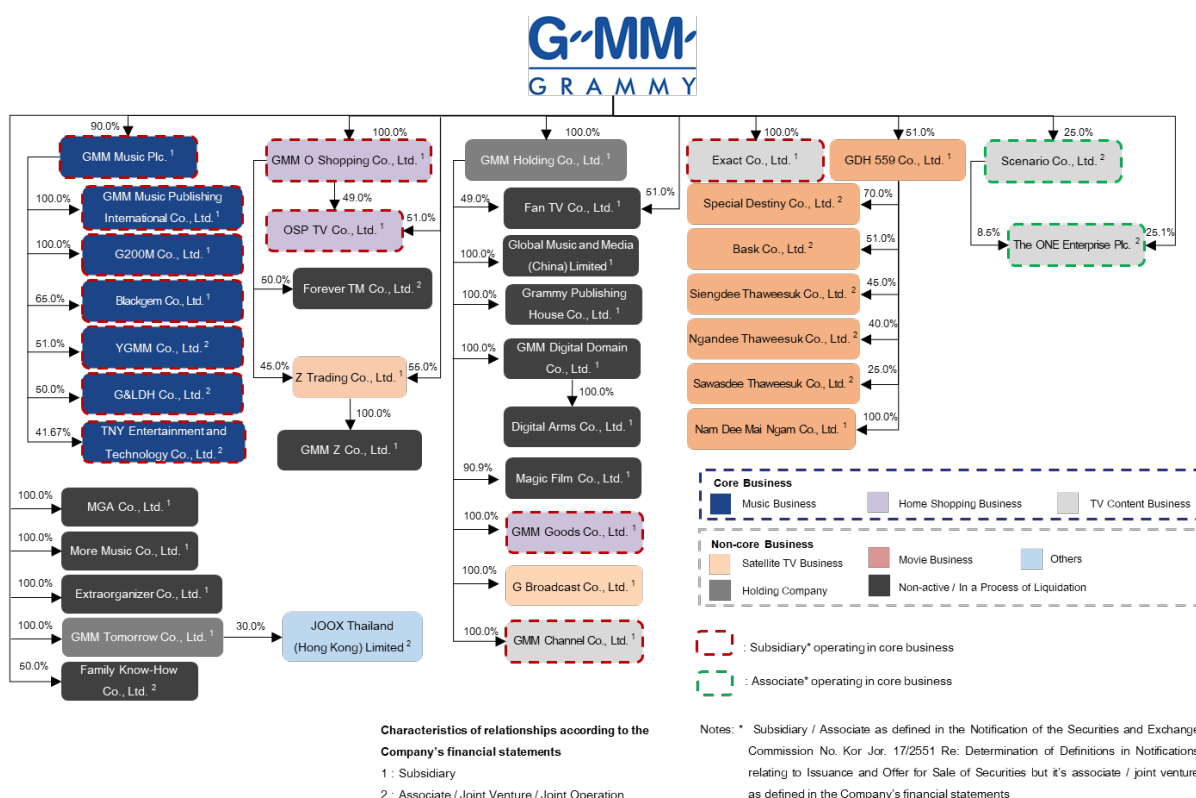
Reference is made to the Board of Directors' Meeting No. 1/2023 of the Company, held on 27 February 2023, which passed a key resolution regarding the restructuring of the music business by approving the sale of assets pertaining to the music business, including but not limited to rights, duties and responsibilities related to the music business, the migration of human resources, and the transfer of agreements related to the music business to a newly established subsidiary in which the Company will hold 100.00 percent of the total ordinary shares. The restructuring aims to fulfill the Company's strategic plan, to create a sustainable business, and to increase the efficiency and flexibility of the Company Group's business operation in order for the Company Group to continuously grow, to enhance the Company's competitive advantage and to develop a strategic partnership in the future which will optimize the shareholders' return in the long run. The Company considers to conduct the

restructuring of the music business by the mean of the business transfer to GMM Music, a newly established subsidiary to support the restructuring of the music business.

Hereby, on the 7 April 2023, the Company has established GMM Music and holds 100.00 percent of the total ordinary shares of GMM Music. As a result of the restructuring of the music business as detailed above, the business reorganization of the Company from an operating company to a holding company occurs. The Board of Directors' Meeting No. 5/2023 of the Company, held on 14 November 2023, considered and passed a resolution of the business reorganization from an operating company to a holding company, the designation of the core business, and the designation of the non-listed subsidiary companies that operate in the core business. GMM Music was designated as the non-listed subsidiary that operates in the core businesses. After the initial public offering of GMM Music and the listing of the ordinary shares of GMM Music on the Stock Exchange of Thailand, GMM O Shopping Company Limited will replace GMM Music as the Company's non-listed subsidiary that operates in the core businesses.

The Company aims to enhance its integrated entertainment business and the technology & platform business for the integrated entertainment business. The Company operates its business at an international standard to extensively deliver unlimited happiness, especially through its music business and artists as evidenced by its outstanding works and performance for the past 40 years. In addition, the Company continuously develops its various business, resulting in a diverse range of businesses today. The company's operational structure as of 30 June 2024 is as follows:

The Company Group's Shareholding Structure Post Business Restructuring (as of 30 June 2024)



Remarks: 1) The aforementioned shareholding structure of the Company Group does not include joint ventures, which are considered as joint operations, whereas;

- The Company jointly operated in "Across the Universe" joint venture with an involvement in the joint operation of 50.00 percent with RS Public Company Limited ("RS"). However, on 10 May 2023, the Company terminated such joint operation, and GMM Music entered into a joint venture agreement for "Across the Universe Project" joint venture with RS Music Company Limited, a subsidiary of RS, instead, with involvement in joint operation of 50.00 percent
- GDH 559 Company Limited had jointly operated in "Destiny the Movie" joint venture "Home for Rent" joint venture, "Not Friends" joint venture, and "The Red Envelope" joint venture with an involvement in the joint operation of 70.00 percent, 70.00 percent, 80.00 percent, and 55.00 percent with Broadcast Thai Television Company Limited, Ally Entertainment (Thailand) Company Limited, Houseton Company Limited and BKPP Entertainment Limited, respectively

2) The Group Executive Committee's Meeting No. 7/2024 and The Board of Directors' Meeting No. 5/2024 of the Company on 26 July 2024 resolved to approve the amendment of the terms under the Call Option Agreement. The original condition required the Company, when exercising the Call Option, to purchase all shares in Wanthong Holdings Co., Ltd ("Wanthong Holdings") from the seller, who is an individual person, Mr. Pitham Ongkosit. The amended condition requires the Company, when exercising the Call Option, to acquire 238,125,000 shares in ONEE, representing 10.00 percent of the total issued shares of ONEE, from Wanthong Holdings before acquiring all 100,000 shares in Wanthong Holdings, equivalent to 100.00 percent of the total issued shares of Wanthong Holdings. This acquisition led the Company to hold a direct and indirect stake of 37.21 percent in ONEE's total issued shares. Consequently, Wanthong Holdings is now a subsidiary of the company, and ONEE is an associate company of the Company.

As of the 30 June 2024, the Company can be split into 5 of the following businesses:

1. Music Business

Aspect of Products or Services

The Company's music business operates under GMM Music which is the Company's subsidiary. GMM Music operates under the model of a "Total Music Business". GMM Music's Total Music Business comprises artist selection, music production, marketing, rights management, physical and digital music distribution, concert and festival promoter, and professional artist management. Additionally, GMM Music also operates a vocal, music, and acting academy to develop its artists to become professional artists. This shows that the Company can fully and extensively expand its music business, resulting in an ability to efficiently generate music business' income from various channels.

1.1 Digital Music Business

The Company has recognized opportunities to generate revenue in the business through technological advancements and changes in consumer behavior. The Company has thereby developed a digital music distribution channel by distributing music content through online platforms such as YouTube, Facebook, Spotify, JOOX, Apple Music, iTunes, and Tencent Music, and more where users can access online music on command or download music to listen offline depending on the platform's format. Currently, the digital music business is a significant source of income that drives the growth of the global music industry, including Thailand.

