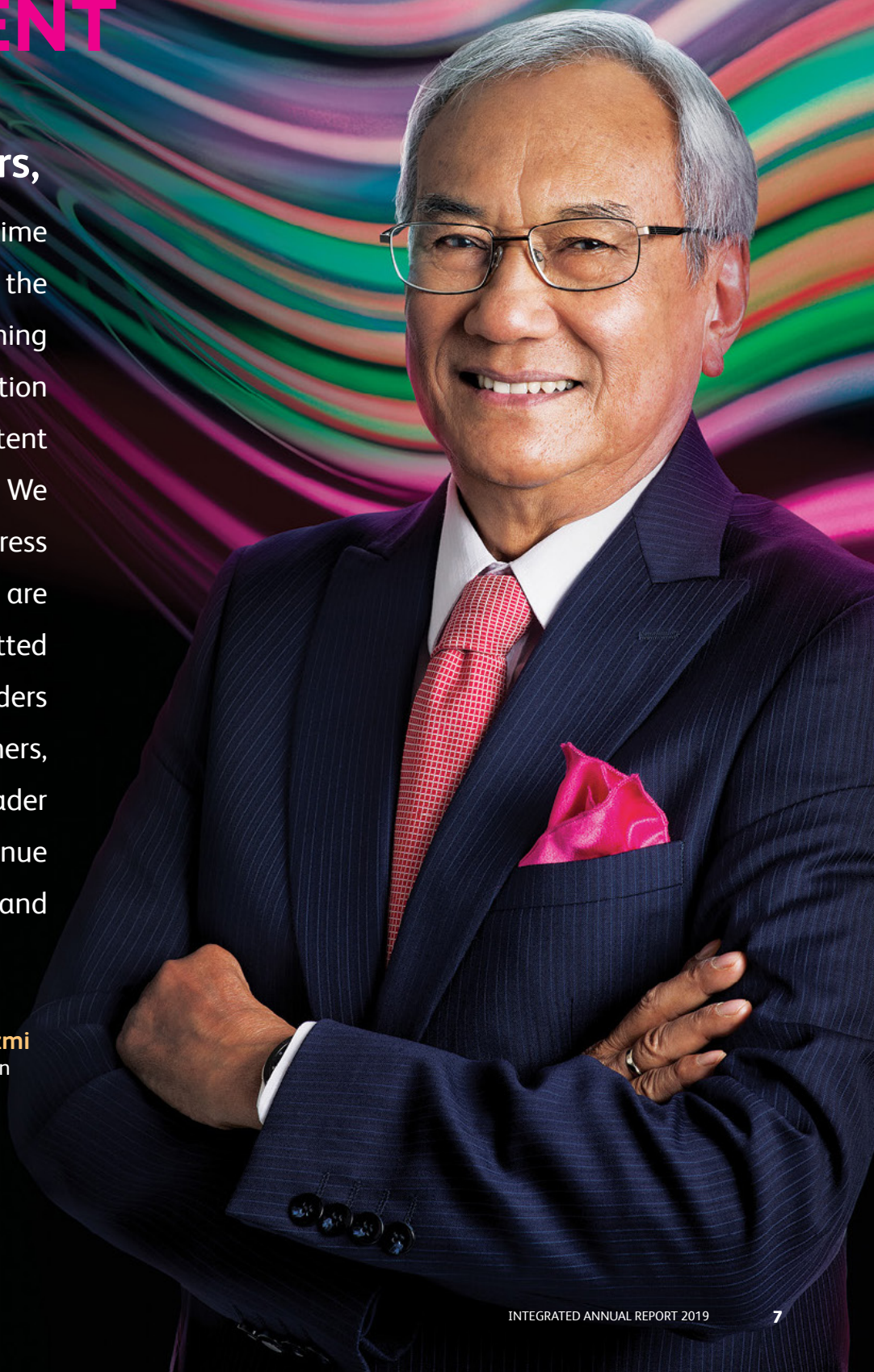


CHAIRMAN'S STATEMENT

Dear Shareholders,

Astro forges ahead at a time of significant shifts within the media industry, strengthening our core business position as Malaysia's No. 1 content and consumer company. We are pleased with the progress made in FY19 and are appreciative of the committed support from our stakeholders including our customers, shareholders and the broader community who continue to be loyally engaged and invested in our business.

Tun Dato' Seri Zaki bin Tun Azmi
Independent Non-Executive Chairman



CHAIRMAN'S STATEMENT

As the shift towards digital distribution accelerates, consumer content consumption patterns continue to evolve, obliging operators to adapt business models and formulate new strategies. To remain a deserving market leader, we continue to execute our strategy of offering premium content, products and services while venturing into innovative new opportunities for long-term sustainability. Backed by the invaluable trust of our customers developed over the last 23 years, our Board and Senior Leadership are embarking on a journey to reimagine our business in this era of revolution while fortifying our value proposition to customers by offering premium entertainment across multiple platforms with targeted personalised experiences drawing upon Astro's growing ecosystem. Our key priorities include reinforcing our presence in Malaysian households, deepening our reach in the individuals' space, and driving adex

and commerce growth, underpinned throughout by our leadership in vernacular content creation and leading multiplatform marketing capabilities.

