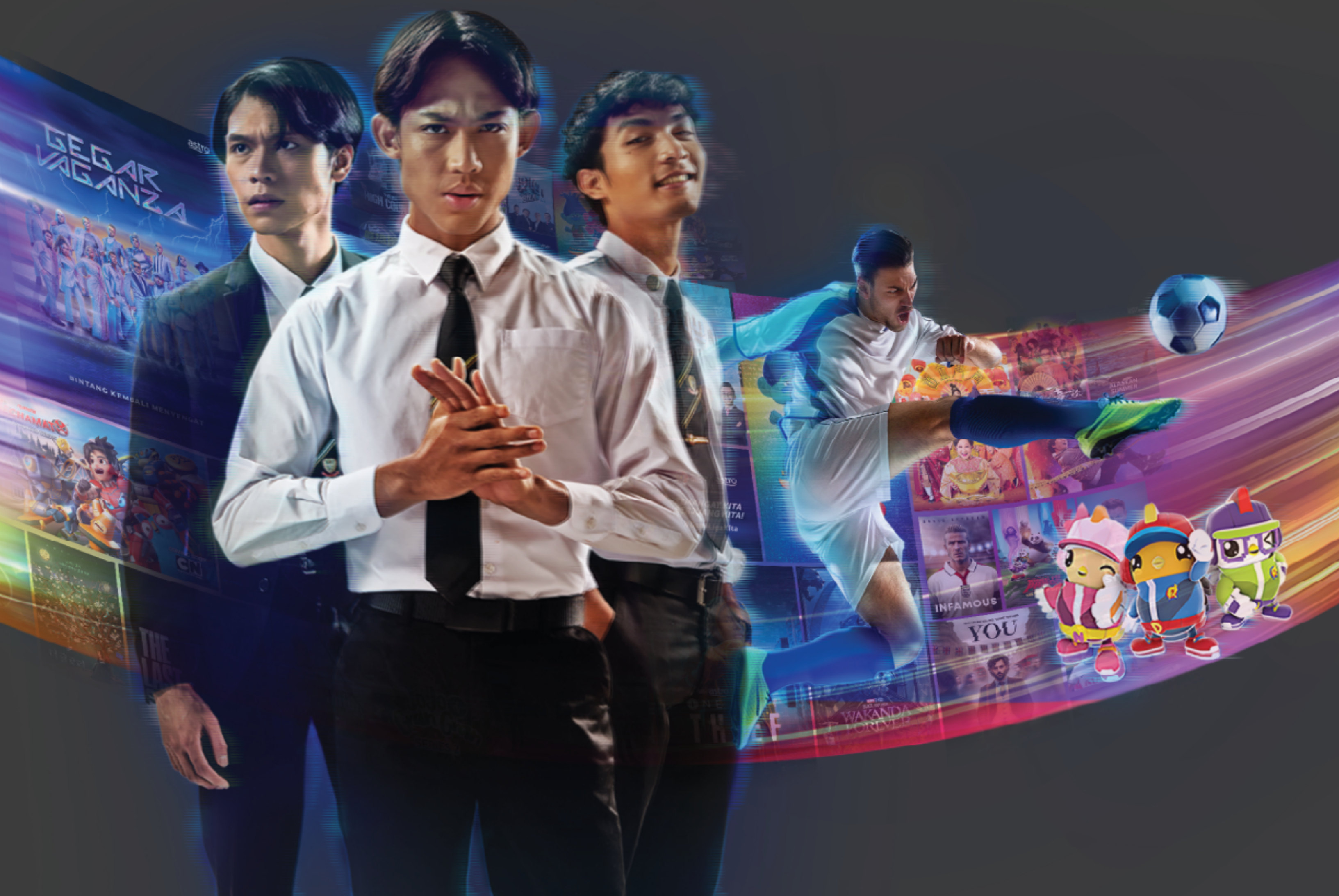
ASTRO MALAYSIA HOLDINGS BERHAD

Incorporated in Malaysia
Company No. 201101004392 (932533-V)

FULL STREAM AHEAD

At Home. On the Go. Any Time.



Audited Financial Statements 2023

CONTENTS

Financial Statements

For Leadership Insights, Our Value Creation and Corporate Governance, please refer to our <Integrated Annual Report 2023>

Directors’ Responsibility Statement

The Companies Act 2016 (“the Act”) requires Directors to prepare financial statements for each financial year in accordance with the requirements of the Act, Malaysian Financial Reporting Standards (“MFRS”), the International Financial Reporting Standards (“IFRS”) and the Main Market Listing Requirements of Bursa Securities (“MMLR”) and to present these before the Company at its Annual General Meeting.

The Directors are responsible for the preparation of financial statements which should be drawn up in accordance with applicable accounting standards to give a true and fair view of the financial position of the Group and the Company as at 31 January 2023 and of their financial performance and cash flows for the financial year then ended.

The Act also requires the Directors to keep such accounting and other records that will enable them to sufficiently explain the transactions and financial position of the Group and the Company, and to enable true and fair profit and loss accounts and balance sheets and any documents required to be attached thereto to be prepared, as well as to keep such records in a manner as to enable them to be conveniently and properly audited.

In preparing the financial statements for the financial year ended 31 January 2023 in conformity with MFRS, the Directors have used certain critical accounting estimates and reasonable assumptions. In addition, the Directors have exercised their judgements to the best of their knowledge and belief, in the process of applying the appropriate and relevant accounting policies.

The Directors have also relied on the accounting and internal control systems to ensure that the assets of the Group and the Company are safeguarded against material losses from unauthorised use or disposition and the information generated for the preparation of the financial statements are true and fair and are free from material misstatement.

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

The Directors are pleased to submit their report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2023.

Principal Activities

The principal activity of the Company is investment holding. The Group is primarily engaged in the provision of television services; radio services; film library licensing; content creation, aggregation and distribution; talent management; multimedia interactive services; digital media and home shopping.

There were no significant changes in the nature of these activities of the Group and the Company during the financial year.

The Company and its subsidiaries are collectively referred to as the Group. The details of the subsidiaries are set out in Note 15 to the financial statements.

Financial Results

	Group RM'000	Company RM'000
Profit/(loss) for the financial year	210,488	(568,671)
Attributable to:		
Equity holders of the Company	259,038	(568,671)
Non-controlling interests	(48,550)	-
	210,488	(568,671)

Dividends

The dividends on ordinary shares paid or declared by the Company since 31 January 2022 were as follows:

	RM'000
In respect of the financial year ended 31 January 2022:	
Fourth interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 31 March 2022 and paid on 29 April 2022	78,218
Final single-tier dividend of RM0.0075 per share on 5,214,506,700 ordinary shares, approved on 22 June 2022 and paid on 20 July 2022	39,109
	117,327
In respect of the financial year ended 31 January 2023:	
First interim single-tier dividend of RM0.0125 per share on 5,214,506,700 ordinary shares, declared on 21 June 2022 and paid on 20 July 2022	65,181
Second interim single-tier dividend of RM0.01 per share on 5,214,506,700 ordinary shares, declared on 26 September 2022 and paid on 25 October 2022	52,145
Third interim single-tier dividend of RM0.0075 per share on 5,214,506,700 ordinary shares, declared on 15 December 2022 and paid on 13 January 2023	39,109
	156,435

The Directors do not recommend any final dividend to be paid for the financial year ended 31 January 2023.

Reserves and Provisions

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

Share Capital

There was no issue of shares during the financial year.

Share Scheme

The Company has established the following share schemes ("Share Scheme"):

(i) the Management Share Scheme ("MSS 2012") which came into effect on 20 September 2012. An eligible executive or eligible employee of the Company and its subsidiaries who accepts an offer under the MSS 2012 ("MSS 2012 Grantee") shall pay a sum of RM1.00 as consideration for acceptance of that offer. Subject to the terms and conditions of the By-Laws governing the MSS 2012, the MSS 2012 Grantees shall be entitled to receive new ordinary shares to be issued pursuant to the share awards which may comprise restricted share units ("MSS 2012 RSUs") and/or performance share units ("MSS 2012 PSUs"), on the scheduled vesting dates without further payment, subject to meeting the vesting conditions which comprise the performance targets stipulated by the then Remuneration Committee of the Company.

The MSS 2012 was effective for a period of ten years from 20 September 2012 until 19 September 2022. No further shares in the Company shall be awarded under the MSS 2012 and no share award shall vest beyond the expiry date. There is no outstanding grant that has not vested.

(ii) the Astro Malaysia Holdings Berhad Long Term Incentive Plan ("LTIP") which came into effect on 21 August 2020 and shall be in force for a period of ten years. An eligible employee of the Company and its subsidiaries (excluding dormant subsidiaries) who accepts the offer ("Grantee") shall pay a sum of RM1.00 as non-refundable consideration for acceptance of that offer. Subject to the terms and conditions of the By-Laws governing the LTIP, the Grantee shall be entitled to receive new ordinary shares to be issued pursuant to the share awards which may comprise restricted share units ("RSUs") and/or performance share units ("PSUs"), on the scheduled vesting dates without further payment, subject to meeting the vesting conditions which comprise the performance targets stipulated by the Nomination, Remuneration and Corporate Governance Committee ("NRCGC") of the Company.

The maximum number of shares in the Company which may be issued and/or transferred under the LTIP shall not, when aggregated with the total number of shares issued under the MSS 2012, exceed 10% of the total number of issued shares in the Company at any point in time during the period of the LTIP.

Details of the Share Scheme are disclosed in Note 7(a) to the financial statements.

Share Scheme (Cont'd.)

During the financial year, the Company granted the following under the LTIP:

(a) 1,680,000 RSU to eligible employees of the Company and its subsidiaries (excluding dormant subsidiaries). The RSU granted will vest upon the fulfilment of predetermined vesting conditions including company and individual performance targets. The vesting date is on 31 July 2025, subject to the discretion of the NRCGC; and

(b) 33,839,278 PSU to eligible employees of the Company and its subsidiaries (excluding dormant subsidiaries). The PSU granted will vest upon fulfilment of predetermined vesting conditions including the Company's performance over a period of three financial years and individual performance rating. The vesting date is on 31 July 2025, subject to the discretion of the NRCGC.

Directors

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Tunku Ali Redhauddin Ibni Tunku Muhriz (Appointed on 6 May 2022 and redesignated as Chairman of the Board on 23 June 2023)
Datuk Yvonne Chia
Renzo Christopher Viegas
Nicola Mary Bamford (Appointed on 6 May 2022)
Lim Ghee Keong
Simon Cathcart
Mazita binti Mokty
Kenneth Shen
Rossana Annizah binti Ahmad Rashid
Matthew James Turner (Appointed as Alternate director to Lim Ghee Keong on 15 December 2022)
Tun Dato' Seri Zaki bin Tun Azmi (Resigned on 22 June 2022)

The names of the Directors of the Company's subsidiaries are set out in the respective subsidiaries' financial statements and the information is deemed incorporated herein by such reference and made a part thereof.

