

Independent Auditor's Report

To the Shareholders of GMM Grammy Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of GMM Grammy Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of GMM Grammy Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GMM Grammy Public Company Limited and its subsidiaries, and of GMM Grammy Public Company Limited as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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Emphasis of Matters

I draw attention to the following matters.

- a) As disclosed in Note 13 to the financial statements, the sale of ordinary shares of GMM Music Public Company Limited ("GMM Music"), a subsidiary, to strategic investors (TENCENT and Warner Music Group) are of significant value of the transaction to the financial statements. Additionally, the Company has obligations under the price protection agreement according to the terms and conditions set forth in the contracts related to the transaction of selling GMM Music's ordinary shares to the buyer groups and to ensure that the purchase price for the buyer groups is equitable with other individuals in the event that GMM Music offers its shares to the public for the first time. The Company assesses that it has the right to control the conditions of the public offering of shares according to its own discretion. This will help the Company to reduce the risk of having to compensate the difference to the group of buyers by carefully managing and planning the share offering to ensure that the public offering price is appropriated. The Company's management assesses that the risk from this term of agreement is low, therefore, the management has not yet recorded an estimate of the liability for the price difference compensation.
- b) As disclosed in Note 14 and 15 to the financial statements regarding the acquisition of ordinary shares in The One Enterprise Public Company Limited by the Company and the acquisition of ordinary shares in Joox Thailand (Hong Kong) Limited by GMM Tomorrow Company Limited (a subsidiary), which resulted from the sale of ordinary shares of GMM Music Public Company Limited to the TENCENT group, the Group is currently assessing the fair value the identifiable assets acquired and liabilities assumed at the acquisition date. The measurement is to be completed within a period of 1 year from the acquisition date in accordance with Thai Financial Reporting Standard No. 3 Business Combinations which the Group applies by analogy.

My opinion is not modified in respect of this matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



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I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

The Group's revenue is significant to the financial statements and directly affects its operating results, to which users of financial statements pay attention. The Group has numerous types of revenue and it is derived through various channels, under agreements with a large number of customers that contain a variety of conditions, pertaining to matters such as sales promotions and discounts. In addition, changes in consumer behavior and industry trends have directly affected the competitive environment in media and entertainment industry. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for sales and service transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



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I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Poonnard Paocharoen

Certified Public Accountant (Thailand) No. 5238

EY Office Limited

Bangkok: 26 February 2025

GMM Grammy Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | | |
|-------------------------------------|------|-----------------------------------|----------------------|-------------------------------|----------------------|--|
| | | 2024 | 2023 | 2024 | 2023 | |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | 7 | 843,410,508 | 672,857,234 | 194,477,582 | 141,489,996 | |
| Trade and other receivables | 8 | 970,859,943 | 1,068,575,612 | 104,257,303 | 176,832,032 | |
| Inventories | 9 | 271,341,177 | 223,501,775 | 5,264,638 | 3,177,404 | |
| Prepaid expenses | | 33,924,477 | 49,807,358 | 6,105,314 | 3,788,492 | |
| Advance payments | | 15,127,360 | 19,763,577 | 80,279 | 1,040,322 | |
| Other current financial assets | 10 | 189,509,634 | 266,133,600 | 189,509,634 | 266,133,600 | |
| Other current assets | 11 | 72,165,094 | 215,898,275 | 12,682,433 | 44,529,825 | |
| Total current assets | | <u>2,396,338,193</u> | <u>2,516,537,431</u> | <u>512,377,183</u> | <u>636,991,671</u> | |
| Non-current assets | | | | | | |
| Other non-current financial assets | 12 | 5,519,369 | 5,781,256 | 5,519,369 | 5,531,306 | |
| Investments in subsidiaries | 13 | - | - | 1,890,901,309 | 1,080,661,324 | |
| Investments in joint ventures | 14 | 1,841,253,967 | 968,049,254 | 2,082,115,756 | 1,205,097,560 | |
| Investments in associates | 15 | 1,093,469,998 | 146,880,076 | 194,341,357 | 194,341,357 | |
| Loans to related parties | 6 | - | - | 534,220 | - | |
| Leasehold improvement and equipment | 16 | 234,312,276 | 147,469,295 | 12,613,142 | 9,661,789 | |
| Right-of-use assets | 24 | 579,089,313 | 702,379,621 | 166,577,815 | 142,519,974 | |
| Intangible assets | 17 | 1,441,713,806 | 1,062,118,415 | 35,941,447 | 34,375,651 | |
| Cost of spectrum license | 18 | 249,170,480 | 307,072,953 | - | - | |
| Deferred tax assets | 30 | 216,106,657 | 174,992,874 | 183,050,379 | 156,084,997 | |
| Other non-current assets | 19 | 186,737,209 | 209,967,189 | 92,949,908 | 113,089,766 | |
| Total non-current assets | | <u>5,847,373,075</u> | <u>3,724,710,933</u> | <u>4,664,544,702</u> | <u>2,941,363,724</u> | |
| Total assets | | <u>8,243,711,268</u> | <u>6,241,248,364</u> | <u>5,176,921,885</u> | <u>3,578,355,395</u> | |