1.2 Artist Management Business

The Company produces music starting from artist selection, songwriting, arranging, photographing, and editing a music video to acquire quality work and be ready to produce a perfect master. Throughout the past period, the Company has produced a variety of songs and artists covering many genres such as rock, pop, retro, and country. The Company provides artist management service for its artists in the form of work for hire, concerts, live performances at various locations, and brand presenting. The Company has a policy to train and develop its artists with all-around artist skills, including singing, dancing, and acting, in order to make its artists become a sustainably professional high-quality artist.

1.3 Rights Management Business

The Company manages and collects copyright fees under the Company's subsidiary from entrepreneurs who wish to use the Company's and partner music labels' music for commercial use, such as radio media, television media, restaurants, karaoke shops, etc.

1.4 Showbiz (Concerts and Festivals Promoter)

The Company operates showbiz under GMM SHOW, a business unit that organizes concerts and music festivals as an extension from its existing assets such as songs, singers, actors, and artists for the most benefit. The Company has expertise in the business of organizing events and exhibitions in a range of formats from concerts, variety shows, mixed media creative events, and other shows. The operation covers innovative exhibition, production, and creative marketing plans to fully meet consumer demands. The main revenue is derived from ticket sales, sponsor's support, and various activities.

1.5 Physical Music and Merchandise

The Company distributes music products in various formats such as albums, MP3s, DVDs, USBs, box sets, vinyl records, vinyl players, etc. through traditional trade stores, modern trade stores, retail stores, kiosks, online channels and call centers. The Company also operates a distribution for artists' goods, including merchandise jointly owned by artists which is a limited edition product. The artists are the co-creators of those quality products for fans and the general public.

1.6 Other Music Business

YGMM Co., Ltd. ("YGMM")

YGMM is a joint venture between GMM Music and YG Entertainment Inc. ("YG Entertainment") to integrate artist development under the name YG"MM. GMM Music's shareholding percentage is 51.00 percent and the registered capital and paid-up capital of the joint venture is THB 200.00 million. YG"MM's goal to create quality idol artists who are capable in all aspects according to the courses of YG Entertainment and GMM Music. The key roles of YGMM in business operations are as follows:

1. **Audition** Search for a new generation of youngsters to become trainee artists who will be trained intensively by the top trainers of the YG Entertainment team to finally become quality idol artists who are capable in all aspects.
2. **Training** After selection, the trainee will be trained and developed through an artist comprehensive development from YG Entertainment's Master Trainer team.
3. **Concept & Production** Design and conceptualize various concepts in line with global trends to make artists marketable and satisfy all target groups. The concept & production operation includes creating an artist's image DNA, song conceptualizing and composing as well as mastering, and creating music videos and world-class promotional pieces.
4. **Media Marketing** Allocate comprehensive media whether On Ground, On Air, or Online, including designing and planning marketing strategies with the right content and matching the target groups using the Company's Big Data, in which the Company has the largest data in Thailand. The goal is to achieve successful image creation, to make the artists widely known coupled with the popularity of their new songs.

5. Music Marketing Distribution Market the artist to generate revenue through various channels.
6. Copyright Manage music copyrights in the form of services to various businesses. The goal is to return income to the people both on the scenes and behind the scenes.

Blackgem Co., Ltd. (“BLKGEM”)

BLKGEM, the Company’s subsidiaries, operates a vocal, music, dancing and acting academy. It serves as a central hub to develop the Company’s artists in order to become professional artists and as an academy for the general public in order to discover new artists.

Business Trend

The global music industry has experienced a resurgence into the Second Wave of Music or a second wave of growth. This growth has primarily been driven by two key factors: the expansion of digital streaming and the rise of the showbiz industry. Digital music streaming platforms such as YouTube, Facebook, Spotify, JOOX, Apple Music, iTunes, and Tencent Music, etc., which were once considered threats to the music industry (Digital Disruption), have now become opportunities for current and future business. The Company's notable growth can be seen in its music content group (music production and artists), which has flourished through collaboration with all popular digital platforms used by Thai consumers to listen to music. This allows the content produced to reach consumers comprehensively and directly target the audience.

As for the showbiz business, operations have returned to full capacity. Although competition is currently quite high, with many small, medium, and large operators entering the market, as well as competing with international artists performing in Thailand, the Company, being a large entity with extensive experience and a vast number of popular artists and singers, is confident that its concerts and festivals will meet consumer demands and be well-received. This gives the Company a competitive advantage. Additionally, the Company plans to expand the scale of its music festivals to cover the entire country, accommodating a larger audience. The Company will collaborate with both domestic and international partners to grow the business in the future.

For physical music products, there is a slowdown trend due to technological advancements and changes, leading consumers to primarily shift their music listening habits to online platforms. As a result, the purpose of purchasing physical music products has changed; most consumers now buy them as collectibles due to their admiration for the artists, while some music listeners seek high-quality audio experiences. The Company, therefore, focuses on marketing to these specific customer groups and emphasizes the importance of having efficient distribution channels and systems.

Currently, the Company owns music copyrights and manages a roster of artists, both of which hold significant potential for creating future market value. The Company has produced over 40,000 songs in its music library and has more than 300 artists under its labels, making these assets highly valuable. All the songs are stored in master tape and digital formats, allowing them to be recreated in various new

forms, such as karaoke albums, compilation albums, or new music productions using the original lyrics (covers). In addition to releasing regular music albums, the Company's artists also consistently perform in concerts, work as brand ambassadors in advertising campaigns, and take on acting roles, all of which have been significant revenue streams for the Company over time. Moreover, the role of "Music Copyrights" has become increasingly important in today's media industry. This includes the use of songs as magnetic content for singing competition shows on many digital TV channels. Furthermore, music serves as a foundation for creating entertainment through various channels.

2. Home Shopping Business

Aspect of Products or Services

GMM O Shopping Co., Ltd, the Company's subsidiary, operates a home shopping business through a program called 'GMM O Shopping'. Taking the importance of consumer's benefits into consideration, 'GMM O Shopping' focuses on providing reliable and captivating information as well as introducing quality products from both domestic and foreign countries. 'GMM O Shopping' presents products through platforms, including digital TV, satellite TV, and online channels. According to consumer behavior in the New Normal era, we are moving towards Social Commerce through Facebook, YouTube, TikTok, and Line Official, enabling comprehensive access to target customers and creating a convenient shopping experience where customers can easily shop 24 hours a day via telephone and online.

Business Trend

The home shopping business stands out for its ability to present product across various platforms, with strengths in content creation, product presentation, broadcast frequency, and offering attractive promotions that encourage consumers to make purchases. Due to the COVID-19 situation over the past 3 years, the home shopping market has grown as consumers spend more time at home, but this growth also comes with increased competition. GMM O Shopping has expanded its distribution channels to include online and internet sales, evolving from its primary channels of broadcasting the GMM O Shopping channel via C-Band and KU-Band satellite television, cable TV, and digital TV. Due to the increasing popularity of online shopping, the Company has developed its distribution channel through the website www.gmmoshopping.com to offer consumers another option, alongside developing a mobile application.

In 2023, the Company was still able to maintain its customers base and continuously expand its distribution channels by building a strong business ecosystem to support the growing commerce market with 5 strategies covering all dimensions: (1) Product: Products are selected based on an in-depth consumer demand survey and vetted by experts who tested every product before each product is sold, ensuring customers receive the best quality and value. (2) Channel: Comprehensive distribution channels are established (3) Personal Shopper: Develop its strong Personal Shopper services through

Telemarketing and Chat Marketing channels using Personalized Marketing strategies. Big Data is used to analyze the consumer purchasing behaviour and preferences to predict what types of products and when customers are likely to purchase next, enhancing accuracy. (4) Media and Content: Create innovative, and memorable ways to present products through various media channels to reach all target audiences more effectively (5) Customer Experience: Create a good experience for customers by a Personal Shopper personnel who takes care of the introduction process, providing information, facilitating product ordering, payment, and delivery as well as after-sales service to create maximum satisfaction for customers.

Additionally, the Company has a strategy to increase the proportion of House brand product development and production, focusing on health supplements to meet the growing demand from health-conscious customers in the current era. The Company is committed to sourcing high-quality, safe extracts from around the world to promote consumer health, contributing to the sustainable growth of the business.