Directors' Benefits

During and at the end of the financial year, there are no arrangements that subsisted to which the Company is a party, being arrangements with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits shown under Directors' remuneration below) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Directors' Interests in Shares and Debentures

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, particulars of interests of Directors who held office at the end of the financial year in the shares in the Company ("AMH Shares") are as follows:

	Number of ordinary shares			
	As at 1.2.2022	Acquired	Disposed	As at 31.1.2023
Datuk Yvonne Chia	400,000	-	-	400,000
Renzo Christopher Viegas	400,000	-	-	400,000
Lim Ghee Keong	1,000,000	-	-	1,000,000

Other than as disclosed above, according to the Register of Directors' Shareholdings, none of the Directors in office at the end of the financial year held any interest in shares, grants and options over shares in the Company or in its related corporations during the financial year.

Directors' Remuneration

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fees and meeting allowances	3,241	2,835	3,241	2,835
Salaries and bonus	9,893	11,980	-	-
Defined contribution plans	1,269	1,532	-	-
Estimated money value of benefits-in-kind	96	87	24	23
Separation scheme	612	-	-	-
Total Directors' remuneration	15,111	16,434	3,265	2,858

Included in the analysis above is remuneration for Directors of the Company and its subsidiaries in accordance with the requirements of Companies Act 2016. Expenses incurred on indemnity given or insurance effected for any Director and officer of the Company and its subsidiaries during the financial year amounted to RM404,300 (2022: RM358,500).

Statutory Information on the Financial Statements

Before the financial statements of the Group and Company were prepared, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and Company inadequate to any substantial extent; or

(b) which would render the values attributed to the current assets in the financial statements of the Group and Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and Company misleading or inappropriate.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group or Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or the Company to meet their obligations when they fall due.

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONT'D.)

Statutory Information on the Financial Statements (Cont'd.)

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group's and Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except for those disclosed in the financial statements; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or Company for the financial year in which this report is made.

Significant Events during the year

The significant events during the financial year are as disclosed in Note 38 to the financial statements.

Auditors and Auditors' remuneration

Total fees for statutory audits provided by the auditors amounted to RM1,739,000 (2022: RM1,739,000) and RM510,000 (2022: RM510,000) for the Group and the Company respectively, while total fees for audit related services and other services amounted to RM864,000 (2022: RM1,123,000) and RM570,000 (2022: RM600,000) for the Group and the Company respectively. Other services provided by the auditors and its member firms comprised regulatory compliance reporting, tax and advisory services.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

Signed on behalf of the Board of Directors in accordance with the approval granted by the Board of Directors on 25 April 2023.

TUNKU ALI REDHAUDDIN
IBNI TUANKU MUHRIZ
DIRECTOR

RENZO CHRISTOPHER VIEGAS
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tunku Ali Redhauddin Ibni Tuanku Muhriz and Renzo Christopher Viegas, the Directors of Astro Malaysia Holdings Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 21 to 147 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2023 and financial performance of the Group and of the Company for the financial year ended 31 January 2023 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with the approval granted by the Board of Directors on 25 April 2023.

TUNKU ALI REDHAUDDIN
IBNI TUANKU MUHRIZ
DIRECTOR

RENZO CHRISTOPHER VIEGAS
DIRECTOR

Kuala Lumpur

STATUTORY DECLARATION PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Shafiq Abdul Jabbar, the officer primarily responsible for the financial management of Astro Malaysia Holdings Berhad, do solemnly and sincerely declare that, the financial statements set out on pages 21 to 147, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

SHAFIQ ABDUL JABBAR
(MIA Number: 23405)

Subscribed and solemnly declared by the above named Shafiq Abdul Jabbar at Kuala Lumpur in Malaysia on 25 April 2023, before me.

PESURUHJAYA SUMPAH
W737
MUHAMMAD FAIZ DHARMENDRA
BIN ABDULLAH
01 JAN 2021 - 31 DEC 2023
MALAYSIA

No. 30, Tingkat Bawah, Blok B,
Flat PKNS, Jalan Raja Muda Musa,
50300 Kg. Baru, Kuala Lumpur.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASTRO MALAYSIA HOLDINGS BERHAD

(Incorporated in Malaysia)
Company No. 201101004392 (932533-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Astro Malaysia Holdings Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 January 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the balance sheets as at 31 January 2023 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 21 to 147.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matters**
Assessment of carrying values of goodwill, intellectual properties, brands, spectrums and cost of investments in subsidiaries *Refer to Note 3E - Summary of significant accounting policies – Intangible assets, Note 4 - Critical accounting estimates and judgements, Note 20 – Intangible assets and Note 15 – Investment in Subsidiaries.*	We performed the following audit procedures on the value in use ("VIU") calculation: • Agreed the VIU cash flows to the Board approved financial budget for FY2024 to FY2026 and projections for the next 2 years with terminal values at the end of year 5; • Compared the FY2023 actual results with the figures included in the prior year VIU cash flows for FY2023 to consider whether these forecasts included key assumptions that, with hindsight, had been optimistic;

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters	**How our audit addressed the key audit matters**
(a) Goodwill, intellectual properties, brands and spectrums We focused on this area due to the size of the goodwill, intellectual properties, brands and spectrums balance of RM1,476 million as at 31 January 2023. Management's assessment of the VIU of the Group's cash generating units ("CGUs") involves significant judgements and estimates about the future results of the business and key assumptions applied to future cash flow projections. The goodwill has been allocated to the Television, Radio and Nu Ideaktiv ("NISB") CGUs. Intellectual properties were allocated to Intellectual properties CGU ("IP CGU") while the brands and spectrums have been allocated to the Radio CGU. For the year ended 31 January 2023, management performed an impairment assessment over the goodwill, intellectual properties, brands and spectrums based on the VIU method using the probability weighted approach to determine the expected cash flows, as well as performed sensitivity analysis by varying the key assumptions used (compound revenue growth rates in the projection periods, discount rates) to assess the impact on the impairment assessment. Based on the assessment performed, an impairment charge of RM40.8 million on the NISB IP and RM30.1 million on the NISB goodwill has been made during the financial year. The details are set out in Note 20 to the financial statements.	We performed the following audit procedures on the value in use ("VIU") calculation (continued): • Discussed with management the basis of the key assumptions being applied in the VIU cash flows and performed the following in respect of the key assumptions used in the Television, Radio and NISB CGUs: (i) compared the compounded revenue growth rates in the projection periods to historical results and industry forecasts; (ii) assessed the components used in determining discount rates used in the model by taking into consideration risks associated with the cash flows and comparing them to market data and industry research with the assistance of our valuation experts; and (iii) compared the terminal growth rates used in determining the terminal value to market forecast. • Checked management's sensitivity analysis on the key assumptions used in the impairment assessment to assess the possible changes to any of the key assumptions that would cause the recoverable amount to be less than the carrying amount. Based on the procedures performed above, we did not find any material exceptions to the Director's conclusion.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters	**How our audit addressed the key audit matters**
(b) Cost of investments in subsidiaries (Company financial statements) As at 31 January 2023, the carrying value of investments in subsidiaries is RM6,430 million. Management performed impairment assessments of certain investments in subsidiaries, which had impairment indicators. We focused on this area due to the significant judgements and assumptions made by management in determining the recoverable amount of the investments given the current operating environment. The recoverable amounts of investments in subsidiaries were determined based on discounted cash flows taking into account financing and tax cash flows of subsidiaries which are available for distribution as dividends. Based on the assessment performed, an impairment provision of RM763.3 million has been made during the financial year at the AMH entity level. The details are set out in Note 15 to the financial statements.	In addition to the procedures performed on the cash flows from the goodwill, intellectual properties, brands and spectrums as described above, we performed the following audit procedures: • agreed the cash flows used to determine the recoverable amount of the investments in subsidiaries to cash flows used to determine the recoverable amount of goodwill, intellectual properties, brands and spectrums which we have assessed above; • checked that the cash flows used to determine the recoverable amount of the investments in subsidiaries had been appropriately adjusted for financing and tax cash flows of the respective subsidiaries; and • checked the reasonableness of the discount rate with the assistance of our valuation experts. Based on the procedures performed above, we did not find any material exceptions to the Director’s conclusion.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>Subscription revenue recognition

Refer to Note 3Q – Summary of Significant Accounting Policies – Revenue recognition and Note 5 – Revenue and contract assets/(liabilities)

The Group recorded subscription revenue of RM2,875.4 million for the financial year ended 31 January 2023 and it represents a significant component of the Group's revenue.

Given the complexity of the billing and accounting systems, there is an increased level of inherent risk due to error in revenue recognition, in particular surrounding the accuracy and recognition period of the subscription revenue transactions.

We focused on this area as the accuracy and recognition period of subscription revenue involved the use of complex billing and accounting systems to process large volume of data which include multiple subscription packages.</td><td>We performed the following audit procedures:

• Tested the overall IT general controls of the billing and accounting systems of the revenue data recorded;
• Tested the application controls on the accounting system of the revenue data recorded;
• Recomputed contract liabilities on a sample basis and compared the calculation to the general ledger to assess proper revenue recognition period;
• Tested automated controls over pricing changes in relation to subscription packages; and
• Used Computer Assisted Audit Techniques to assess whether subscription revenue transactions are captured accurately in the appropriate periods by performing the following:

(i) compared on sample basis the revenue captured in the billing system to the accounting system;
(ii) reconciled the charges billed to the subscriber to the services delivered; and
(iii) profiled data to identify any potential unusual manual journals entries in subscription revenue account for further analysis.

Based on our procedures, we noted no material exceptions in the accuracy and recognition period of the subscription revenue.</td></tr>
</table>

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Assessment of funding requirements and ability to meet the short term obligations *Refer to Note 37(b) – Financial Instruments – Liquidity Risk.* As at 31 January 2023, the Group had short term borrowings of RM712.4 million and payables and other financial liabilities of RM773.3 million. We focused on the Group's funding and ability to meet their short term obligations due to the significant amount of the short term borrowings and payables and accruals, which resulted in the current liabilities of the Group exceeding current assets by RM334.0 million at that date. The Group's ability to obtain funding is disclosed in Note 37(b) to the financial statements.	We performed the following audit procedures: • Checked management's cash flow forecasts for the Group over the next 12 months to the financial budget which includes operating, investing and financing cash flows approved by the Directors; • Discussed with management on key assumptions used in the cash flow forecasts comprising cash collection trends for subscription revenue, expected foreign exchange rates being used to project payments to vendors and significant transactions included in developing the cash flow forecasts for the Group; • Checked the borrowing repayment terms of the Group against the loan agreements; and • Checked management's sensitivity analysis on the assumptions used in the cash flow forecast to assess the possible changes to key assumptions that would cause a deficit in the cash and bank balances. Based on the procedures performed above, we did not note material exceptions to management's assessment of the Group's ability to meet their short term obligations.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and other sections of the FY2023 Integrated Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company'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 the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International 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.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, 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 our 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.