The accompanying notes are an integral part of the financial statements.

GMM Grammy Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | | |
|---|------|-----------------------------------|----------------------|-------------------------------|----------------------|--|
| | | 2024 | 2023 | 2024 | 2023 | |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| Short-term loan from bank | 20 | 380,000,000 | 673,000,000 | - | - | |
| Trade and other payables | 21 | 1,468,216,391 | 1,709,789,256 | 131,227,965 | 202,299,652 | |
| Unearned income | | 708,560,209 | 263,642,789 | 3,274,638 | 2,992,570 | |
| Short-term loans from related parties | 6 | - | - | 236,800,000 | 279,300,000 | |
| Current portion of long-term loan | 23 | - | 133,301,282 | - | 133,301,282 | |
| Current portion of lease liabilities | 24 | 66,090,307 | 63,735,644 | 19,409,925 | 13,951,241 | |
| Income tax payable | | 37,603,647 | 36,065,699 | - | - | |
| Other current liabilities | 22 | 124,600,157 | 66,163,871 | 22,538,508 | 16,484,479 | |
| Total current liabilities | | <u>2,785,070,711</u> | <u>2,945,698,541</u> | <u>413,251,036</u> | <u>648,329,224</u> | |
| Non-current liabilities | | | | | | |
| Long-term loan - net of current portion | 23 | - | 857,853,261 | - | 857,853,261 | |
| Lease liabilities - net of current portion | 24 | 579,224,935 | 681,484,624 | 164,581,336 | 137,746,001 | |
| Deferred tax liabilities | 30 | 101,857 | 101,857 | 101,857 | 101,857 | |
| Provision for long-term employee benefits | 25 | 194,230,818 | 189,801,459 | 40,800,879 | 39,511,808 | |
| Other non-current liabilities | | 35,044,416 | 43,084,416 | 194,416 | 194,416 | |
| Total non-current liabilities | | <u>808,602,026</u> | <u>1,772,325,617</u> | <u>205,678,488</u> | <u>1,035,407,343</u> | |
| Total liabilities | | <u>3,593,672,737</u> | <u>4,718,024,158</u> | <u>618,929,524</u> | <u>1,683,736,567</u> | |
| Shareholders' equity | | | | | | |
| Share capital | | | | | | |
| Registered | | | | | | |
| 819,949,729 ordinary shares of Baht 1 each | | <u>819,949,729</u> | <u>819,949,729</u> | <u>819,949,729</u> | <u>819,949,729</u> | |
| Issued and fully paid | | | | | | |
| 819,949,729 ordinary shares of Baht 1 each | | <u>819,949,729</u> | <u>819,949,729</u> | <u>819,949,729</u> | <u>819,949,729</u> | |
| Paid-in capital | | | | | | |
| Share premium | | 492,987,095 | 492,987,095 | 492,987,095 | 492,987,095 | |
| Surplus on share-based payment | | 8,669,584 | 8,669,584 | - | - | |
| Retained earnings | | | | | | |
| Appropriated - statutory reserve | 26 | 81,994,973 | 27,074,587 | 81,994,973 | 27,074,587 | |
| Unappropriated | | 238,052,933 | 100,897,040 | 3,163,217,849 | 554,756,862 | |
| Other components of shareholders' equity | | <u>2,744,380,059</u> | <u>(43,609,637)</u> | <u>(157,285)</u> | <u>(149,445)</u> | |
| Equity attributable to owners of the Company | | 4,386,034,373 | 1,405,968,398 | 4,557,992,361 | 1,894,618,828 | |
| Non-controlling interests of the subsidiaries | | 264,004,158 | 117,255,808 | - | - | |
| Total shareholders' equity | | <u>4,650,038,531</u> | <u>1,523,224,206</u> | <u>4,557,992,361</u> | <u>1,894,618,828</u> | |
| Total liabilities and shareholders' equity | | <u>8,243,711,268</u> | <u>6,241,248,364</u> | <u>5,176,921,885</u> | <u>3,578,355,395</u> | |