3. Movie Business

Aspect of Products and Services

The Company's movie business operates under a subsidiary, GDH 559 Co., Ltd. ("GDH"), a subsidiary of the Company, whose objective is to continuously high-quality movies and series for the market, offering diverse content while retaining GDH's unique style. GDH has a clear potential in terms of skilled personnel to present new and creative movies and create happiness for Thai moviegoers. In 2023, 4 movies were released, namely (1) 'You & Me & Me' (2) 'Home for Rent', a joint investment with Ally Entertainment (Thailand) Co., Ltd., which helped distribute the movie in the Americas and European markets (3) 'Not Friends', a joint investment with Houseton Co., Ltd. (4) 'My Girl', a 20th anniversary project re-released as a remastered version with enhanced picture and sound quality. Additionally, GDH has expanded its production and distribution to new channels such as streaming platforms. The series "DELETE" was developed and released exclusively on Netflix to reach a broader audience. GDH is also exploring opportunities for revenue generation in the international movie distribution business under the name Out of the box by GDH, bringing in and distributing interesting movie from abroad in Thailand.

Sources of revenue:

1. Revenue from movie screenings in cinemas in Bangkok with a revenue sharing scheme of 50 percent between the Company and movie theaters
2. Revenue from selling rights to movie agencies in other provinces (exclude Bangkok)
3. Revenue from selling rights to home entertainment business operators to produce VCDs and DVDs

4. Revenue from the sale of broadcasting rights for cable TV, free TV, various streaming platforms, and overseas companies
5. Revenue from sponsorships from various products
6. Revenue from the distribution and promotion of movies
7. Revenue from commissioned movies and series production

Business Trends

The Thai and international movie business are beginning to recover in both cinema and streaming channels following the easing of the COVID-19 pandemic. However, the industry still faces challenges in the era of digital disruption, which has altered consumer behavior. Audiences now have more options for consuming content across various channels, and new platforms offering diverse content are intensifying the competition for viewers, potentially leading to a decline in cinema attendance. Despite this, the Company continues to place an importance in theatrical releases, enhancing its operations by integrating older and new generation teams while retaining its core character along with focusing on creating innovative content with high production quality, combined with increased marketing efforts to raise awareness and encourage people to watch movies in theatres. However, the Company also holds a positive view of the rise of streaming services, seeing them as opportunities for the Company's movies and content to reach new groups of consumers, not only domestic audiences, but also worldwide audience through platforms such as Netflix, VIU, WeTv, AIS Play, iQiYi, etc. This expansion also increases revenue through licensing. Nevertheless, the Company remains committed to producing unique movies and that elevate the quality of Thai movies and series to become equivalent to international ones that are able to deliver smiles, laughter, and good vibes to consumers.

The success of a movie depends on many external and internal factors. The Company will consider appropriate operational strategies to ensure the Company's works resonate with audiences and gain increasing popularity as follows:

1. Content and screenplay must be unique and outstanding. The screenwriter must use skills in writing both the language of the movie and the spoken language in order to clearly communicate to the target audience.
2. Build awareness (branding) of the company that produces movies or studios to build confidence in the audiences that they will always encounter quality movies.
3. Analyze and understand target customers to define the movie's direction, prepare the screenplay, main actors, and supporting actors with a suitable public relations plan that satisfies target customers' demand.

4. Satellite Television Business

Aspect of Products and Service

This business is operated by the Company's subsidiary. The Company's current satellite television business can be divided into 3 main parts as follows:

1. Satellite television network business: operating under GMM Z Co., Ltd. ("GMM Z") which has changed to G Broadcast Co., Ltd. (G Broadcast), providing OTA (Over the Air) service and sorting various satellite TV channels within the network and for operators of other satellite television stations so that content can be viewed on a receiver box.
2. IPTV network business: The Company was granted a license in 2022 in the form of an Application Live TV under the name GMMZ TV, providing services only on GMMZ's receiver box.
3. Trading Business: responsible by Z Trading Co., Ltd. (Z Trading) for manufacturing and distributing receiver boxes for satellite TV, digital terrestrial TV receiver boxes, and internet TV receiver boxes, and also developing the product into other electrical appliances for household facilitation.

Business Trends

The satellite TV receiver box business overview has reached the peak of the development of satellite TV technology. The business is stepping into the competition in the form of platform earnings that comes from the sale of advertising and various products. Therefore, the trend of competition leans towards content management on the platform to satisfy the audience as much as possible so that the audience decide to buy advertisements or merchandise on that platform. Competitors in the industry are also moving toward IPTV and OTT platforms, with the market divided into two segments: (1) Internet network service providers that charge monthly fees for receiver boxes from the use during the signal period (2) a receiver box producer that does not have to be limited with any internet network and does not require a monthly fee.

In 2023, the Company focused on retaining its existing customer base by creating an IPTV platform to support more viewers through the TV screen. The Company has launched new products, including an IPTV receiver box, which is properly licensed by the NBTC, to compete with pirated streaming services and overseas OTT markets. Additionally, the Company is exploring distribution channels with the potential to expand into the Smart Home business.

5. Media Business

Aspect of Products and Services

The Company's media business is operated under a subsidiary, GMM Channel Co., Ltd., a subsidiary of the Company, which operates a digital TV station on the GMM25 Channel (GMM25). GMM25 holds a license to use broadcast frequencies to provide national digital television services in the general category with standard definition (SD) quality. The One Enterprise Public Company Limited (ONEE), which is the Company's joint venture acts as a marketing agent to produce content, procure customers, and distribute advertising time for GMM25 Channel.

The One Enterprise Public Company Limited ("ONEE") which is the Company's joint venture

Currently, the Company operates a content production business with business partners by directly holding 35.09 percent of shares in ONEE and indirectly holding 2.12 percent of shares in ONEE by holding shares in Scenario Co., Ltd.¹², an associate company of the Company. ONEE is the Company's flagship company in the business that creates and produces quality, informative, and entertainment content to fully meet the needs of all target audiences.

ONEE operates in the business of creating and producing content in the form of dramas, series, and variety shows, primarily broadcasting through the digital TV channel ONE31. ONEE also broadcasts radio programs through FM radio frequencies and online platforms, including (1) EFM94, (2) GREENWAVE, and (3) Chill Online to create high-quality content that is both informative and entertaining, catering to all target audiences.

6. Other business

Aspect of Products and Services

Other businesses of the Company include other businesses related to platform and technology such as the online music streaming platform. The Company operates an online music streaming platform under the name "Plern." Plern is a business unit within the Company, which is developed and managed by the Company itself. Additionally, on 31 May 2024, the Company's Board of Directors approved a transaction with Tencent Music Entertainment Group for the acquisition of 30.00% of the total issued shares and paid-up capital of Joox Thailand, which operates the JOOX music streaming platform for users in Thailand.

¹² Scenario Holdings holds 8.47 percent of ONEE's shares. The Company holds 25 percent of shares in Scenario Co., Ltd. which leads to the Company holding 2.12 percent of ONEE's shares indirectly through Scenario Co., Ltd.

The Online Music Streaming Platform Plern which is a business unit under the management of the Company (and is not included in businesses of GMM Music which has Spin-Off Plan) and JOOX that is a business unit under the management of the Company's associated company (and is not included in businesses of GMM Music which has Spin-Off Plan.)

The online music streaming platform Plern (which is a business unit under the management of the Company and not included in businesses of GMM Music which has Spin-Off Plan) is currently at the initial stage of operation, to which the Company has fully understand that during the initial stage of operation, the online music streaming platform commonly operates at a loss due to the nature of the business model. Thus, Plern has incurred a net loss ranging from THB 75 – 144 million¹³ in the past 3 years. However, the online music streaming platform business still has potential to generate profit given the sufficient time and appropriate business strategies. The Company hence sees the business opportunities in the Company's online music streaming platform and is in the process of adjusting its strategy and business plans to improve and enhance the competitiveness of this business. The Company aims to leverage the JOOX music streaming platform, which serves users in Thailand, to complement Plern. The Company recognizes the potential business opportunities from this strategy, which would create synergy between the two platforms in various ways such as reducing common expenses like platform development costs, achieving economies of scale through an increased number of music licenses available on the platforms, increasing revenue opportunities by combining the subscriber bases of both services, expanding revenue channels through both platforms, and organizing joint marketing activities (market optimization) which involves more efficient use of shared advertising media, hosting artist events with the Company's expertise, and providing additional benefits to users through concerts with various partner music labels. These synergies shall significantly enhance the profitability of the Company's online music streaming platform.