(b) 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 and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' 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 or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors’ responsibilities for the audit of the financial statements (continued)

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we 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 our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASTRO MALAYSIA HOLDINGS BERHAD
(Incorporated in Malaysia)
Company No. 201101004392 (932533-V)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

PAULINE HO
02684/11/2023 J
Chartered Accountant

Kuala Lumpur
25 April 2023

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	5	3,800,065	4,175,480	202,148	349,412
Cost of sales		(2,631,110)	(2,750,898)	-	-
Gross profit		1,168,955	1,424,582	202,148	349,412
Other operating income		10,833	14,018	4,844	184
Marketing and distribution costs		(317,209)	(319,546)	(269)	(310)
Net impairment losses		(106,167)	(9,116)	(760,812)	-
Administrative expenses		(339,494)	(355,713)	(15,883)	(30,535)
Finance income	9(a)	18,945	17,210	1,536	2,001
Finance costs	9(b)	(146,799)	(180,814)	-	(1,221)
Share of post tax results from investments accounted for using the equity method		(123)	93	-	-
Profit/(loss) before tax	6	288,941	590,714	(568,436)	319,531
Tax expense	10	(78,453)	(130,087)	(235)	-
Profit/(loss) for the financial year		210,488	460,627	(568,671)	319,531
Attributable to:					
Equity holders of the Company		259,038	460,878	(568,671)	319,531
Non-controlling interests		(48,550)	(251)	-	-
		210,488	460,627	(568,671)	319,531
Earnings per share attributable to equity holders of the Company (RM):					
- Basic	11	0.05	0.09		
- Diluted	11	0.05	0.09		

The accompanying notes on pages 33 to 147 form part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the financial year	210,488	460,627	(568,671)	319,531
Other comprehensive (loss)/income:				
Items that will be reclassified subsequently to profit or loss:				
Net change in derivatives used for hedging	(45,666)	34,252	-	411
Net change in fair value for financial assets	(7,241)	-	-	-
Foreign currency translation	(1,837)	(527)	-	-
Taxation	10,504	(7,528)	-	-
Other comprehensive (loss)/income, net of tax	(44,240)	26,197	-	411
Total comprehensive income/(loss)	166,248	486,824	(568,671)	319,942
Attributable to:				
Equity holders of the Company	214,798	487,075	(568,671)	319,942
Non-controlling interests	(48,550)	(251)	-	-
	166,248	486,824	(568,671)	319,942

The accompanying notes on pages 33 to 147 form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 JANUARY 2023

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-Current Assets			
Property, plant and equipment	13	582,157	613,908
Right-of-use assets	14	1,655,382	948,751
Investment in associate	16	-	-
Investment in joint venture	17	2,059	2,182
Other investments	18	3,416	10,657
Receivables	22	117,015	115,753
Derivative financial instruments	26	7,699	5,449
Deferred tax assets	28	87,839	105,145
Intangible assets	20	1,906,213	2,004,717
		4,361,780	3,806,562
Current Assets			
Inventories	21	21,655	19,654
Receivables	22	526,913	722,818
Contract assets	5	33,151	16,953
Derivative financial instruments	26	4,360	2,192
Other investments	18	510,048	561,532
Tax recoverable		83,390	29,856
Deposits, cash and bank balances	23	159,432	165,224
		1,338,949	1,518,229
Current Liabilities			
Payables	24	699,493	804,768
Other financial liabilities	25	73,773	157,413
Contract liabilities	5	147,115	160,076
Derivative financial instruments	26	36,897	5,181
Borrowings	27	712,393	893,715
Tax liabilities		3,326	5,642
		1,672,997	2,026,795
Net Current Liabilities		(334,048)	(508,566)

The accompanying notes on pages 33 to 147 form part of these financial statements.

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-Current Liabilities			
Other financial liabilities	25	220,121	189,610
Derivative financial instruments	26	28,332	834
Borrowings	27	2,601,035	1,815,908
Deferred tax liabilities	28	80,228	87,883
		2,929,716	2,094,235
NET ASSETS		1,098,016	1,203,761
Capital and reserves attributable to equity holders of the Company			
Share capital	29	6,728,415	6,728,415
Exchange reserve		926	2,763
Capital reorganisation reserve	30	(5,470,197)	(5,470,197)
Hedging reserve	31	(38,304)	(3,142)
Fair value reserve	32	(669)	6,572
Share scheme reserve	33	7,540	11,771
Accumulated losses		(156,411)	(141,078)
		1,071,300	1,135,104
Non-controlling interests		26,716	68,657
TOTAL EQUITY		1,098,016	1,203,761

The accompanying notes on pages 33 to 147 form part of these financial statements.

COMPANY BALANCE SHEET AS AT 31 JANUARY 2023

	Note	Company 2023 RM'000	Company 2022 RM'000
Non-Current Assets			
Property, plant and equipment	13	16	11
Investment in subsidiaries	15	6,430,114	7,192,297
Deferred tax assets	28	99	307
Intangible assets	20	-	-
		6,430,229	7,192,615
Current Assets			
Receivables	22	26,948	91,116
Advances to subsidiaries	19	-	2,585
Other investments	18	26,438	43,374
Tax recoverable		258	146
Deposits, cash and bank balances	23	109	69
		53,753	137,290
Current Liability			
Payables	24	17,133	16,392
		17,133	16,392
Net Current Assets		36,620	120,898
NET ASSETS		6,466,849	7,313,513
Capital and reserves attributable to equity holders of the Company			
Share capital	29	6,728,405	6,728,405
Hedging reserve	31	-	-
Share scheme reserve	33	7,540	11,771
(Accumulated losses)/Retained earnings		(269,096)	573,337
TOTAL EQUITY		6,466,849	7,313,513

The accompanying notes on pages 33 to 147 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

	Attributable to equity holders of the Company									
Financial year ended 31 January 2023	Share capital (Note 29)	Exchange reserve	Capital reorganisation reserve (Note 30)	Hedging reserve (Note 31)	Fair value reserve (Note 32)	Share scheme reserve (Note 33)	Accumulated losses	Total	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 January 2022	6,728,415	2,763	(5,470,197)	(3,142)	6,572	11,771	(141,078)	1,135,104	68,657	1,203,761
Profit/(loss) for the financial year	-	-	-	-	-	-	259,038	259,038	(48,550)	210,488
Other comprehensive loss for the financial year	-	(1,837)	-	(35,162)	(7,241)	-	-	(44,240)	-	(44,240)
Total comprehensive (loss)/ income for the financial year	**-**	**(1,837)**	**-**	**(35,162)**	**(7,241)**	**-**	**259,038**	**214,798**	**(48,550)**	**166,248**
Ordinary shares dividends declared (Note 12)	-	-	-	-	-	-	(273,762)	(273,762)	-	(273,762)
Transactions with non-controlling interests (Note 15)	-	-	-	-	-	-	(609)	(609)	6,609	6,000
Share-based payment transaction	-	-	-	-	-	(4,231)	-	(4,231)	-	(4,231)
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**(4,231)**	**(274,371)**	**(278,602)**	**6,609**	**(271,993)**
At 31 January 2023	6,728,415	926	(5,470,197)	(38,304)	(669)	7,540	(156,411)	1,071,300	26,716	1,098,016

The accompanying notes on pages 33 to 147 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONT'D.)

	Attributable to equity holders of the Company									
Financial year ended 31 January 2022	Share capital (Note 29)	Exchange reserve	Capital reorganisation reserve (Note 30)	Hedging reserve (Note 31)	Fair value reserve (Note 32)	Share scheme reserve (Note 33)	Accumulated losses	Total	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 January 2021	6,728,415	3,290	(5,470,197)	(29,866)	6,572	366	(160,750)	1,077,830	70,935	1,148,765
Profit/(loss) for the financial year	-	-	-	-	-	-	460,878	460,878	(251)	460,627
Other comprehensive (loss)/income for the financial year	-	(527)	-	26,724	-	-	-	26,197	-	26,197
Total comprehensive (loss)/ income for the financial year	**-**	**(527)**	**-**	**26,724**	**-**	**-**	**460,878**	**487,075**	**(251)**	**486,824**
Ordinary shares dividends declared (Note 12)	-	-	-	-	-	-	(443,233)	(443,233)	-	(443,233)
Transactions with non-controlling interests	-	-	-	-	-	-	2,027	2,027	(2,027)	-
Share-based payment transaction	-	-	-	-	-	11,405	-	11,405	-	11,405
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**11,405**	**(441,206)**	**(429,801)**	**(2,027)**	**(431,828)**
At 31 January 2022	6,728,415	2,763	(5,470,197)	(3,142)	6,572	11,771	(141,078)	1,135,104	68,657	1,203,761

The accompanying notes on pages 33 to 147 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

Financial year ended 31 January 2023	Share capital (Note 29) RM'000	Hedging reserve (Note 31) RM'000	Share scheme reserve (Note 33) RM'000	Retained Earnings/ (Accumulated losses) RM'000	Total RM'000
At 31 January 2022	6,728,405	-	11,771	573,337	7,313,513
Loss for the financial year	-	-	-	(568,671)	(568,671)
Other comprehensive loss for the financial year	-	-	-	-	-
Total comprehensive loss for the financial year	**-**	**-**	**-**	**(568,671)**	**(568,671)**
Ordinary shares dividends declared (Note 12)	-	-	-	(273,762)	(273,762)
Share-based payment transaction	-	-	(4,231)	-	(4,231)
Transactions with owners	**-**	**-**	**(4,231)**	**(273,762)**	**(277,993)**
At 31 January 2023	6,728,405	-	7,540	(269,096)	6,466,849

The accompanying notes on pages 33 to 147 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONT'D.)

Financial year ended 31 January 2022	Share capital (Note 29) RM'000	Hedging reserve (Note 31) RM'000	Share scheme reserve (Note 33) RM'000	Retained earnings RM'000	Total RM'000
At 31 January 2021	6,728,405	(411)	366	697,039	7,425,399
Profit for the financial year	-	-	-	319,531	319,531
Other comprehensive income for the financial year	-	411	-	-	411
Total comprehensive income for the financial year	**-**	**411**	**-**	**319,531**	**319,942**
Ordinary shares dividends declared (Note 12)	-	-	-	(443,233)	(443,233)
Share-based payment transaction	-	-	11,405	-	11,405
Transactions with owners	**-**	**-**	**11,405**	**(443,233)**	**(431,828)**
At 31 January 2022	6,728,405	-	11,771	573,337	7,313,513