The accompanying notes are an integral part of the financial statements.

Directors

GMM Grammy Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2024

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------------|-----------------------------------|----------------------|-------------------------------|----------------------|
| | | 2024 | 2023 | 2024 | 2023 |
| Revenues | | | | | |
| Sales of goods | 27 | 1,393,251,982 | 1,577,234,343 | - | 6,013,966 |
| Service income | 27 | 3,230,605,188 | 2,612,830,688 | 167,251,786 | 133,990,003 |
| Revenues from copyrights | 27 | 1,541,547,660 | 1,741,321,414 | 43,299,929 | 9,774,540 |
| Dividend income | 10, 13, 14 | 18,460,855 | 8,393,200 | 222,299,220 | 273,841,915 |
| Gain from sales of investment in subsidiaries | 13 | - | - | 2,815,396,241 | - |
| Other income | | 53,447,136 | 48,468,831 | 24,117,570 | 3,680,914 |
| Total revenues | | 6,237,312,821 | 5,988,248,476 | 3,272,364,746 | 427,301,338 |
| Expenses | | | | | |
| Cost of sales and services | | 3,651,159,929 | 3,632,663,909 | 137,982,505 | 151,542,915 |
| Selling, distribution and servicing expenses | | 468,950,909 | 499,804,872 | 13,517,827 | 294,518 |
| Administrative expenses | | 1,711,307,564 | 1,653,027,533 | 498,145,188 | 534,039,667 |
| Expected credit loss of loans to related parties (reversal) | 6 | - | - | (78,059,750) | (51,029,875) |
| Loss on fair value in other current financial assets | 10 | 14,412,749 | 243,358,893 | 14,412,749 | 243,358,893 |
| Loss on impairment of investments in subsidiaries | 13 | - | - | - | 19,514,937 |
| Total expenses | | 5,845,831,151 | 6,028,855,207 | 585,998,519 | 897,721,055 |
| Operating profit (loss) | | 391,481,670 | (40,606,731) | 2,686,366,227 | (470,419,717) |
| Share of profit from investments in joint ventures | 14 | 126,826,711 | 120,599,594 | - | - |
| Share of profit from investments in associates | 15 | 4,945,445 | 2,143,556 | - | - |
| Finance income | | 5,537,810 | 2,607,914 | 17,547,489 | 19,439,623 |
| Finance cost | 28 | (127,166,965) | (121,176,464) | (70,882,446) | (71,596,118) |
| Profit (loss) before income tax income (expenses) | | 401,624,671 | (36,432,131) | 2,633,031,270 | (522,576,212) |
| Income tax income (expenses) | 30 | (129,383,329) | (90,083,483) | 27,638,934 | 159,419,264 |
| Profit (loss) for the year from continuing operations | | 272,241,342 | (126,515,614) | 2,660,670,204 | (363,156,948) |
| Discontinued operation | | | | | |
| Profit for the year from discontinued operations | | - | - | - | 724,958,226 |
| - net of income tax | 32 | - | - | - | 724,958,226 |
| Profit (loss) for the year | | 272,241,342 | (126,515,614) | 2,660,670,204 | 361,801,278 |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | | | | |
| Profit (loss) for the year from continuing operations | | 195,570,915 | (132,567,060) | 2,660,670,204 | (363,156,948) |
| Profit for the year from discontinued operations | | - | - | - | 724,958,226 |
| | | 195,570,915 | (132,567,060) | 2,660,670,204 | 361,801,278 |
| Non-controlling interests of the subsidiaries | | | | | |
| Profit for the year from continuing operations | | 76,670,427 | 6,051,446 | | |
| | | 76,670,427 | 6,051,446 | | |
| | | 272,241,342 | (126,515,614) | | |
| Basic earnings per share | 31 | | | | |
| Profit (loss) attributable to equity holders of the Company | | | | | |
| Continuing operations | | 0.24 | (0.16) | 3.24 | (0.44) |
| Discontinued operations | | - | - | - | 0.88 |
| | | 0.24 | (0.16) | 3.24 | 0.44 |