¹³ The mentioned net loss figures are part of the Company's separated financial statements that have been audited by the certified auditor.

18.3 Summary of the Financial Statements for the Past Three Years and the Current Year Up to the Latest Quarter and Explanation and Analysis of Financial Position and Operating Results of the Past Year and the Current Year to the Latest Quarter including Risk Factors that may have an Impact on the Profit of the Company

18.3.1 Summary of the Financial Statements

Statement of Financial Position

Statement of Financial Position	As of							
	31 December 2021		31 December 2022		31 December 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
<u>Assets</u>								
<u>Current assets</u>								
Cash and cash equivalents	563.3	11.1	764.2	12.4	672.9	10.7	1,678.9	17.8
Trade and other receivables	801.0	15.8	1,088.6	17.6	1,091.6	17.4	1,301.6	13.8
Inventories	221.4	4.4	290.5	4.7	223.5	3.6	337.0	3.6
Prepaid expenses	44.6	0.9	34.8	0.6	49.8	0.8	36.3	0.4
Advance payments	15.5	0.3	43.5	0.7	19.8	0.3	23.9	0.3
Other current financial assets	629.4	12.4	509.5	8.3	266.1	4.2	269.7	2.9
Other current assets	83.6	1.7	121.1	2.0	215.9	3.4	85.8	0.9
Total current assets	2,358.6	46.6	2,852.1	46.2	2,539.6	40.5	3,733.0	39.5
<u>Non-current assets</u>								
Other non-current financial assets	5.9	0.1	5.8	0.1	5.8	0.1	5.5	0.1
Investments in joint ventures	866.9	17.1	947.4	15.4	968.0	15.5	1,816.4	17.1
Investments in associates	169.9	3.4	146.4	2.4	146.9	2.3	1,097.1	3.4

Statement of Financial Position	As of							
	31 December 2021		31 December 2022		31 December 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Leasehold improvement and equipment	130.2	2.6	142.8	2.3	147.5	2.4	213.6	2.6
Right-of-use assets	319.6	6.3	632.7	10.3	702.4	11.2	659.3	6.3
Intangible assets	383.7	7.6	697.3	11.3	1,062.1	17.0	1,229.7	7.6
Cost of spectrum license	422.6	8.4	364.8	5.9	307.1	4.9	278.3	8.4
Deferred tax assets	203.4	4.0	191.2	3.1	175.0	2.8	216.0	4.0
Other non-current assets	198.1	3.9	190.2	3.1	210.0	3.4	197.1	3.9
Total non-current assets	2,700.2	53.4	3,318.7	53.8	3,724.7	59.5	5,713.1	53.4
Total assets	5,058.8	100.0	6,170.8	100.0	6,264.3	100.0	9,446.1	100.0
<u>Liabilities and Shareholders' Equity</u>								
<u>Current liabilities</u>								
Short-term loan from financial institutions	800.0	15.8	480.0	7.8	673.0	10.7	438.0	4.6
Trade and other payables	1,252.6	24.8	1,546.7	25.1	1,709.8	27.3	1,562.2	16.5
Unearned income	219.8	4.3	441.7	7.2	263.6	4.2	887.2	9.4
Loan for advance purchase of shares	-	-	-	-	-	-	877.0	9.3
Current portion of non-current liabilities	362.5	7.2	155.0	2.5	133.3	2.1	78.1	0.8

Statement of Financial Position	As of							
	31 December 2021		31 December 2022		31 December 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Current portion of lease liabilities	88.0	1.7	53.2	0.9	63.7	1.0	67.7	0.7
Income tax payable	2.5	0.0	4.0	0.1	36.1	0.6	51.5	0.5
Other current liabilities	84.2	1.7	131.7	2.1	89.2	1.4	72.3	0.8
Total current liabilities	2,809.6	55.5	2,812.3	45.6	2,968.7	47.4	4,034.0	42.7
<u>Non-current liabilities</u>								
Long-term loan - net of current portion	261.2	5.2	711.7	11.5	857.9	13.7	155.5	1.6
Lease liabilities - net of current portion	253.2	5.0	597.5	9.7	681.5	10.9	645.2	6.8
Long-term loan from related party	-	-	185.6	3.0	-	-	-	-
Deferred tax liabilities	17.9	0.4	0.1	0.0	0.1	0.0	0.1	0.0
Provision for long-term employee benefits	175.1	3.5	174.4	2.8	189.8	3.0	200.5	2.1
Other non-current liabilities	59.5	1.2	51.1	0.8	43.1	0.7	39.1	0.4
Total non-current liabilities	766.9	15.2	1,720.4	27.9	1,772.3	28.3	1,040.4	11.0
Total liabilities	3,576.5	70.7	4,532.7	73.5	4,741.1	75.7	5,074.4	53.7
<u>Shareholders' equity</u>								
Issued and fully paid share capital								

Statement of Financial Position	As of							
	31 December 2021		31 December 2022		31 December 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
819,949,729 ordinary shares with par value of THB 1 per share	819.9	16.2	819.9	13.3	819.9	13.1	819.9	8.7
Paid-in capital								
Share premium	493.0	9.7	493.0	8.0	493.0	7.9	493.0	5.2
Surplus on Share-Based Payment	-	-	-	-	8.7	0.1	8.7	0.1
Retained earnings								
Appropriated – statutory reserve	2.2	0.0	9.0	0.1	27.1	0.4	27.1	0.3
Unappropriated	92.0	1.8	251.6	4.1	100.9	1.6	352.2	3.7
Other components of shareholders' equity	(41.6)	(0.8)	(42.5)	(0.7)	(43.6)	(0.7)	2,419.4	25.6
Equity attributable to equity holders of the Company	1,365.5	27.0	1,531.0	24.8	1,406.0	22.4	4,120.3	43.6
Non-controlling interests of the subsidiaries	116.9	2.3	107.1	1.7	117.3	1.9	251.4	2.7
Total shareholders' equity	1,482.4	29.3	1,638.1	26.5	1,523.2	24.3	4,371.7	46.3
Total liabilities and shareholders' equity	5,058.8	100.0	6,170.8	100.0	6,264.3	100.0	9,446.1	100.0

Income Statement

Income Statement	For the year ending						For the 6 months period ending			
	31 December 2021		31 December 2022		31 December 2023		30 June 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Revenues										
Sales of goods	1,505.6	35.7	1,556.5	29.3	1,577.2	26.3	815.2	28.4	740.8	25.4
Service income	926.2	22.0	2,178.7	41.0	2,612.8	43.6	1,190.3	41.5	1,386.8	47.6
Revenues from copyrights	1,403.6	33.3	1,486.4	27.9	1,741.3	29.1	833.8	29.1	746.9	25.6
Dividend income	3.3	0.1	9.6	0.2	8.4	0.1	4.8	0.2	5.4	0.2
Fair value gain on other financial assets	89.6	2.1	-	-	-	-	-	-	3.6	0.1
Gain on deemed disposal of investment in joint venture	234.9	5.6	-	-	-	-	-	-	-	-
Other income	52.2	1.2	88.6	1.7	48.5	0.8	22.1	0.8	28.5	1.0
Total revenues	4,215.4	100.0	5,319.7	100.0	5,988.2	100.0	2,866.2	100.0	2,912.1	100.0
Expense										
Cost of sales and services	2,176.1	51.6	3,179.7	59.8	3,632.7	60.7	1,713.1	59.8	1,541.0	52.9
Selling, distribution and servicing expenses	411.9	9.8	523.7	9.8	499.8	8.3	231.3	8.1	227.2	7.8
Administrative expenses	1,320.2	31.3	1,392.5	26.2	1,653.0	27.6	727.1	25.4	781.2	26.8
Loss on fair value in other financial assets	-	-	119.9	2.3	243.4	4.1	155.8	5.4	-	-
Loss from sales of investment in joint venture	-	-	7.3	0.1	-	-	-	-	-	-
Total expense	3,908.2	92.7	5,223.1	98.2	6,028.9	100.7	2,827.4	98.6	2,549.4	87.5
Operating profit	307.3	7.3	96.6	1.8	(40.6)	(0.7)	38.7	1.4	362.7	12.5