The accompanying notes on pages 33 to 147 form part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash Flows From Operating Activities					
Profit/(loss) before tax		288,941	590,714	(568,436)	319,531
Adjustments for:					
Barter transactions – revenue		(4,057)	(1,537)	-	-
Contract cost assets amortisation		28,113	30,132	-	-
Dividend income – unit trusts	9(a)	(9,954)	(12,909)	(506)	(1,653)
Dividend income		-	-	(197,192)	(345,386)
Event licence rights:					
- amortisation		115	114	-	-
Fair value (gain)/loss on unit trusts	9(a)	(1,411)	1,424	16	(55)
Fair value (gain)/loss on derivatives recycled to income statement arising from:					
- Foreign exchange risk		(24,910)	25,736	-	25,544
- Interest rate risk		828	4,434	-	808
Film library and programme rights:					
- amortisation		307,440	295,626	-	-
Impairment/(reversal) of receivables		36,747	25,005	(2,471)	-
Impairment of other intangible assets		73,490	-	-	-
Impairment of investment in subsidiaries		-	-	763,283	-
Interest expense	9(b)	174,584	152,913	-	413
Interest income	9(a)	(6,340)	(5,616)	(812)	(293)
Inventories written off		827	1,105	-	-
Gain on disposal of unit trusts	9(a)	(1,240)	(109)	(234)	-
Property, plant and equipment:					
- depreciation		210,693	239,557	7	12
- gain on disposal		(111)	(801)	-	-
- impairment		1,754	-	-	-
- written off		38	903	-	-
Right-of-use:					
- depreciation		163,902	163,742	-	-
- gain on termination		(5,295)	(3)	-	-
Share-based payments	7	(4,231)	11,405	(65)	194
Share of post tax results from investments accounted for using the equity method		123	(93)	-	-
Software:					
- amortisation		175,803	127,411	-	-
- impairment		3,202	-	-	-
- gain on disposal		-	(9)	-	-
Unrealised foreign exchange (gains)/ losses, net		(42,234)	13,388	(1)	(25,545)
Write back of bad debts		(9,026)	(15,889)	-	-
Gain on redemption of RPS		-	-	(4,823)	-

The accompanying notes on pages 33 to 147 form part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONT'D.)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash Flows From Operating Activities (Cont'd.)					
Operating profit/(loss) before changes in working capital		1,357,791	1,646,643	(11,234)	(26,430)
Changes in working capital:					
Inventories		(2,828)	(7,924)	-	-
Receivables and prepayments		123,924	(56,653)	(10,458)	6,906
Payables		(76,426)	(156,244)	741	8,117
Cash from operations:		1,402,461	1,425,822	(20,951)	(11,407)
Dividend received		-	-	267,216	515,386
Dividend received – unit trusts		6,258	5,228	342	328
Interest received		2,431	1,476	18	49
Tax paid		(114,148)	(147,935)	(138)	(25)
Net cash generated from operating activities		1,297,002	1,284,591	246,487	504,331
Cash Flows From Investing Activities					
Financial assets:					
- net disposal/(purchase) of unit trusts		57,830	286,687	17,318	(5,954)
Intangible assets:					
- purchase of software		(136,976)	(175,079)	-	-
- proceeds from disposal of software		-	9	-	-
- acquisition of film library and programme rights		(323,996)	(317,850)	-	-
Interest received on:					
- advances to subsidiaries		-	-	1,722	812
Repayment of capital by a subsidiary		-	-	-	17,000
Investment in a subsidiary	15	-	-	(9,000)	-
Property, plant and equipment:					
- purchase		(83,379)	(100,900)	(12)	(5)
- proceeds from disposal		200	865	-	-
Right-of-use:					
- proceeds from disposal		31,199	-	-	-
Repayment from subsidiaries		-	-	4,564	3,430
Redemption of RPS by a subsidiary	15	-	-	12,723	-
Net cash (used in)/generated from investing activities		(455,122)	(306,268)	27,315	15,283

The accompanying notes on pages 33 to 147 form part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONT'D.)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash Flows From Financing Activities					
Dividends paid	12	(273,762)	(443,233)	(273,762)	(443,233)
Drawdown of borrowings		613,000	-	-	-
Interest paid		(80,277)	(86,127)	-	(1,693)
Payment for set-top boxes		(156,627)	(162,766)	-	-
Payment of lease interest		(84,383)	(87,787)	-	-
Repayment of borrowings		(748,000)	(89,718)	-	(74,718)
Repayment of lease liabilities		(122,636)	(207,873)	-	-
Equity contribution from holders of non-controlling interest		6,000	-	-	-
Net cash used in financing activities		(846,685)	(1,077,504)	(273,762)	(519,644)
Net (decrease)/increase in cash and cash equivalents		(4,805)	(99,181)	40	(30)
Effects of foreign exchange rate changes		(987)	(527)	-	-
Cash and cash equivalents at beginning of the financial year		165,224	264,932	69	99
Cash and cash equivalents at end of the financial year	23	159,432	165,224	109	69

The principal non-cash transactions are as disclosed in Note 34.

The accompanying notes on pages 33 to 147 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2023

1 General Information

The principal activity of the Company is investment holding. The Group is primarily engaged in the provision of television service; radio services; film library licensing; content creation, aggregation and distribution; talent management; multimedia interactive services; digital media and home shopping. The principal activities of the subsidiaries are as disclosed in Note 15 to the financial statements.

There were no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The Company and its subsidiaries are collectively referred to as the Group.

The Company is incorporated and domiciled in Malaysia and is listed and quoted on the Official List of the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office and principal place of business of the Company is as follows:

All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil, 57000, Kuala Lumpur

2 Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity and cash flow risk, price risk and capital risk. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

The Group uses derivative financial instruments such as forward foreign currency exchange contracts and a mixture of fixed and floating interest rate instruments to hedge certain exposures.

(a) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk as a result of the foreign currency transactions entered into by the Group in currencies other than its functional currency. Forward foreign currency exchange contracts and foreign currency options are used to limit exposure to currency fluctuations on foreign currency payables and other financial liabilities and on cash flows generated from anticipated transactions denominated in foreign currencies. Cross-currency interest rate swaps are used to limit exposure to currency fluctuations on other financial liabilities.

(b) Interest rate risk

The Group's interest rate exposure arises principally from the Group's other financial liabilities and borrowings. The interest rate risk is managed through the use of fixed and floating interest rate instruments.

2 Financial Risk Management Objectives and Policies (Cont'd.)

(c) Credit risk

The Group has no significant concentrations of credit risk. Customer credit risk exposure is managed with a combination of credit limits and arrears monitoring procedures. Deposits of cash are placed with financial institutions with strong credit ratings and investment in unit trusts are made only in cash/money market and fixed income i.e. very liquid funds.

(d) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group's treasury aims to maintain flexibility in funding by keeping committed credit facilities available and if necessary, obtain additional debt and equity funding.

(e) Price risk

The Group is exposed to price risk resulting from investment in unit trusts classified as fair value through profit or loss on the balance sheet. To manage its price risk arising from investment in unit trusts, the Group diversifies its portfolio in various financial institutions. The Group is not exposed to commodity price risk.

(f) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group and Company will balance their overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debt or the repayment of existing borrowings.

(g) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Estimated discounted cash flows are used to determine the fair value of financial instruments. The fair value of forward foreign exchange contracts and foreign currency options are determined using quoted forward exchange rates at the balance sheet date. The fair values of cross-currency interest rate swaps and interest rate swaps are calculated using observable market interest rate and yield curves with estimated future cash flows being discounted to present value. The fair value of non-current other investments is determined by reference to recent sales price of a comparable transaction with a third party.

Further details on financial risks are disclosed in Note 37.

3 Summary of Significant Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

A Basis of preparation

The financial statements of the Group and Company have been prepared under the historical cost convention.

The financial statements of the Group and Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ('000), unless otherwise indicated.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported year. It also requires Directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

(a) Standards, amendments to published standards and interpretations that are effective

The Group and Company have applied the following amendments for the first time for the financial year beginning on 1 February 2022:

- Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"
- Reference to the Conceptual Framework (Amendments to MFRS 3)
- Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116)
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137)

3 Summary of Significant Accounting Policies (Cont'd.)

A Basis of preparation (Cont'd.)

(b) Standards, amendments to published standards and interpretations to existing standards that have been issued but not yet effective

A number of new standards, amendments to published standards and interpretations are effective for financial year beginning on/after 1 February 2023. None of these is expected to have significant impact on the financial statements of the Group and Company, except the following set out below:

(i) Financial years beginning on/after 1 February 2023

- Lease liability in a Sale and Leaseback (Amendmends to MFRS 16 Leases)
- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)
- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)

(ii) Effective date yet to be determined by Malaysian Accounting Standards Board

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)

The adoption of the above applicable standards, amendments to published standards and interpretations to existing standards are not expected to have a material impact on the financial statements of the Group and Company.

There are no other standards, amendments to published standards and interpretations to existing standards that are not effective that would be expected to have a material impact on the Group and Company.

3 Summary of Significant Accounting Policies (Cont'd.)

B Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

Under the acquisition method of accounting, as adopted on acquisition of commonly controlled companies, the cost of an acquisition is measured as the fair value of the assets acquired and liabilities incurred or assumed at the date of exchange. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, and any gains or losses arising from such re-measurement are recognised in the income statement. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of the non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

(b) Non-controlling interests

Non-controlling interests are measured at their share of the post-acquisition fair values of the identifiable assets and liabilities of the invested entities. Total comprehensive income of subsidiaries is attributable to the equity holders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3 Summary of Significant Accounting Policies (Cont'd.)

B Consolidation (Cont'd.)

(c) Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence over their operating and financial policies, but over which it does not have control.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of accumulated impairment) on acquisition. Under this method, the Group's share of the post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless the Group has incurred legal or constructive obligations or made payment on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

3 Summary of Significant Accounting Policies (Cont'd.)

B Consolidation (Cont'd.)

(d) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

The Group's interests in joint ventures are accounted for in the financial statements by the equity method of accounting. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment loss is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

3 Summary of Significant Accounting Policies (Cont'd.)

C Property, plant and equipment

Property, plant and equipment are stated at cost (inclusive of sales and services tax), less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis to write off the cost of each asset to the residual value over its estimated useful life. Leased assets capitalised are depreciated over their estimated useful lives or lease period, whichever is shorter.

The estimated useful lives of the assets are as follows:

Buildings	40 years
Equipment, fixtures and fittings	2 - 10 years
Broadcast and transmission equipment	3 - 10 years

Freehold land is not depreciated as it has an unlimited useful life.

Included in broadcast and transmission equipment are set-top boxes and outdoor dish units (collectively called "Pay-TV set-top boxes") used to provide the services to subscribers and broadband equipment used to provide Astro Fibre Services to subscribers. These Pay-TV set-top boxes and broadband equipment remain the property of the Group after installation. The Pay-TV set-top boxes are capitalised and depreciated over their useful economic life of 3 to 5 years, while the broadband equipment are capitalised and depreciated over their useful economic life of 4 years.

No depreciation is calculated on assets under construction until the assets are completed and are ready for their intended use.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3(G) on impairment of non-financial assets.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the income statement.

3 Summary of Significant Accounting Policies (Cont'd.)

D Leases

The Group as a lessee

Leases are recognised as right-of-use ("ROU") assets and a corresponding liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices.

(a) Lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities (refer to (d) below).

(b) ROU assets

ROU assets are initially measured at cost comprising the following:

(i) The amount of the initial measurement of lease liability;
(ii) Any lease payments made at or before the commencement date less any lease incentive received;
(iii) Any initial direct costs; and
(iv) Decommissioning or restoration costs.

ROU assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, as follows:

Satellite transponders	15 years
Leasehold land	30 – 60 years
Office, equipment and warehouse	1 – 10 years

If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities. ROU assets are presented as a separate line item in the balance sheet. Lease terms are generally negotiated on an individual basis.

3 Summary of Significant Accounting Policies (Cont'd.)

D Leases (Cont'd.)

The Group as a lessee (Cont'd.)