The accompanying notes are an integral part of the financial statements.

GMM Grammy Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2024

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|----------------------|-------------------------------|----------------------|
| | | 2024 | 2023 | 2024 | 2023 |
| Profit (loss) for the year from continuing operations | | <u>272,241,342</u> | <u>(126,515,614)</u> | <u>2,660,670,204</u> | <u>(363,156,948)</u> |
| Other comprehensive income: | | | | | |
| <i>Other comprehensive income to be reclassified</i> | | | | | |
| <i>to profit or loss in subsequent periods:</i> | | | | | |
| Exchange differences on translation of financial statements | | | | | |
| in foreign currency - net of income tax | | <u>61,758</u> | <u>309,598</u> | <u>-</u> | <u>-</u> |
| Other comprehensive income to be reclassified | | | | | |
| to profit or loss in subsequent periods - net of income tax | | <u>61,758</u> | <u>309,598</u> | <u>-</u> | <u>-</u> |
| <i>Other comprehensive income not to be reclassified</i> | | | | | |
| <i>to profit or loss in subsequent periods</i> | | | | | |
| Actuarial gain - net of income tax | 25 | <u>3,837,706</u> | <u>-</u> | <u>2,711,169</u> | <u>-</u> |
| Loss on changes in value of equity investments | | | | | |
| designated at fair value through other comprehensive income | | | | | |
| - net of income tax | | <u>(7,840)</u> | <u>(41,760)</u> | <u>(7,840)</u> | <u>(41,760)</u> |
| Share of actuarial loss of joint ventures - net of income tax | | <u>(6,933,485)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Share of actuarial loss of associates - net of income tax | | <u>(398,857)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other comprehensive income not to be reclassified | | | | | |
| to profit or loss in subsequent periods - net of income tax | | <u>(3,502,476)</u> | <u>(41,760)</u> | <u>2,703,329</u> | <u>(41,760)</u> |
| Other comprehensive income for the year | | <u>(3,440,718)</u> | <u>267,838</u> | <u>2,703,329</u> | <u>(41,760)</u> |
| Total comprehensive income for the year from continuing operations | | | | | |
| | | <u>268,800,624</u> | <u>(126,247,776)</u> | <u>2,663,373,533</u> | <u>(363,198,708)</u> |
| Total comprehensive income for the year from discontinued operations | | | | | |
| | | <u>-</u> | <u>-</u> | <u>-</u> | <u>724,958,226</u> |
| Total comprehensive income for the year | | <u>268,800,624</u> | <u>(126,247,776)</u> | <u>2,663,373,533</u> | <u>361,759,518</u> |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the Company | | | | | |
| Profit (loss) for the year from continuing operations | | <u>193,738,114</u> | <u>(132,299,222)</u> | <u>2,663,373,533</u> | <u>(363,198,708)</u> |
| Profit for the year from discontinued operations | | <u>-</u> | <u>-</u> | <u>-</u> | <u>724,958,226</u> |
| Non-controlling interests of the subsidiaries | | <u>193,738,114</u> | <u>(132,299,222)</u> | <u>2,663,373,533</u> | <u>361,759,518</u> |
| Profit for the year from continuing operations | | <u>75,062,510</u> | <u>6,051,446</u> | | |
| | | <u>268,800,624</u> | <u>(126,247,776)</u> | | |

The accompanying notes are an integral part of the financial statements.