Income Statement	For the year ending						For the 6 months period ending			
	31 December 2021		31 December 2022		31 December 2023		30 June 2023		30 June 2024	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Share of profit from investments in joint ventures	262.0	6.2	184.7	3.5	120.6	2.0	39.0	1.4	38.9	1.3
Share of profit (loss) from investments in associates	8.9	0.2	(9.6)	(0.2)	2.1	0.0	6.2	0.2	8.2	0.3
Finance income	1.9	0.0	1.9	0.0	2.6	0.0	1.3	0.0	2.3	0.1
Finance cost	(60.0)	(1.4)	(73.6)	(1.4)	(121.2)	(2.0)	(52.4)	(1.8)	(84.3)	(2.9)
Profit before income tax income (expenses)	520.0	12.3	200.0	3.8	(36.4)	(0.6)	32.8	1.1	327.9	11.3
Income tax income (expenses)	(4.5)	(0.1)	(17.7)	(0.3)	(90.1)	(1.5)	(0.7)	0.0	(45.6)	(1.6)
Profit for the period	515.4	12.2	182.3	3.4	(126.5)	(2.1)	32.1	1.1	282.3	9.7

Statement of Cash Flows

Statement of Cash Flows	For the year ending			For the 6 months period ending	
	31 December 2021	31 December 2022	31 December 2023	30 June 2023	30 June 2024
	THB Million	THB Million	THB Million	THB Million	THB Million
Net cash flows from (used in) operating activities	(100.7)	153.3	(234.6)	38.7	643.5
Net cash flows from (used in) investing activities	(621.2)	46.2	74.6	(118.6)	1,392.9
Net cash flows from (used in) financing activities	559.8	2.2	68.4	(196.0)	(1,023.8)
Change from translation adjustments	(2.3)	(0.8)	0.3	(0.6)	(6.6)
Net increase (decrease) in cash and cash equivalents	(164.4)	200.9	(91.3)	(276.6)	1,006.0

Statement of Cash Flows	For the year ending			For the 6 months period ending	
	31 December 2021	31 December 2022	31 December 2023	30 June 2023	30 June 2024
	THB Million	THB Million	THB Million	THB Million	THB Million
Cash and cash equivalents at the beginning of the period	727.7	563.3	764.2	764.2	672.9
Cash and cash equivalents at the end of the period	563.3	764.2	672.9	487.6	1,678.9

18.3.2 Management's Discussion and Analysis of Financial Position and Operating Results

For the year ended 31 December 2023

1. Business Overview in Year 2023

- The Company's total revenue was THB 5,988.3 million, an increase of THB 668.5 million or 12.6 percent from the previous year while operating revenue was THB 5,931.4 million, an increase of THB 709.8 million or 13.6 percent. The primary reason for this increase was the recovery of the Thai economy following COVID-19, with a resurgence in both domestic tourism and international tourist arrivals. Additionally, this year marked the Company's full operational efficiency in the music business, which saw growth of 29.1 percent YoY, particularly in concert and music festival activities that generated over 50.0 percent in revenue growth. The artist management business also achieved significant growth. The digital music business continued to be a consistent source of revenue growth for the Company.
- The Company reported a gross profit of THB 2,298.7 million, an increase by THB 256.8 million or 12.6 percent from the previous year, while gross profit margin dropped from 39.1 percent to 38.8 percent.
- In 2023, the Company posted a net loss attributable to shareholders of THB 132.6 million, a reduction of THB 299.0 million or 179.7 percent from the previous year. The loss was primarily due to a THB 243.4 million loss from a fair value loss on other financial assets from the investment in Rojukiss International Public Company Limited or ("KISS"). Excluding this special item, the Company would have recorded a net profit attributable to shareholders of THB 110.7 million.
- Following the restructuring of the music business, the Company transitioned its business model from an operating company to a holding company, focusing on managing subsidiaries and affiliates. The Company's primary businesses conducted through subsidiaries and associates include the music business, home shopping business, media business. The Company no longer engages in significant direct business operations. In the Board of Directors' meeting No.5/2023 on 14 November 2023, it was resolved that GMM Music would be a non-listed subsidiary operating the core business. After the completion of GMM Music's initial public offering (IPO) and its listing on the SET, as announced on 31 July 2023, and 4 August 2023, respectively. GMM O Shopping Co., Ltd. (O-Shopping) would become the new core non-listed subsidiary, replacing GMM Music.

2. Operating Results in Year 2023

Operating Revenue

In 2023, the Company had an operating revenue of THB 5,931.4 million, an increase of THB 709.8 million or 13.6 percent from the previous year, primarily driven by the music business. The revenue structure from the Company's business can be divided as follows:

Music Business: The Company's core business comprising of the sales of digital music and right management, artist management, showbiz, physical music, artist products, and other businesses. In 2023, the Company had revenue from music business amounted to THB 3,919.9 million from the music business, accounting for 66.1 percent of the total operating revenue, an increase by THB 886.8 million or 29.2 percent YoY. This growth was mainly due to a 46.1 percent YoY increase in revenue from artist management and showbiz businesses. Revenue from concerts was contributed by 19 events (32 performances). The Company's music industry has been operating at full capacity after a prolonged period of challenges due to COVID. The digital music business has continued to grow steadily and remains the largest source of revenue within music business.

Home Shopping Business: In the 2023, the home shopping business generated revenues of THB 1,369.5 million, accounting for 23.1 percent of total operating revenue, an increase of THB 4.9 million or 0.4 percent YoY. Despite the intense competition in the home shopping and e-commerce industries, as well as the downturn in consumer purchasing power, the Company continued to focus on selecting high-quality products and services to maintain its existing customer base. Additionally, the Company developed House Brand dietary supplements to cater to the target market. Health-conscious customers, whose numbers have increased significantly in the current era, have contributed to a slight increase in revenue this year.

Movie Business: In 2023, home shopping business reported revenue of THB 354.2 million, accounting for 6.0 percent of the total operating revenue, a decrease of THB 92.0 million or 20.6 percent YoY. Four movies and the series "DELETE," which was co-developed and exclusively released on Netflix, were released this year. In contrast, the previous year's revenue was bolstered by the highest-grossing Thai movie of 2022, "Love Destiny 2." Nevertheless, GDH remains committed to expanding into new businesses, selecting and distributing international movies under the brand Out of the box by GDH, with the first selected movie being "PAST LIVES."

Satellite Television Business: In 2023, this business generated revenue of THB 152.2 million, accounting for 2.6 percent of the total operating revenue, a decrease of THB 46.0 million or 23.2 percent YoY. The satellite TV industry has reached the peak of satellite TV technology

development, leading to a decline in sales. However, the Company continues to seek distribution channels with the potential to expand into the Smart Home business.

Media Business and Other Businesses: Comprised of revenue sharing from advertising of the digital TV business on GMM 25 channel, revenue from online music streaming platforms and royalties from various digital platforms. In 2023, the Company's revenue from the media business amounted to THB 135.6 million, accounting for 2.3 percent of the operating revenue, a decrease of THB 43.9 million or 24.5 percent YoY.

Cost of Sales and Services in the year 2023 was THB 3,632.7 million, an increase of THB 453.0 million, accounting for 14.2 percent YoY. The rise in costs was attributed to the growth in revenue-generating businesses. However, the Company is exploring ways to improve the efficiency of production cost management.

Net Profit (Loss) from the operating results of the year 2023, the Company recorded a net loss attributable to the Company's shareholders of THB 132.6 million, a reduction of THB 299.0 million or 179.7 percent from the previous year, resulting in a net profit margin of -2.2 percent. This loss was primarily due to a THB 243.4 million loss from the fair value loss on other financial assets, specifically the investment in KISS shares. Excluding this special item, the Company would have reported a net profit attributable to shareholders of THB 110.7 million.

The Company's Financial Position

Total Assets at the end of 2023 amounted to THB 6,264.3 million, an increase of THB 93.5 million or 1.5 percent from the previous year. Significant items include an increase in intangible assets of THB 364.8 million and an increase in other current assets of THB 94.8 million, while other current financial assets decreased by THB 243.4 million due to a loss from the fair value loss from the investment in KISS.

Total Liabilities at the end of 2023 amounted to THB 4,741.1 million, an increase from the previous year by THB 208.4 million or 4.6 percent. Significant changes include an increase in short-term bank loans by THB 193.0 million and an increase in trade and other payables by THB 163.1 million, while deferred revenue decreased by THB 178.0 million, and long-term loans from related parties decreased by THB 185.6 million. The Company had interest-bearing debt was THB 2,409.4 million, an increase from the previous year by THB 226.4 million.