(c) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

(i) Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
(ii) Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
(iii) Amounts expected to be payable by the Group under residual value guarantees;
(iv) The exercise price of a purchase and extension options if the group is reasonably certain to exercise that option; and
(v) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and condition.

Lease payments are allocated between principal and finance cost. The finance cost is charged to income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group presents the lease liabilities as part of borrowings in the balance sheet. Interest expense on the lease liability is presented within the finance cost in the income statement.

(d) Reassessment of lease liabilities

The Group is also exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

(e) Short-term leases and leases of low-value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in income statement.

3 Summary of Significant Accounting Policies (Cont'd.)

E Intangible assets

(a) Goodwill

Goodwill represents the excess of the aggregate of the fair value of the consideration transferred of an acquisition of a subsidiary/associate/joint venture, the amount of any non-controlling interest in the subsidiary and the acquisition-date fair value of any previous equity interest in the subsidiary/associate/joint venture over the fair value of the Group's share of the net identifiable assets acquired and liabilities assumed of the acquired subsidiary/associate/joint venture at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of investments accounted for using the equity method is included in the investments. Goodwill is not amortised, but is subject to an annual review for impairment and carried at cost less accumulated impairment losses. Any impairment is recognised immediately as an expense and is not subsequently reversed. The calculation of the gains and losses on the disposal takes into account the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(b) Computer software

Costs that are directly associated with identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs associated with maintaining computer software programmes are recognised as an expense when incurred.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software costs recognised as assets are amortised using the straight-line method over their estimated useful economic lives of 3 – 4 years. Amortisation is included in cost of sales, administrative expenses and marketing and distribution costs as appropriate.

(c) Software development

No amortisation is calculated on software development until the software is completed and is ready for its intended use.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

At each balance sheet date, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3(G) on impairment of non-financial assets.

3 Summary of Significant Accounting Policies (Cont'd.)

E Intangible assets (Cont'd.)

(d) Brands

Brands acquired in a business combination relating to the radio business are recognised at fair value at the acquisition date. The brands have an indefinite useful life and are not amortised, but are subject to annual review for impairment and carried at cost less accumulated impairment losses. Any impairment is charged to the income statement as it arises.

The useful lives of the brands are estimated to be indefinite based on a strong position in the market and the clear precedence of similar radio companies which have adopted an indefinite life for the radio brands. Management believes there is no foreseeable limit to the period over which the brands are expected to generate net cash inflows for the Group.

(e) Film library and programme rights

The film library comprises acquired films and films produced for the Group with the primary intention to exploit the library through release and licensing of such films as part of the Group's long-term operations. The film library is stated at cost less accumulated amortisation.

Amortisation of film library is on an individual film basis based on the proportion of the actual revenue earned during the financial year over the estimated total revenue expected to be earned over the revenue period, not exceeding three years, commencing from the date when revenue is first generated. Estimated ultimate revenue expected to be earned is reviewed periodically and additional impairment losses are recognised if appropriate. Amortisation is included in cost of sales.

The cost of film under production comprises expenditure incurred in the production of films and is stated at cost. The amortisation of the cost incurred for the production in progress will commence in the period that the motion pictures are screened in the cinemas.

The programme rights comprise rights licensed from third parties and programmes produced for the Group and production in progress with the primary intention to broadcast in the normal course of the Group's operating cycle. The rights are stated at cost less accumulated amortisation.

The Group amortises programme rights based on an accelerated basis over the license period, or estimated useful life if shorter, from the date of first transmission, to match the costs of consumption with the estimated benefits to be received. Amortisation is included in cost of sales. The amortisation period is not more than two years.

3 Summary of Significant Accounting Policies (Cont'd.)

E Intangible assets (Cont'd.)

(e) Film library and programme rights (Cont'd.)

The cost of programme rights for sports are amortised on a straight-line basis over a season or annually, depending on the expected consumption of the rights. Live and one-off events are fully amortised on the date of first transmission.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3(G) on impairment of non-financial assets.

(f) Event licence rights

Events licence rights are stated at cost less accumulated amortisation and any impairment losses. These rights are amortised over the remaining term of the rights agreements and are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(g) Spectrums

Spectrums relating to the radio business are recognised at cost at the acquisition date. The spectrums have an indefinite useful life and are not amortised, but are subject to annual review for impairment and carried at cost less accumulated impairment losses. Any impairment is charged to the income statement as it arises.

The useful lives of the spectrums are estimated to be indefinite as management intends to utilise the spectrums to broadcast and generate net cash inflows for the Group indefinitely. Also, the costs associated with the renewal process are insignificant to the future economic value of the business.

(h) Intellectual properties

Intellectual properties relating to the publication businesses are recognised at cost at the acquisition date. The intellectual properties have an indefinite useful life and are not amortised, but are subject to annual review for impairment and carried at cost less accumulated impairment losses. Any impairment is charged to the income statement as it arises.

The useful lives of the intellectual properties are estimated to be indefinite on the basis that there is no foreseeable limit to the period over which the intellectual properties are expected to generate net cash inflows for the Group.

F Turnaround channel transmission rights

The cost of turnaround channels (programme provider fees), where the Group has immediate transmission rights, is expensed as incurred.

3 Summary of Significant Accounting Policies (Cont'd.)

G Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. In respect of other assets, any subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus.

H Inventories

Inventories which principally comprise set-top boxes used in the provision of non-subscription services, merchandise and other materials are stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts.

Costs of purchased inventory (inclusive sales and services tax) are determined after deducting rebates and discounts.

Cost is determined based on the weighted average cost method. Where appropriate, allowance is made for obsolete or slow-moving inventories based on management's analysis of inventory levels and future sales forecasts.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

I Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is capitalised as prepayment until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period for the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of the borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in income statement within finance costs.

3 Summary of Significant Accounting Policies (Cont'd.)

J Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

K Employee benefits

(a) Short term employee benefits

Wages, salaries, paid annual leave, bonuses, and non-monetary benefits are accrued in the financial period in which the associated services are rendered by employees of the Group. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(b) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

3 Summary of Significant Accounting Policies (Cont'd.)

K Employee benefits (Cont'd.)

(b) Defined contribution plans (Cont'd.)

The Group pays contributions to publicly administered pension plans on a mandatory, contractual or voluntary basis, that are charged to income statement in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations. The regular contributions are accounted for on the accruals basis.

(c) Termination benefits/separation scheme

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137 Provision, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Share-based payment transactions

The Group and Company operate an equity settled share-based compensation plan under which the Group and Company receive services from employees as consideration for equity instruments of the Company. The fair value of the employee services received in exchange for the grant of the share awards is recognised as an expense with a corresponding increase to equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share awards granted, excluding the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the reporting period, the Company revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to share scheme reserve in equity.

When the share grants are vested, the Company issues new shares. When share grants lapse, the share scheme reserve is transferred to retained earnings.

The fair value of the share awards is measured using the Monte Carlo Simulation Model. Measurement inputs include share price on the measurement date, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), expected dividends, and the risk-free interest rate (based on Malaysian Government Securities yield).

3 Summary of Significant Accounting Policies (Cont'd.)

K Employee benefits (Cont'd.)

(e) Gratuity payments

Gratuity payments to employees are recognised when the eligibility criteria have been met and are paid when the eligible employees retire.

L Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in RM, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into RM using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income or separate income statement presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

Goodwill and fair value adjustments arising from the acquisitions of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

M Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, cash at bank and deposits with banks that have maturity periods of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Summary of Significant Accounting Policies (Cont'd.)

N Contingent liabilities and assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group discloses the existence of contingent assets where inflows of economic benefits are probable, but not virtually certain.

O Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

P Share capital

(a) Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(b) Share issuance costs

Incremental external costs directly attributable to the issuance of new shares are deducted against equity.

(c) Dividends

Dividends on ordinary shares are recognised as liabilities when declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period, other than final dividends which are recognised when approved by the members at the Annual General Meeting.

3 Summary of Significant Accounting Policies (Cont'd.)

Q Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customers. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Performance obligations by type of good or service are as follows:

(i) Subscription

The Group provides subscription-based television services and broadband services to customers. Pay-TV set-top boxes and broadband equipment are not sold as ownership of these boxes remain with the Group, as disclosed in Note 3(C). Subscription revenue is recognised over the period in which the services are rendered. The Group's obligation to provide service to a customer for which the Group has received consideration in advance from customer is presented as contract liabilities.

(ii) Advertising airtime sales and digital advertising sales

The Group provides advertising services over multiple platforms - TV, Radio and Digital. Advertising revenue for TV and Radio is recognised over the period in which the advertisement is broadcast or published. Digital advertising revenue is recognised over the period in which fulfilment in accordance with the contract with customer is completed.

Certain advertising revenues are generated in barter transactions in exchange for goods or services, delivered or provided by the advertisers. Such revenues are measured at the estimated fair market value of the goods or services received. The fair market value of the goods received is recorded as an asset when they qualify for assets recognition or is otherwise expensed to income statement. Services received in exchange are expensed to income statement over the service period fulfilled by advertisers.

(iii) Non-subscription based set-top boxes and prepaid subscription revenue

The Group sells non-subscription based set-top boxes with pre-determined channels at a one-time fee. Customers can benefit from the usage of the non-subscription set-top boxes by viewing the channels transmitted by the Group over the life of the set-top boxes. The revenue and cost attributable to the sale of non-subscription based set-top boxes are recognised over an estimated period of 12 months.

The Group offers customers of non-subscription based set-top boxes the ability to purchase channels that are not pre-determined in the set-top boxes via prepaid vouchers. Prepaid subscription revenue is recognised upon utilisation of prepaid vouchers by the customers or upon expiry, whichever is earlier. Unutilised credits of prepaid vouchers that have been deferred are presented as contract liabilities.

3 Summary of Significant Accounting Policies (Cont'd.)

Q Revenue recognition (Cont'd.)

Performance obligations by type of good or service are as follows (Cont'd.):

(iv) Provision of programme broadcast rights

Revenue from provision of programme broadcast rights consists of provision of film library, programme rights and theatrical sales. Provision of film library and programme rights is recognised at a point in time when the rights are made available to the licensee. Theatrical sales of motion pictures are recognised at a point in time when tickets for the motion pictures are sold in cinemas.

(v) Production service revenue

The Group provides production services, encompassing everything from pre-production, production to post-production works, of which rights of content produced are held by customers. Production service revenue is recognised over the period in which the services are rendered.

(vi) Licensing income

Licensing income is recognised over the contractual period in which the content or channel is being provided.

(vii) Interactive services

Fees from the development of multimedia and interactive applications (interactive services) are recognised over the contractual period in which the development takes place. Fees from the right to access multimedia and interactive applications are recognised over the period in which the services are provided.

(viii) Sales of merchandise

The Group operates a home shopping business through various platforms including but not limited to TV, internet/online shopping and mobile shopping. Revenue from the sales of merchandise is recognised when the Group sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the product and takes delivery. It is the Group's policy to sell its products to the end customer with a right of return within 10 days. Therefore, a refund liability (included in trade and other payables) and a right to the returned goods (included in other current assets) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Revenue from other sources are recognised as follows:

(i) Dividend income from subsidiaries is recognised when the right to receive payment is established. Dividend income from financial assets at fair value through profit or loss ("FVTPL") is recognised as part of net gains or net losses on these financial instruments.