Commitment to shareholder value

Sustainable long-term shareholder returns and value creation remain top of our priority list. Keeping to our dividend promise, we have once again declared and paid out at least 75% of consolidated profits to shareholders on the back of persistent operational efficiencies, supported by our strong cash generation capabilities. Despite FY19 being a big sporting year for us, our stable operational performance and prudent cost management efforts have enabled us to reward our shareholders with dividends totalling 9.0 sen per share, representing a payout of 101% of PATAMI. Since IPO, we have rewarded our shareholders with dividends totalling over RM3.6 billion.

We look forward to continuing to reward our loyal shareholders with an attractive dividend yield while also exercising financial prudence to enable us to reinvest into our business.

Championing the vibrant local media industry

We remain committed to supporting the development of Malaysia's homegrown media industry, a responsibility we undertake with utmost diligence and pride. Having established close relationships with our 5.7 million households, 16.2 million weekly radio listeners and millions more individuals through our digital offerings and on-ground live events, we are well-positioned to help steer the local content industry and talent development to greater heights.

Dividend per share

FY19	FY18
9.0 sen	12.5 sen

Dividend payout ratio

FY19	FY18
101%	85%

Total dividend declared since IPO

FY19	FY18
RM3.6b	RM3.1b

Direct contribution to GDP

FY19	FY18
RM1.9b	RM2.2b



**Astro's
blockbusters
achieved
commercial
and critical
success in
FY19**



Astro participated in the inaugural Kuala Lumpur Digital Content Anti-Piracy Summit organised by MCMC, Coalition Against Piracy and Asia Video Industry Association to address digital piracy

Through multiple collaborations with local and regional media players, as well as government bodies such as the Malaysian Communications and Multimedia Commission (“MCMC”) and the Ministry of Domestic Trade and Consumer Affairs (“KPDNHEP”), we fully support initiatives aimed at the advancement, innovation and growth of the domestic creative space, including combating content piracy.

In FY19, we commissioned more than RM80 million worth of programmes from local production houses, creating a nurturing environment for on-air and off-air talents to flourish. We are excited to be blazing new trails in the local film industry, having produced three of the top four Malaysian movies this year. 2018 was indeed ground-breaking, as for the first time ever, local movies at the box office grossed over RM100 million. We also collaborated with over 10,500 vendors, and provided creative advertising solutions to over 1,700 corporations and media houses. On a macro level, we contribute to the Malaysian economy both directly, in terms of employment and tax, as well as indirectly

through induced spending. It is estimated that our direct contribution towards Malaysia’s GDP amounted to RM1.9 billion in FY19. We are humbled that our Pay-TV entity MEASAT Broadcast Network Systems (“MBNS”) was awarded the Best Corporate Taxpayer Award 2018, among the 11 presented by the Inland Revenue Board of Malaysia (“LHDN”).

Content piracy remains widespread and is detrimental towards the growth of the local media industry. We continue to work with various stakeholders as well as our content partners to safeguard content IPs and the wellbeing of our talents through holistic anti-piracy initiatives, supported by the adoption of the latest technology. We work closely with the relevant ministries and authorities – including the Ministry of Communications and Multimedia Malaysia (“MCMC”), MCMC, KPDNHEP, Royal Malaysian Police and Royal Malaysian Customs – tirelessly advocating intellectual property (“IP”) protection and actively participating in industry coalitions against piracy at both the local and international level.

Commitment to sound corporate governance practices

Our Board recognises its fiduciary duty and responsibility towards our shareholders and is committed to high standards of corporate governance (“CG”) and international best practices in accordance with the Malaysian Code on Corporate Governance 2017 (“MCCG”) to ensure the long-term sustainability of our Group and protect the interests of all shareholders. Our Board works closely with Astro’s management to drive proactive risk management, governance and compliance strategies to instil accountability among our talents in carrying out the day-to-day operations of our business.

In recognition of our efforts in promoting good CG, I am pleased to report that Astro was named as among the Top 50 ASEAN Public Listed Companies at Minority Shareholder Watchdog Group’s (“MSWG”) 2nd ASEAN CG Award.

CHAIRMAN'S STATEMENT

Our Board views diversity as integral to the Group's culture, crucial for innovation, ideation and efficient problem solving, allowing us to draw upon varying skill sets and perspectives offered by Team Astro. The composition of our Board, comprising members of various backgrounds, competencies, gender and age, reflects our belief about the strategic value of diversity for the long-term growth of our Group. Details on our governance, risk management and compliance policies are provided in the CG Overview of this Integrated Annual Report.