Total Shareholders' equity at the end of 2023 amounted to THB 1,523.2 million, a reduction from the previous year by THB 114.9 million or 7.0 percent as the Company has profit during the year. Net interest-bearing debt to equity ratio (IBD/E) was 1.58x, an increase from 1.33x in the previous

year as interest-bearing liabilities increased to THB 2,409.4 million, an increase of THB 226.4 million from the previous year.

Liquidity

Cash Flow for the year ended 31 December 2023. The Company had net cash flow from operating amounted to THB 234.6 million, while net cash flow from investing activities amounted to THB 74.6 million, and net cash flow from financing activities amounted to THB 68.4 million. As a result, net cash flow this year increased by THB 91.3 million, and cash and equivalents amounted to THB 672.9 million.

Liquidity Ratio for the year ended 2023, the Company's liquidity ratio was equivalent to 0.86 times, a decrease of 0.16 times when compared to the end of 2022. This is due to the Company's current assets decreasing by 11.0 percent, primarily driven by a decline in other current financial assets resulting from a loss in the fair value measurement of investments in KISS

Cash Cycle for the year ended 2023, the Company's cash cycle was equivalent to (70.7) days, a decrease compared to the end of 2023 which had a cash cycle equivalent to (65.2) days. The primary reason for this decrease was a slight increase in the average payable days.

For the 6-month period ending 30 June 2024

1. Business Overview for the 6-month period ending 30 June 2024

- The Company had a total revenue of THB 2,912.1 million, an increase of THB 45.9 million, or 1.6 percent from the same period last year. The operating revenue was THB 2,874.6 million, which increased by THB 35.3 million, or 1.2 percent from the same period last year. The main reason came from the music and movie business, which total revenue increase by THB 161.9 million or 8.2 percent from the same period last year. This growth was driven by the success of the movie "How to Make Millions Before Grandma Dies", which received positive feedback both domestically and internationally from countries such as Malaysia, Indonesia, Singapore, Vietnam, and Hong Kong. While revenue from the home shopping business decreased by THB 104.9 million or 15.1 percent from the same period last year, due to the decline in sales from the satellite TV channel.
- The Company had a gross profit of THB 1,333.5 million, an increase of THB 207.4 million or 18.4 percent from the same period last year. The increase was driven by both the increase in revenue and gross profit margin. The Company's gross profit margin was 46.4 percent, which increased by 6.7 percent from the same period last year.

2. Operating Results for the 6-month period ending 30 June 2024

Operating Revenue

For the 6-month period ending 30 June 2024, the Company had operating revenue of THB 2,874.6 million, an increase of THB 35.3 million or 1.2 percent from the same period last year. This increase came from the music and movie business. Operating revenue can be divided categorized according to the Company's revenue structures as follows:

Music Business, the core business of the Company, comprises of the sales of digital music, artist management, publishing rights management, showbiz business, physical music and artist products, and other supporting businesses.

For the 6-month period ended 30 June 2024, the Company's revenue from the music business amounted to THB 1,808.2 million, accounting for 62.9 percent of the total operating revenue, an increase of THB 100.2 million or 5.9 percent from the same period last year. The increase was mainly from the concert events, increased by approximately 41.8 percent from the same period last year, with a total of 9 concerts, especially from Bodyslam's annual concert which received a positive response in the second quarter.

Home Shopping Business, which operates as TV home shopping business under the name GMM O-Shopping through digital TV, satellite TV, and online platforms.

For the 6-month period ended 30 June 2024, the Company's revenue from the home shopping business amounted to THB 590.7 million, accounting for 20.5 percent of the total operating revenue, a decrease of THB 104.9 million or 15.1 percent from the same period last year, mainly due to the continuous decline in the sales through satellite TV, in line with current market trends. However, the Company is in the process of adjusting its strategy and distribution channels to reach a more diverse customer base, while also maintaining a focus on selecting high-quality products and services to retain its existing customer base.

Movie Business, which produces and markets quality movies and series.

For the 6-month period ended 30 June 2024, the Company's revenue from the movie business amounted to THB 314.5 million, accounting for 10.9 percent of the total operating revenue, an increase of THB 57.7 million or 22.5 percent from the same period last year, mainly due to the successful launch of the movie "How to Make Millions Before Grandma Dies," which received a positive response from the public and as a result the Company generated revenue approximately THB 233 million in the second quarter. While for the 6-month period ended 30 June 2023, the Company also generated approximately 130 million in revenue from the movies "You & Me & Me" and "Home for Rent" in the second quarter.

Satellite Television Business, which operates the satellite TV networks business and the distribution of set-top boxes, digital TV boxset, internet TV boxset, as well as the music box products.

For the 6-month period ended 30 June 2024 the Company's revenue from satellite TV business amounted to THB 65.3 million, accounting for 2.3 percent of the total operating revenue, a decrease of 17.6 million or 21.3 percent from the same period last year, due to the decline in satellite TV boxes which aligns with the industry's trend. However, the Company is exploring distribution channels with the potential to expand into the Smart Home business to increase revenue in new product categories and support future growth.

Media Business and Other Businesses, which operates digital TV stations, operates online music streaming platforms and generates revenue from copyright and licensing revenues.

For the 6-month period ended 30 June 2024, the Company revenue from media amounted to THB 95.8 million, accounting for 3.3 percent of the total operating revenue, a similar to the revenue from the same period last year.

Cost of Sales and Services The Company's cost of sales and services was THB 1,541.0 million, a decrease of THB 172.1 million or 10.0 percent from the same period last year due to the decrease in artist management cost and the cost of sales in proportion to the decrease in revenue of such businesses.

Net Profit (Loss) The Company had a net profit attributable to the Company's shareholders of THB 251.3 million, an increase of THB 241.4 million or 2,441.7 percent from the same period last year. The increase in net profit was driven by higher gross profit, as previously mentioned. Furthermore, the Company had a profit of THB 3.6 million from the fair value measurement of other financial assets, and a loss of THB 155.8 million from such activity in the same period last year. However, excluding these special items, the Company had a net profit attributable to shareholders of THB 81.9 million, an increase of 49.4 percent from the same period last year.

The Company's Financial Position

Total Assets as of 30 June 2024, amounted to THB 9,446.1 million, which increased by THB 3,181.8 million or 50.8 percent from the end of 2023. Significant changes included an increase in cash and cash equivalent items by THB 1,006.0 million, due to the THB 1,653 million received from the sale of GMM Music's shares in the second quarter of 2024, and the repayment of THB 680.0 million in the current portion of long-term loans. Additionally, the Company increased its investments by THB 1,798.3 million in the second quarter of 2024, including the acquisition of

JOOX TH shares worth THB 918.0 million and the purchase of an additional 10.0 percent stake in ONEE, valued at approximately THB 877.0 million.

Total Liabilities as of 30 June 2024, amounted to THB 5,074.4 million, an increase from the 333.3 million or 7.0 percent from the end of 2023. Significant changes included an increase in unearned revenue by THB 623.6 million and an increase in loans for future stock purchases by THB 877.0 million due to the Call Option agreement for purchasing ONEE shares.

Total Shareholders' equity as of 30 June 2024, amounted to THB 4,371.7 million, an increase of THB 2,848.5 million or 187.0 percent from the end of 2023, mainly due to gains from the sales of shares to Tencent, recorded as a share premium from the excess value of the subsidiary's shares. The interest-bearing debt to equity ratio (IBD/E) decreased from 1.58x in the previous year to 0.52x.

Liquidity

Cash Flow for the six-month period ended 30 June 2024, the Company recorded cash and cash equivalents at THB 1,678.9 million, an increase of THB 1,006.0 million or 149.5 percent from the end of 2023. Net cash inflows from operating activities were THB 643.5 million, and net cash inflows from investing activities amounted to THB 1,329.2 million, while net cash outflows from financing activities amounting THB 1,023.8 million. Additionally, there was a decrease of THB 6.6 million due to foreign exchange translation.

Liquidity Ratio as of 30 June 2024 was equivalent to 0.93 times, an increase of 0.07 times when compared to the end of 2023. This is due to the increase in the Company's current assets of 47.0 percent, primarily from an increase in cash and cash equivalents.