(ii) Interest income is recognised using the effective interest method.

3 Summary of Significant Accounting Policies (Cont'd.)

R Financial instruments

(a) Financial instruments recognised on the balance sheet

Financial instruments carried on the balance sheet include cash and bank balances, deposits, receivables, payables, borrowings and other investments. The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual accounting policy statements associated with each item.

(b) Fair value estimation for disclosure purposes

In assessing the fair value of financial instruments, the Group makes certain assumptions that are based on market conditions existing at each balance sheet date and applies the discounted cash flow method to discount the future cash flows to determine the fair value of the financial instruments.

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

S Financial assets

(a) Classification

The Group and the Company classify financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- those to be measured at amortised cost.

The Group and the Company reclassify debt investments when and only when their business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Company commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

3 Summary of Significant Accounting Policies (Cont'd.)

S Financial assets (Cont'd.)

(c) Measurement

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in income statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify debt instruments:

(a) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in respective income statement lines together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the income statement.

(b) Fair value through other comprehensive income ("FVOCI")

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in respective income statement lines. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in respective income statement lines and impairment expenses are presented as a separate line item in the income statement.

3 Summary of Significant Accounting Policies (Cont'd.)

S Financial assets (Cont'd.)

(c) Measurement (Cont'd.)

Debt instruments (Cont'd.)

(c) FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group and the Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes are recognised in income statement and presented net within respective income statement lines in the period in which it arises.

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to income statement following the derecognition of the investment. Dividends from such investments continue to be recognised in income statement as revenue or other income when the Group's and the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in respective income statement lines in the income statement as applicable.

(d) Impairment

(i) Impairment for debt instruments

The Group and the Company assess on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group and the Company have six types of financial instruments that are subject to the ECL model:

- Trade receivables
- Advances to subsidiaries and amounts due from subsidiaries
- Contract assets
- Other receivables
- Amounts due from related parties
- Amount due from associate

While deposits, cash and bank balances are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between the present value of cash flows according to contract and the present value of cash flows the Group and the Company expect to receive over the remaining life of the financial instrument.

3 Summary of Significant Accounting Policies (Cont'd.)

S Financial assets (Cont'd.)

(d) Impairment (Cont'd.)

(i) Impairment for debt instruments (Cont'd.)

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(a) <u>Simplified approach for trade receivables, contract assets, amounts due from related parties and amount due from associate</u>

The Group and the Company apply the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, contract assets, amounts due from related parties and amount due from associate.

Note 37(a) sets out the measurement details of ECL.

(b) <u>General 3-stage approach for other receivables and advances to subsidiaries</u>

At each reporting date, the Group and the Company measure ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Note 37(a) sets out the measurement details of ECL.

(ii) Significant increase in credit risk

The Group and the Company consider the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

3 Summary of Significant Accounting Policies (Cont'd.)

S Financial assets (Cont'd.)

(d) Impairment (Cont'd.)

(ii) Significant increase in credit risk (Cont'd.)

The following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

(iii) Definition of default and credit-impaired financial assets

The Group and the Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired when it meets one or more of the following criteria:

<u>Quantitative criteria</u>:

The Group and the Company define a financial instrument as default, when the counterparty fails to make contractual payment within the credit term.

<u>Qualitative criteria</u>:

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- the debtor is in breach of financial covenants;
- concessions have been made by the lender relating to the debtor's financial difficulty;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- the debtor is insolvent.

Financial instruments that are credit-impaired are assessed on an individual basis.

3 Summary of Significant Accounting Policies (Cont'd.)

S Financial assets (Cont'd.)

(d) Impairment (Cont'd.)

(iv) Groupings of instruments for ECL measured on a collective basis

(a) Collective assessment

To measure ECL, trade receivables arising from television services and advertising services have been grouped respectively based on shared credit risk characteristics and the days past due.

(b) Individual assessment

Trade receivables and contract assets which are in default or credit-impaired are assessed individually.

Advances to subsidiaries in the Company's separate financial statements are assessed on an individual basis for ECL measurement, as credit risk information is obtained and monitored based on each advance made.

(v) Write-off

(a) Trade receivables, contract assets, amounts due from related parties and amount due from associate

Trade receivables, contract assets, amounts due from related parties and amount due from associate are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and the Company, and a failure to make contractual payments for a period of greater than 365 days past due.

Impairment losses on trade receivables, contract assets, amounts due from related parties and amount due from associate are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(b) Other receivables, advances to subsidiaries and amounts due from subsidiaries

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

3 Summary of Significant Accounting Policies (Cont'd.)

T Financial liabilities

Financial liabilities within the scope of MFRS 9 are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value at the end of the reporting period. Other financial liabilities (except for financial guarantees) are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in the income statement when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the income statement. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

U Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for at fair value through profit or loss. Changes in the fair value are recognised immediately in income statement.

The Group documents at the inception of the hedge relationship, the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of various derivative instruments used for hedging purposes are disclosed in the financial statements. Movements on the hedging reserve in shareholders' equity are shown in the Statement of Changes in Equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

3 Summary of Significant Accounting Policies (Cont'd.)

U Derivative financial instruments and hedging activities (Cont'd.)

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

MFRS 9 introduces the concept of 'cost of hedging' which is seen as cost of achieving the risk mitigation inherent in the hedge. The changes in these 'cost of hedging' are initially recognised within OCI as a hedging reserve in equity. Subsequently, these 'cost of hedging' is removed from equity and recognised in income statement.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instruments. Since the adoption of MFRS 9, gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in OCI and accumulated in cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised in OCI and accumulated in costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Since adoption of MFRS 9, gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in OCI and accumulated in cash flow hedge reserve within equity. The changes in the forward element of the contract that relate to the hedged item ('aligned forward element') is recognised in OCI and accumulated in costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset, both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

3 Summary of Significant Accounting Policies (Cont'd.)

V Earnings per ordinary share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for own shares held for the effects of all dilutive potential ordinary shares, which comprise share awards granted to employees.

W Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker comprising the Board of Directors, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

X Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value. Cash flows are included in the statements of cash flows on a gross basis.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. See accounting policy Note 3S(d) on impairment of financial assets.

Y Trade and other payables

Trade payables represent liabilities for goods or services provided to the Group and Company prior to the end of financial year which are unpaid. Trade payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value. Cash flows are included in the statements of cash flows on a gross basis.

Trade payables are subsequently measured at amortised cost using the effective interest method.

3 Summary of Significant Accounting Policies (Cont'd.)

Z Non-current assets held for sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

AA Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

AB Advances to subsidiaries

Advances to subsidiaries are recognised initially at fair value. If there is any difference between cash disbursed and fair value on initial recognition, the difference would be accounted as additional investment in the subsidiary as it reflects the substance of the transaction.

Advances to subsidiaries are subsequently measured at amortised cost using the effective interest method, less loss allowance. Details on the Company's impairment policy on advances to subsidiaries are provided in Note 3S(d).

AC Contract assets and liabilities

Contract asset is the satisfied obligation by the Group for which billings have not been raised.

Contract liability is the unsatisfied obligation by the Group to transfer goods or service to customer for which the Group has received the consideration in advance or has billed the customers. Contract liabilities include deferred income where the Group has billed or collected before the services are provided to customers.

3 Summary of Significant Accounting Policies (Cont'd.)

AD Contract cost assets

The Group capitalises sales commissions and non-subscription based set-top boxes as costs to obtain a contract as these are incremental costs that would not have been incurred by the Group if the respective contracts had not been obtained. The Group expects to recover these costs over the service period.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the cost relates to.

Amortisation of contract cost assets incurred to obtain or fulfil a contract is presented within the income statement.

An impairment loss is recognised to income statement to the extent that the carrying amount of the contract cost asset recognised exceeds the remaining amount of consideration that the Group expects to receive for the specific contract that the cost relates to less additional costs required to complete the specific contract.

4 Critical Accounting Estimates and Judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are outlined below.

(a) Programme rights

The Group amortises programme rights over the license period, or estimated useful life if shorter, from the date of first transmission, to match the costs of consumption with the estimated benefits to be received as disclosed in Note 3E(e). The estimated benefits to be received are based on management's estimates of the consumption pattern and period a programme will be broadcast.

(b) Estimated useful lives of Property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment, particularly on its Pay-TV set-top boxes. Technological advancements could impact the useful lives and the residual values of these assets, therefore future depreciation charges could be revised. During the year, the Group revised the useful economic lives of its Pay-TV set-top boxes from 3 years to 5 years, resulting in a decrease in depreciation charge of RM14.4 million.

(c) Estimated useful lives of Computer software

The Group amortises computer software on a straight-line method over their estimated useful economic lives of 3 – 4 years. The Group reviews the estimated useful lives of computer software based on factors such as the expected level of usage and changes in technologies. During the financial year, the change in useful lives of computer software resulted in an accelerated amortisation of RM32.9 million.

4 Critical Accounting Estimates and Judgements (Cont'd.)

(d) Impairment test for goodwill, brands, spectrum and intellectual properties

Goodwill, brands, spectrum and intellectual properties which are indefinite life intangible assets, are allocated to the Group's cash-generating units ("CGUs") identified according to operating segment. The CGUs that have been allocated goodwill, brands, spectrum and intellectual properties are disclosed in Note 20 to the financial statements.

The recoverable amount of the CGUs was determined based on a value in use basis and the Group recognised impairment loss on goodwill and intellectual properties of RM32.7 million and RM40.8 million respectively during the financial year.

The recoverable amount reflects historical results for the related CGUs taking into consideration market forecast and strategic plans of the CGUs. The cash flows projections are based on the Board approved budget for the next financial year and the strategic plan covering a three year period, after which a long term growth rate of the respective segments has been applied. Management has considered external information in completing the budget and strategic plan, including forecast economic indicators for the Malaysian market as well as the competitive landscape and potential changes in technology.

Further details of the carrying value, the key assumptions applied in the impairment assessment and sensitivity analysis to changes in the assumptions are as disclosed in Note 20.

(e) Investment in subsidiaries

The Company assesses the impairment of its investment in subsidiaries whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of investments in subsidiaries were determined based on discounted cash flows taking into account financing and tax cash flows of subsidiaries which are available for distribution as dividends.

Management has considered external information in completing the budget and strategic plan, including forecast economic indicators for the Malaysian market as well as the competitive landscape and potential changes in technology to determine the discounted cash flows.

During the financial year, the Company recognised impairment losses on investment in subsidiaries of RM763.3 million.

Further details of the carrying value, the key assumptions applied in the impairment assessment and sensitivity analysis to changes in the assumptions are as disclosed in Note 15.

4 Critical Accounting Estimates and Judgements (Cont'd.)

(f) Measurement of ECL allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward-looking estimates at the end of reporting period. Details of the key assumptions and inputs used are disclosed in Note 37(a).

(g) Income taxes

Significant estimates is involved in determining the Group's provision for income taxes as there are certain transactions and computations for which the final tax determination is uncertain at the reporting date.

Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(h) Deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

5 Revenue and contract assets/(liabilities)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Revenue from contract with customers (Note (a))	3,784,167	4,161,968	4,956	4,026
Revenue from other sources:				
- Dividend income from subsidiaries	-	-	197,192	345,386
- Rental income	15,898	13,512	-	-
	3,800,065	4,175,480	202,148	349,412

(a) Disaggregation of the Group's revenue from contracts from customers

Financial year ended 31 January 2023

	Television	Radio	Home-shopping	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Major goods and services					
Television services:					
- Subscription	2,875,353	-	-	-	2,875,353
- Prepaid subscription	46,605	-	-	-	46,605
- Non-subscription based set-top boxes	26,347	-	-	-	26,347
- Others*	50,581	-	-	-	50,581
Advertising airtime sales:					
- barter	515	2,711	-	-	3,226
- non-barter	208,020	174,317	-	-	382,337
Digital advertising:					
- barter	-	831	-	-	831
- non-barter	34,244	13,790	-	-	48,034
Sales of merchandise	55	-	180,872	-	180,927
Programme and channel sales:					
- Provision of programme broadcast rights	54,630	-	-	-	54,630
- Production service revenue	29,161	66	497	-	29,724
- Licensing income	52,896	-	-	-	52,896
Others	30,151	273	1,950	302	32,676
	3,408,558	191,988	183,319	302	3,784,167
Timing of revenue recognition					
At a point in time	67,259	-	180,872	191	248,322
Over time	3,341,299	191,988	2,447	111	3,535,845
	3,408,558	191,988	183,319	302	3,784,167

5 Revenue and contract assets/(liabilities) (Cont'd.)

(a) Disaggregation of the Group's revenue from contracts from customers (Cont'd.)

Financial year ended 31 January 2022

	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Total RM'000
Major goods and services					
Television services:					
- Subscription	3,061,189	-	-	-	3,061,189
- Prepaid subscription	53,159	-	-	-	53,159
- Non-subscription based set-top boxes	35,694	-	-	-	35,694
- Others*	49,917	-	-	-	49,917
Advertising airtime sales:					
- barter	64	1,188	-	-	1,252
- non-barter	250,806	149,743	-	-	400,549
Digital advertising:					
- barter	-	285	-	-	285
- non-barter	33,790	13,149	-	-	46,939
Sales of merchandise	232	30	377,548	-	377,810
Programme and channel sales:					
- Provision of programme broadcast rights	44,704	-	-	-	44,704
- Production service revenue	18,108	81	893	-	19,082
- Licensing income	36,135	-	-	-	36,135
Others	32,334	33	2,778	108	35,253
	3,616,132	164,509	381,219	108	4,161,968
Timing of revenue recognition					
At a point in time	62,037	30	377,548	-	439,615
Over time	3,554,095	164,479	3,671	108	3,722,353
	3,616,132	164,509	381,219	108	4,161,968

Revenue from contract with customers of the Company comprise management fees, recognised over time.

* Comprise interactive services, set up fees revenue, activation fee and technical service fee.

5 Revenue and contract assets/(liabilities) (Cont'd.)

(b) Assets and liabilities related to contracts with customers:

The Group has recognised the following assets and liabilities related to contracts with customers:

Contract assets

	Group	
	2023	2022
	RM'000	RM'000
At beginning of financial year	16,953	11,558
Transfer to receivables	(16,953)	(11,558)
Additions due to revenue recognised during the financial year	33,151	16,953
At end of financial year	33,151	16,953

Contract assets represent completed performance obligation in relation to television services and programme and channel sales for which billings have not been raised.

Contract liabilities

	Group	
	2023	2022
	RM'000	RM'000
At beginning of financial year	160,076	179,633
Increases due to cash received	161,115	178,195
Revenue recognised in income statement during the financial year	(174,076)	(197,752)
At end of financial year	147,115	160,076

Contract liabilities mainly comprise subscription fees billed prior to services being provided and allocation of non-subscription based set-top boxes revenue over the period.

Contract liabilities represent the aggregate amount of the transaction price allocated to the remaining performance obligation and the Group will recognise this revenue as and when service is provided, which is expected to occur over the 12 months.

6 Profit/(loss) Before Tax

(a) The following items have been expensed off in arriving at profit before tax (excluding finance costs and finance income):

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amortisation:				
- film library and programme rights	307,440	295,626	-	-
- event licence rights	115	114	-	-
- contract costs assets	28,113	30,132	-	-
- software	175,803	127,411	-	-
Auditors' remuneration:				
- audit	1,739	1,739	510	510
- audit related services (including quarterly reviews)	628	658	570	600
- other services*	236	465	-	-
Set-top boxes related costs	19,644	36,315	-	-
Corporate management costs	-	-	3,763	3,800
Corporate responsibility programme costs	2,275	1,580	-	-
Depreciation:				
- property, plant and equipment	210,693	239,557	7	12
- right-of-use	163,902	163,742	-	-
Fair value loss on derivatives recycled to income statement arising from foreign exchange risk	-	15,786	-	-
Impairment:				
- receivables	36,747	25,005	-	-
- goodwill	32,685	-	-	-
- property, plant and equipment	1,754	-	-	-
- software	3,202	-	-	-
- intellectual properties	40,805	-	-	-
- investments in subsidiaries	-	-	763,283	-
Insurance	2,974	2,970	-	-
Inventories written off	827	1,105	-	-
Maintenance expenses	86,504	92,901	97	149
Marketing and market research expenses	101,874	84,937	269	310
Professional, consultancy and other related expenses	124,206	119,661	978	729
Programme provider fees	904,760	870,317	-	-
Property, plant and equipment written off	38	903	-	-
Realised foreign exchange losses (net)	-	-	-	123

6 Profit/(loss) Before Tax (Cont'd.)

(a) The following items have been expensed off in arriving at profit before tax (excluding finance costs and finance income) (Cont'd.):

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Rental:				
- buildings	25	192	243	266
- equipment	7,752	7,325	32	43
- storage	245	350	3	3
Staff costs (Note 7)	475,875	546,796	5,447	6,181
Selling and distribution expenses**	98,972	118,194	-	-
Unrealised foreign exchange losses (net)	-	2,708	-	1

Included in cost of sales are programme provider fees, set-top boxes related costs, staff costs, amortisation of film library and programme rights, attributable portion of depreciation of property, plant and equipment and other direct expenses.

(b) The following amounts have been credited in arriving at profit before tax (excluding finance costs and finance income):

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Gain on disposal of property, plant and equipment	(111)	(801)	-	-
Gain on disposal of software	-	(9)	-	-
Gain on redemption of RPS	-	-	(4,823)	-
Gain on termination of right-of-use	(5,295)	(3)	-	-
Fair value gain on derivaties recycled to income statement arising from foreign exchange risk	(28,324)	-	-	-
Realised foreign exchange gains (net)	(2,355)	(7,778)	-	-
Reversal of impairment of receivables	-	-	(2,471)	-
Unrealised foreign exchange gains (net)	(6,095)	-	(1)	-
Write back of bad debts	(9,026)	(15,889)	-	-

* Fees for other services were incurred in connection with regulatory compliance reporting, tax and advisory services paid or payable to PwC Malaysia, auditors of the Group and Company, member firms of PwC Malaysia and member firms of PwC International Limited.

** Included in selling and distribution expenses are mainly sales incentive and warehousing and distribution costs.

7 Staff Costs (including Directors' salaries and other short-term employees' benefits)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	380,014	426,216	4,609	5,010
Employee benefits-in-kind	21,972	23,480	149	176
Social security costs	3,783	3,859	25	24
Defined contribution plans	54,584	62,329	689	749
Staff welfare and allowances	2,856	3,856	40	28
Share-based payments (Note (a))	(4,231)	11,405	(65)	194
Separation scheme*	16,897	15,651	-	-
	475,875	546,796	5,447	6,181

Directors fees, meeting allowances, estimated money value of benefits-in-kind paid to non-executive directors is disclosed in Note 8 to the financial statements.

The Group and Company contribute to the Employees Provident Fund, the national defined contribution plan. Once the contributions have been paid, the Group and Company have no further payment obligations.

* Represents the charge in relation to the Employee Separation Scheme accepted by certain employees within the Group.

(a) Share-based payments

The Company established the Astro Malaysia Holdings Berhad Long Term Incentive Plan ("LTIP"), which came into effect on 21 August 2020 and in force for a period of ten years. An eligible employee of the Company and its subsidiaries (excluding dormant subsidiaries) who accepts an offer under the LTIP ("Grantee") shall pay a sum of RM1.00 as non-refundable consideration for acceptance of that offer. Subject to the terms and conditions of the By-Laws governing the LTIP, the Grantees shall be entitled to receive new ordinary shares to be issued pursuant to the share awards which may comprise restricted share units ("RSUs") and/or performance share units ("PSUs"), on the scheduled vesting dates without further payment, subject to meeting the vesting conditions which comprise the performance targets stipulated by the Nomination, Remuneration and Corporate Governance Committee ("NRCGC") of the Company.

RSU

On 11 December 2020, 16 April 2021 and 21 November 2022, the Company granted share awards in respect of 800,000, 1,020,000 and 1,680,000 new ordinary shares respectively to the eligible employees of the Company and its subsidiaries (excluding dormant subsidiaries) as part of the RSU award under the LTIP.

Key features of the RSU are as follows:

- The RSU granted will vest upon the fulfilment of predetermined vesting conditions including the company and individual performance targets, subject to the discretion of the NRCGC.
- Upon vesting, the Grantees shall receive new ordinary shares in the Company to be issued, on the scheduled vesting dates without further payment.

7 Staff Costs (including Directors' salaries and other short-term employees' benefits) (Cont'd.)

(a) Share-based payments (Cont'd.)

RSU (Cont'd.)

Details of the balance of RSU granted:

Grant date	Vesting Date	Group 2023 Share grants '000	Group 2022 Share grants '000
11 December 2020 ("RSU 1")	31 July 2023	620	700
16 April 2021 ("RSU 2")	31 July 2024	700	880
21 November 2022 ("RSU 3")	31 July 2025	1,500	-

The movement in the number of RSU is as follows:

Financial year ended 31 January 2023

	Group RSU 3 '000	Group RSU 2 '000	Group RSU 1 '000
At 1 February	-	880	700
Granted	1,680	-	-
Forfeited	(180)	(180)	(80)
At 31 January	1,500	700	620

Financial year ended 31 January 2022

	Group RSU 2 '000	Group RSU 1 '000
At 1 February	-	800
Granted	1,020	-
Forfeited	(140)	(100)
At 31 January	880	700

The fair value of the RSU was estimated by an external valuer using the Monte Carlo Simulation Model with the following inputs:

RSU 1

	Group 2023/2022
Fair value at grant date	RM0.782
Share price at grant date	RM0.9481
Expected volatility	41.80%
Expected dividends	6.15%
Risk-free interest rate (based on Malaysian Government Securities yield)	1.99%

7 Staff Costs (including Directors' salaries and other short-term employees' benefits) (Cont'd.)

(a) Share-based payments (Cont'd.)