Giving back to the community

The guiding principles of Yayasan Astro Kasih, encompassing Lifelong Learning, Community Development, Sports, and

Environment, remain close to our hearts. It is my pleasure to report that our talents contributed 16,369 hours for 175 initiatives in FY19 under our Astro Kasih employee volunteer programme in the belief that each individual in their own special way can enrich and inspire the community to create a better tomorrow.

As part of our effort to promote lifelong learning and equal opportunity for education, to date we have extended our Astro Kampus programme to over 10,000 schools in Malaysia, 75 paediatric and oncology wards, Schools in Hospitals and military hospitals, providing children with access to education regardless of their background and varying life circumstances. Through our partnership with the Ministry

of Education, our Astro Kasih Hostels located in the remote areas of Kota Marudu and Ranau in Sabah, and Kapit in Sarawak continue to benefit students from SK Magandai, SK Malinsau and SK Sg. Paku by providing lodging facilities proximate to their schools, saving precious travel time which is instead reallocated to studying. Consequently, we are delighted that SK Magandai and SK Sg. Paku have recorded an improvement in their overall passing rates, while for the first time ever, three students from SK Malinsau achieved a perfect score of 6As in the 2018 UPSR examination.

Regionally, we are pleased to continue our mentoring programme in partnership with WEDU to empower young women from



Chairman of Astro Tun Dato' Seri Zaki bin Tun Azmi and Chairman of Maxis Raja Tan Sri Arshad bin Raja Tun Uda presented a contribution to Tabung Bencana Gempa Bumi & Tsunami Sulawesi for the rebuilding of schools and communities to Prime Minister YAB Tun Dr. Mahathir bin Mohamad



We identify, train and develop young badminton talents under our Astro Kem Badminton programme

marginalised communities across Asia. During the six-month programme, eight participants from Cambodia, the Philippines and Vietnam were coached and mentored by our talents to help equip them with skill sets and guidance to pursue their life goals.

Sports is a universal language that promotes social inclusion, fosters cross-cultural integration and brings people together. In FY19, we progressed further with our annual Astro Kem Badminton and Astro Kem Bola programmes to identify, train and develop talented children who are passionate about badminton and football to achieve their dreams of becoming young national athletes. In partnership with the Badminton Association of Malaysia ("BAM"), our Kem Badminton has scaled from being a training-based programme to holding tournaments at national and

regional levels through the Astro Junior Championship. In FY19, 3,479 children turned up for selection camps nationwide with 29 outstanding participants ultimately selected for a two-week overseas training programme in Tokyo, supervised by Japan's national junior coaches.

Football is the most popular sport among Malaysians, and Astro being the home of football for all Malaysians is privileged to shape and nurture the local football scene. Our Kem Bola programme has received tremendous support over the years from the community with over 17,000 sign-ups since 2012. In FY19, 2,222 children enrolled in the programme with 32 finalists successfully completing a 10-day training at FC Barcelona's prestigious youth academy in Spain.

Kem Badminton total participants

FY18	FY19
2,787	3,479

Kem Bola total participants

FY18	FY19
2,065	2,222

CHAIRMAN'S STATEMENT



Astro Kem Bola participants during training at FC Barcelona's youth academy in Spain

Looking ahead

Success comes from creating and finding opportunities within seemingly complex problems. As we journey through today's highly fragmented business landscape, we will draw upon our customer base and reach while refreshing our value proposition to fortify our business through continuous innovation. We will refocus our resources into our growth drivers, guided always by our established governance and risk management framework to safeguard our assets and address the interests of all stakeholders.

In appreciation

On behalf of the Board, I would like to express my sincere appreciation to MCM, MCMC and other government authorities including industry players for their shared vision and commitment in promoting and nurturing Malaysia's promising media

industry. We look forward to greater collaboration with all parties, especially in our battle against piracy which poses the single largest threat in the industry's goal of developing a vibrant export market for local production.

To our valued stakeholders – customers, shareholders, business partners and vendors, thank you for your resolute support throughout the years.

To my fellow Directors, thank you for your unwavering support and invaluable guidance. To our new Directors – Tunku Alizakri Raja Muhammad Alias, Mazita Mokty and Vernon Das, welcome on board. I look forward to us working together and leveraging each other's expertise towards greater success. I would especially like to extend our deepest gratitude to Dato' Rohana Rozhan for her tireless dedication

and inspiring leadership that has propelled Astro forward, most prominently in her role helming the Group over the last eight years, as well as to those who have opted for our employee separation scheme ("ESS") or who have left us over the last year to pursue other opportunities. Your contributions are greatly treasured, and I wish you all the best in your future endeavours.

Last but not least, thank you Team Astro for your dedication and commitment towards ensuring service excellence for our customers and stakeholders alike. Your sheer determination and tenacity in delivering your best underpins our resilience and strength in these exciting times.

Tun Dato' Seri Zaki bin Tun Azmi

On behalf of the Board of Directors