Cash Cycle¹⁴ for the six-month period ended 30 June 2024, the Company's cash cycle was equivalent to (84.6) days, a decrease compared to the end of 2023 which had a cash cycle equivalent to (70.7) days. The primary reason for this decrease was an increase in the average payable days.

¹⁴ The calculation of the cash cycle for the six-month period ended 30 June 2024 is based on the average inventory days, average sales days, and average payable days from the Company's consolidated financial statements for the year ended 31 December 2023 and the consolidated financial statements of the Company for the six-month period ended 30 June 2024 to appropriately reflect the current liquidity ratio.

18.3.3 Risk factors that may affect the profit of the Company

The Company's risks are analyzed into 5 areas, consisting of (1) Strategic Risks (2) Operational Risks (3) Financial Risks (4) Compliance Risks and (5) Reputation Risk. The risk factors that the Board of Directors deems may significantly impact the Company's current operations are as follows:

Corporate Risk

1. Risks from copyrights infringement

Copyright infringement is one of the factors affecting the music business, movie business, creators, and content producers worldwide. Each year, the Company Group faces problems from breaches of music works' copyrights by unauthorized release to the public, reproduction, and then released for sale at a low price to the problem of piracy that has evolved along with technology, such as unauthorized use the Company's work for trading purposes via internet through various platforms, causing the Company Group to lose substantial amount of money from business opportunities each year.

The government has continuously taken various measures to seriously prevent and suppress the problem of copyright infringement by increasing the penalties for offenders and giving rewards to police officers who arrest the offenders or those who provide information about the production, selling, or storage of pirated products. At the same time, all relevant parties, both government and private sectors, including entrepreneurs, owners of works, and artists, have joined forces to push forward, encourage, and persuade consumers to buy copyrighted products and reduce the use of pirated products.

In addition, the Company Group has developed products, services, and service distribution channels by providing various downloading services such as Ringtone, Ring back Tone, Full Song, and Music Video (Full MV) in the format of one song (A la carte) and a monthly package (Subscription Service) on both iOS and Android systems. The Company group has also expanded channels to access the content of the Company Group through GMM Grammy Official Account on YouTube, including various applications. In addition, the Company has continuously developed new digital content and created a collaboration with all existing platforms to publish various works of the Company such as the Music Sticker on the LINE platform. The production of the content focuses on the artist to convey the artist's real identity so that the fans can be very close to the artist, helping strengthen honesty and loyalty to the artist. Such content will encourage the fans to purchase copyrighted products in line with rapidly evolving technology and keep up with changing consumer behavior to increase consumer convenience and generate income for the Company Group.

For the movie business, the Company Group has received good cooperation from the cinema in issuing various measures to reduce the illegal recording of movies. Also, active collaboration between the public and private sectors, and the Company Group has developed products that customers can conveniently find and buy at a price not different from pirated products, making the products of the Company group less infringed.

2. Risk from being unable to continue the business from the event of force majeure

In 2023, the impact of the COVID-19 pandemic lessened allowing the Company to fully resume operations. However, the Company continues to monitor the situation of emerging diseases and has implemented processes and measures to ensure business continuity and readiness for such events including force majeure from natural disasters, human disasters, technology, computer system crashes, riots, protests, new legislation, etc.

The Company has planned and adopted concert technologies and established concert attendance measures to instill confidence among attendees, managing crowd flow to reduce congestion and maintain social distancing in line with guidelines set by regulatory bodies. The Company also prioritizes the health and well-being of its employees, implementing work-from-home policies and utilizing the Company's information systems and various applications to ensure continuous operations during outbreaks. Additionally, the Company has also designated a disaster recovery site and annually rehearsed information system recovery methods to ensure that personnel, work systems, and workplaces are ready. This enables the Company to return to normal operations quickly for the continuity of business and to reduce the risk of damage that may occur from force majeure, which hinders the business operations.

3. Risk from rapid change of technology and consumer behavior

Nowadays, technology and consumer behavior are changing rapidly and significantly, affecting the Company's business and causing the Company to adjust the internal working process and structure of the Company Group to create products and services that meet the needs of consumers in each target group. Further communication to all channels is expanded to reach and connect to as many target customers as possible. In addition, the Company has studied consumer behavior and followed up on changes in technology. The Company has partnered with every platform to present the products and services to target customers and respond well to their needs.

Changes in technology and consumer behavior affect the internal working process of the Company, therefore, this may cause the risk of the Company being unable to adjust internal work processes to keep pace with such rapid changes in technology and consumer behavior.

The Company, therefore, establishes risk management to ensure stable and sustainable business growth by reviewing policies and plans and regularly monitoring results to adjust the work process by focusing on developing the Company's products and services to be competitive and respond to customers' needs.

4. The risk of relying on individual talents

The Company's business has grown from experienced personnel with unique talents (People-based), especially in the music business which both the artists and the support staffs are essential resources and dramatically affect the operation of the Company. Therefore, the leaving of artists and the supporting team from the Company results in the Company losing quality personnel. It may take more time to create new artists and support staff to replace them.

However, the Company has continuously managed this risk by encouraging personnel to be affectionate and commit to the organization. The Company focuses on enhance and develop its personnel's business knowledge and understanding. The Company also has a policy of retaining competent personnel by giving them opportunities to participate in operations and/or administration and/or becoming business partners. The continuing planning and development of the succession plan for senior executive and key executive positions, as well as creating new generations of artists, are parts of human resource strategy. In addition, the Company has developed a standardized performance evaluation system, including giving importance to remuneration and welfare for personnel at a comparable level to other companies in the same industry.

18.4 Financial Projection for the Present Year which was Reviewed by Approved Auditors and Opinionated by Independent Financial Advisor

- None -

18.5 List of Board of Directors, the Executives, and the Top 10 Major Shareholders as at the Latest Book-Closing Date

List of Board of Directors as of the date of this Information Memorandum

No.	Name	Position
1	Mr. Paiboon Damrongchaitham	Chairman of the Board
2	Ms. Boosaba Daorueng	Vice Chairman of the Board
3	Dr. Naris Chaayasoot	Independent Director / Chairman of the Audit Committee
4	Mr. Chanitr Charnchainarong	Independent Director / Member of the Audit Committee
5	Mr. Sunyaluck Chaikajornwat	Independent Director / Member of the Audit Committee
6	Mr. Thana Thienachariya	Independent Director / Member of the Audit Committee
7	Mr. Fahmai Damrongchaitham	Director
8	Mr. Phawit Chitrakorn	Director
9	Miss Suwimon Chungjotikapisit	Director

List of the Executives as of the date of this Information Memorandum

No.	Name	Position
1	Ms. Boosaba Daorueng	Group Chief Executive Officer
2	Mr. Phawit Chitrakorn	Chief Executive Officer of Music Business
3	Mr. Fahmai Damrongchaitham	(Acting) Chief Investment Officer
4	Mr. Kittisak Chuang-a-roon	(Acting) Chief Executive Officer of Goods Business
5	Ms. Janjira Panitpon	Chief Financial Officer

List of the 10 Major Shareholders as of 28 August 2024

No.	Name	Number of Shares (Shares)	Percentage
1	Fah Damrongchaitham Co., Ltd	426,774,344	52.05
2	Mr. Thaveechat Jurangkool	134,735,723	16.43
3	Mr. Natthaphon Jurangkool	81,122,700	9.89
4	Mrs. Hathairat Jurangkool	58,693,300	7.16
5	Mr. Komol Juangroongruangkit	22,720,000	2.77
6	UOB KAY HIAN (HONG KONG) LIMITED – Client Account	17,932,520	2.19
7	Bangkok Bank Public Company Limited	12,278,693	1.50
8	Mr. Takonkiet Viravan	5,299,236	0.65
9	Ms. May Damrongchaitham	5,000,000	0.61
10	Mr. Kitti Ngammaharat	4,189,400	0.51
11	Others	51,203,813	6.24
	Total	819,949,729	100.00

18.6 Other Information Capable of Materially Affecting Decision Making by Investors

- None -

19. Opinion of the Board of Directors on Working Capital Sufficiency

The Board of Directors considered that the Disposal of GMM Music's Ordinary Shares would positively impact on the working capital of the Company as the Company would receive proceeds from the sale of GMM Music's ordinary shares. Additionally, the Acquisition in the case of the Establishment of a New Joint Venture, the Board of Directors has considered the potential risks associated with the transaction as mentioned in Item 9, which may affect the Company Group's working capital, and has addressed them accordingly.

20. Pending Material Legal Actions or Disputes

- None -

21. Benefits or Related Party transactions between the Company and its Directors, Executives, and Shareholders with a Direct or Indirect Shareholding of 10 Percent or More

On the period from 1 January 2023 to 30 June 2024, the Company had entered into certain business transactions with 2 companies that are the Company's related parties as follows:

Company's Name	Type of Business	Nature of Relationship
Geurtfah Co., Ltd.	Property rental and related services	- Mr. Paiboon Damrongchaitham, a director of the Company, is also an authorized director who has a signing authority of Geurtfah - Miss Suwimon Jhungjotikapisit, an authorized director who has the signing authority of the Company, is also an authorized director who has the signing authority of Geurtfah - Mr. Fahmai Damrongchaitham, an authorized director who has the signing authority of the Company, is also an authorized director who has the signing authority of Geurtfah
Saha Manoonpol Co., Ltd.	Property rental and related services	- Mr. Thanakorn Manoonpol, who holds an executive position at GMM Music, a subsidiary, directly owns 4.58 percent of the total issued and outstanding shares. - Mr. Chailert Manoonpol, the father of Mr. Thanakorn Manoonpol, holds the position of an authorized director and directly owns 11.67 percent of the total issued and outstanding shares. - Mrs. Jirayu Manoonpol, the mother of Mr. Thanakorn Manoonpol, holds the position of an authorized director and directly owns 4.58 percent of the total issued and outstanding shares. - Mr. Thanasak Manoonpol, the brother of Mr. Thanakorn Manoonpol, directly owns 4.58 percent of the total issued and outstanding shares.
Harlem Shake Co., Ltd.	Choreograph service	- Miss Apissara Phetruengrong, who holds a director and an executive position at BLKGEM, is also an authorized director who has the signing authority of Harlem Shake.

The related party transactions for the year ending 31 December 2023 are summarized as follows:

Types of Transaction	Item on Financial Statements	Transaction Value (THB Million)
Connected transactions that are the normal course of business		
Other services fee	Revenue of the Company and its subsidiaries	0.08
	Outstanding account receivables and other receivables	0.02
1) Utilities, parking fees, advertising space fees, office renovation fees for the return of the leased space to the lessor, and equipment's repair and maintenance fees 2) Legal consultancy fees	Service expenses of the Company and its subsidiaries	19.36
	Outstanding account payables and other payables	3.02
Connected transactions that are not the normal course of business		
Type of Transaction	The Company Group rents the office building which is the 43-storey building, located at 50 Sukhumvit 21 Road (Asoke), Khlongtoei Nuea, Wattana, Bangkok from Geurtfah	
Size of rental space	Approximately 16,733.80 sq.m., accounting for 42.31 percent of total rental space	
Contract tenure	Period of 3 years (from 1 May 2022 to 30 April 2025)	
Rental and service rates	The rent and service rates under the previous rate were THB 700 per sq.m. However, the new rate was adjusted as follow: - 1st year (1 May 2022 – 30 April 2023): THB 721, increased by 3 percent - 2nd year (1 May 2023 – 30 April 2024): THB 750, increased by 4 percent - 3rd year (1 May 2024 – 30 April 2025): THB 788, increased by 5 percent This rate is comparable to the market rental rate at THB 790 per sq.m. per month, according to an appraisal report by Jones Lang LaSalle (Thailand) Limited, an independent appraiser on the SEC's approved list.	

Types of Transaction	Item on Financial Statements	Transaction Value (THB Million)
Total rent and service fees paid to Geurtfah	The rent and service fees of the Company and its subsidiaries	134.67
	Outstanding account payables and other payables	55.92

In addition, the details of the related party transactions related for the 6-month period ended 30 June 2024 can be summarized as follows:

Types of Transaction	Item on Financial Statements	Transaction Value (THB Million)
Connected transactions that are the normal course of business		
Other services fee	Revenue of the Company and its subsidiaries	0.05
	Outstanding account receivables and other receivables	0.03
Utilities, parking fees, advertising space fees, office renovation fees for the return of the leased space to the lessor, equipment repair and maintenance costs, and choreograph costs	Service expenses of the Company and its subsidiaries	21.28
	Outstanding account payables and other payables	5.67
Connected transactions that are not the normal course of business		
1. Office Building Lease from Geurtfah Co., Ltd.		
Type of Transaction	The Company Group rents the office building which is the 43-storey building, located at 50 Sukhumvit 21 Road (Asoke), Khlongtoei Nuea, Wattana, Bangkok from Geurtfah Co., Ltd.	
Size of rental space	As at 30 June 2024, approximately 16,834.69 sq.m, accounting for 42.57 percent of total rental space	
Contract tenure	Period of 3 years (from 1 May 2022 to 30 April 2025)	
Rental and service rates	The rent and service rate under the previous rate was THB 700 per sq.m. However, the new rate was adjusted as follow: - 1st year (1 May 2022 - 30 April 2023): THB 721, increased by 3 percent	

Types of Transaction	Item on Financial Statements	Transaction Value (THB Million)
	- 2nd year (1 May 2023 - 30 April 2024): THB 750, increased by 4 percent - 3rd year (1 May 2024 - 30 April 2025): THB 788, increased by 5 percent This rate is comparable to the market rental rate at THB 790 per sq.m per month, according to an appraisal report by Jones Lang LaSalle (Thailand) Limited, an independent appraiser on the SEC's approved list.	
Total rent and service fees paid to Geurffah Co., Ltd.	The rent and service fees of the Company and its subsidiaries	76.70
	Outstanding account payables and other payables	7.00
2. Office Building and Artist Rehearsal Room Lease from Saha Manoonpol Co., Ltd.		
Type of Transaction	A subsidiary of the Company rents the M Theater Building, which a 3-storey located in 2884/2 New Petchburi Road, Bang Kapi, Huai Khwang, Bangkok from Saha Manoonpol Co., Ltd.	
Size of rental space	As at 30 June 2024, approximately 746 sq.m, accounting for 24.87 percent of total rental space	
Contract tenure	Period of 3 years (from 1 April 2024 to 31 March 2027)	
Rental and service rates	The rent and service rate was THB 450 per sq.m per month, and such rate will remain constant throughout the lease term. This rate is comparable to the market rate at THB 470 per sq.m per month, according to an appraisal report by 15 Business Advisory Limited, an independent appraiser on the SEC's approved list.	
Total rent and service fees paid to Saha Manoonpol Co., Ltd.	The rent and service fees of the Company and its subsidiaries	1.16
	Outstanding account payables and other payables	1.80

22. Key Summary of Material Agreements within the Past 2 Years

(1) M Theater Lease Agreement

During the Board of Directors' Meeting No.5/2023 of the Company on 14 November 2023, it was approved that the GR Vocal Studio Co, Ltd (currently renamed as Blackgem Co., Ltd.), a subsidiary of the Company, would enter into a lease agreement for office space. The company would lease approximately 746 square meters of the M Theater building, representing 24.87 percent of the total office space, to be used as an office and a school for teaching, singing, dancing, and music. The lease is with Sahamanoonpol Co., Ltd. This transaction involves acquiring an asset (leasehold rights) and is a related-party transaction.

The lease term is 3 years, starting from 1 April 2024, and ending on 31 March 2027. BLKGEM has the right to renew the lease for an additional 3 years per term. The total lease cost over the 3-year period is approximately THB 12.09 million (excluding VAT and other applicable taxes).

(2) GMM Grammy Lease Agreement

During the Board of Directors' Meeting No.1/2022 of the Company on 25 February 2022, it was approved the renewal of the lease agreement for the GMM Grammy Place office building and to approve the adjustment of rent and service rates with Geurtfah Co., Ltd. This transaction involves the acquisition of an asset and is a related-party transaction.

The lease term is 3 years, starting from 1 May 2022 and ending on 30 April 2025. The Company has the right to renew the lease for an additional 3 years per term. The total lease cost over the 3-year period is approximately THB 388.25 million (excluding VAT and other applicable taxes).

23. Proxy Form with at Least One Name of a Member of the Audit Committee Being Nominated as Shareholder's Proxy

Reflected in the Enclosure 9