RSU (Cont'd.)

RSU 2

	Group 2023/2022
Fair value at grant date	RM0.873
Share price at grant date	RM1.0165
Expected volatility	42.49%
Expected dividends	4.82%
Risk-free interest rate (based on Malaysian Government Securities yield)	2.31%

RSU 3

	Group 2023
Fair value at grant date	RM0.516
Share price at grant date	RM0.6564
Expected volatility	33.89%
Expected dividends	8.90%
Risk-free interest rate (based on Malaysian Government Securities yield)	3.81%

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the available trading dates of the Company's shares.

PSU

On 11 December 2020, 16 April 2021 and 21 November 2022, the Company granted share awards in respect of 18,281,900, 21,688,800 and 33,839,278 new ordinary shares respectively to the eligible employees of the Company and its subsidiaries (excluding dormant subsidiaries), pursuant to the PSU Award under the LTIP.

Key features of the PSU are as follows:

- The PSU granted will vest upon fulfilment of predetermined vesting conditions including the Company's performance over a period of three financial years and individual performance rating, subject to the discretion of the NRCGC.

- Upon vesting, the Grantees shall receive new ordinary shares in the Company to be issued, on the scheduled vesting dates without further payment.

7 Staff Costs (including Directors' salaries and other short-term employees' benefits) (Cont'd.)

(a) Share-based payments (Cont'd.)

PSU (Cont'd.)

Details of the balance of PSU granted:

Grant date	Vesting Date	Group 2023 Share grants '000	Group 2022 Share grants '000
11 December 2020 ("PSU 1")	31 July 2023	15,384	16,383
16 April 2021 ("PSU 2")	31 July 2024	18,424	19,572
21 November 2022 ("PSU 3")	31 July 2025	33,642	-

Grant date	Vesting Date	Company 2023 Share grants '000	Company 2022 Share grants '000
11 December 2020 ("PSU 1")	31 July 2023	366	366
16 April 2021 ("PSU 2")	31 July 2024	350	350
21 November 2022 ("PSU 3")	31 July 2025	545	-

The movement in the number of PSU is as follows:

Financial year ended 31 January 2023

	Group PSU 3 '000	Group PSU 2 '000	Group PSU 1 '000
At 1 February	-	19,572	16,383
Granted	33,839	-	-
Forfeited	(197)	(1,148)	(999)
At 31 January	33,642	18,424	15,384

Financial year ended 31 January 2022

	Group PSU 2 '000	Group PSU 1 '000
At 1 February	-	18,282
Granted	21,689	-
Forfeited	(2,117)	(1,899)
At 31 January	19,572	16,383

7 Staff Costs (including Directors' salaries and other short-term employees' benefits) (Cont'd.)

(a) Share-based payments (Cont'd.)

PSU (Cont'd.)

Financial year ended 31 January 2023

	Company		
	PSU 3	PSU 2	PSU 1
	'000	'000	'000
At 1 February	-	350	366
Granted	545	-	-
At 31 January	545	350	366

Financial year ended 31 January 2022

	Company	
	PSU 2	PSU 1
	'000	'000
At 1 February	-	366
Granted	350	-
At 31 January	350	366

The fair value of the PSU awards were estimated by an external valuer using the Monte Carlo Simulation Model with the following inputs:

PSU 1	Group and Company 2023/2022
Fair value at grant date	RM0.388 – RM0.872
Share price at grant date	RM0.948
Expected volatility	41.80%
Expected dividends	6.15%
Risk-free interest rate (based on Malaysian Government Securities yield)	1.99%

PSU 2	Group and Company 2023/2022
Fair value at grant date	RM0.347 – RM0.868
Share price at grant date	RM1.0165
Expected volatility	42.49%
Expected dividends	4.82%
Risk-free interest rate (based on Malaysian Government Securities yield)	2.31%

7 Staff Costs (including Directors' salaries and other short-term employees' benefits) (Cont'd.)

(a) Share-based payments (Cont'd.)

PSU (Cont'd.)

PSU 3	Group and Company 2023
Fair value at grant date	RM0.109 – RM0.517
Share price at grant date	RM0.6564
Expected volatility	33.89%
Expected dividends	8.90%
Risk-free interest rate (based on Malaysian Government Securities yield)	3.81%

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the available trading dates of the Company's shares.

8 Directors' Remuneration

The aggregate amount of emoluments receivable by Directors during the financial year were as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-Executive Directors				
Fees and meeting allowances	3,241	2,835	3,241	2,835
Estimated money value of benefits-in-kind	24	23	24	23
	3,265	2,858	3,265	2,858
Executive Directors*				
Salaries and bonus	9,893	11,980	-	-
Defined contribution plans	1,269	1,532	-	-
Estimated money value of benefits-in-kind	72	64	-	-
Separation scheme	612	-	-	-
	11,846	13,576	-	-
Total Directors' remuneration	15,111	16,434	3,265	2,858

* Includes Executive Directors of subsidiary companies to comply with the requirements of Companies Act 2016 (as disclosed in the Directors' Report).

9 Finance Income and Finance Costs

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
(a) Finance income:				
Interest income	6,340	5,616	812	293
Dividend income – unit trusts	9,954	12,909	506	1,653
Gain on disposal of unit trusts	1,240	109	234	-
Fair value gain/(loss) on unit trusts	1,411	(1,424)	(16)	55
	18,945	17,210	1,536	2,001
(b) Finance costs:				
Interest expense:				
- Bank borrowings	68,635	68,932	-	282
- Lease liabilities	92,281	72,445	-	-
- Vendor financing	10,978	9,603	-	-
- Debt service and other finance costs	2,690	1,933	-	131
	174,584	152,913	-	413
Realised foreign exchange losses (net)	4,112	2,837	-	-
Unrealised foreign exchange (gains)/losses (net)	(36,139)	10,680	-	(25,544)
Fair value loss on derivatives recycled to income statement arising from:				
- Foreign exchange risk	3,414	9,950	-	25,544
- Interest rate risk	828	4,434	-	808
	146,799	180,814	-	1,221

10 Tax Expense

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current tax:				
- Malaysian income tax	72,282	116,614	29	-
- Foreign tax	2,541	298	-	-
- Over accrual in prior year	(16,525)	(8,155)	(2)	-
	58,298	108,757	27	-
Deferred tax (Note 28):				
- Origination and reversal of temporary differences	20,155	21,330	208	-
	78,453	130,087	235	-

The reconciliation between tax expense and accounting profit/(loss) multiplied by the Malaysian corporate tax rate is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(loss) before tax	288,941	590,714	(568,436)	319,531
Tax at the Malaysian corporate tax rate of 24% (2022: 24%)	69,346	141,771	(136,425)	76,687
Share of post tax results from investments accounted for using the equity method	30	(22)	-	-
Expenses not deductible for tax purposes	24,135	13,757	185,811	6,646
Income not subject to tax	(3,592)	(4,189)	(49,149)	(83,333)
Effect of tax rates in foreign jurisdictions	2,541	297	-	-
Effect of change in Malaysia tax rates*	-	17,599	-	-
Recognition and utilisation of previously unrecognised temporary differences	(4,748)	(31,165)	-	-
Over accrual in prior year	(16,525)	(8,155)	(2)	-
Unrecognised deferred tax assets	7,266	194	-	-
Tax expense	78,453	130,087	235	-

* For year of assessment 2022, tax rate for chargeable income of Malaysia resident companies exceeding RM100 million is 33%.

11 Earnings per Ordinary Share

The calculation of basic earnings per ordinary share for the financial year ended 31 January 2023 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

The calculation of diluted earnings per ordinary share for the financial year ended 31 January 2023 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all dilutive potential ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share:

	Group	
	2023 RM'000	2022 RM'000
Profit for the year attributable to ordinary shareholders used in the computation of basic/diluted earnings per share	259,038	460,878

(a) Basic earnings per share

Weighted average number of ordinary shares for basic earnings per share computation:

	Group	
	2023	2022
Weighted average number of ordinary shares for basic earnings per share* ('000)	5,214,507	5,214,507
Basic earnings per ordinary share (RM)	0.05	0.09

(b) Diluted earnings per share

Weighted average number of ordinary shares for basic earnings per share* ('000)	5,214,507	5,214,507
Adjustment for:		
Grant of share award under the share scheme ('000)	27,211	22,631
Weighted average number of ordinary shares for diluted earnings per share ('000)	5,241,718	5,237,138
Diluted earnings per ordinary share (RM)	0.05	0.09

* The weighted average number of shares takes into account the weighted average effect of ordinary shares issued during the year.

12 Dividends

The followings dividends were declared and paid by the Group and the Company:

	2022 RM'000
In respect of the financial year ended 31 January 2021:	
Fourth interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 25 March 2021 and paid on 23 April 2021	78,218
Final single-tier dividend of RM0.025 per share on 5,214,506,700 ordinary shares, approved on 24 June 2021 and paid on 23 July 2021	130,361
	208,579
In respect of the financial year ended 31 January 2022:	
First interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 22 June 2021 and paid on 23 July 2021	78,218
Second interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 21 September 2021 and paid on 20 October 2021	78,218
Third interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 9 December 2021 and paid on 7 January 2022	78,218
	234,654
	443,233

12 Dividends (Cont'd.)

	2023 RM'000
In respect of the financial year ended 31 January 2022:	
Fourth interim single-tier dividend of RM0.015 per share on 5,214,506,700 ordinary shares, declared on 31 March 2022 and paid on 29 April 2022	78,218
Final single-tier dividend of RM0.0075 per share on 5,214,506,700 ordinary shares, approved on 22 June 2022 and paid on 20 July 2022	39,109
	117,327
In respect of the financial year ended 31 January 2023:	
First interim single-tier dividend of RM0.0125 per share on 5,214,506,700 ordinary shares, declared on 21 June 2022 and paid on 20 July 2022	65,181
Second interim single-tier dividend of RM0.01 per share on 5,214,506,700 ordinary shares, declared on 26 September 2022 and paid on 25 October 2022	52,145
Third interim single-tier dividend of RM0.0075 per share on 5,214,506,700 ordinary shares, declared on 15 December 2022 and paid on 13 January 2023	39,109
	156,435
	273,762

The Directors do not recommend any final dividend to be paid for the financial year ended 31 January 2023.

13 Property, Plant and Equipment

	[1] Freehold land RM'000	Buildings RM'000	Equipment, fixtures and fittings RM'000	Broadcast and transmission equipment RM'000	Assets under construction RM'000	Total RM'000
Group						
Net book value						
At 1 February 2022	10,586	129,924	56,209	359,371	57,818	613,908
Additions	-	-	13,178	164,696[2]	3,523	181,397
Disposals	-	-	(64)	(25)	-	(89)
Transfers between classes	-	13	(271)	42,729	(42,471)	-
Reclassification from/(to) intangible assets (Note 20)	-	-	24	1,565	(2,163)	(574)
Impairment	-	-	(1,515)	(239)	-	(1,754)
Written off	-	-	(37)	(1)	-	(38)
Depreciation charge	-	(6,285)	(17,031)	(187,377)	-	(210,693)
At 31 January 2023	10,586	123,652	50,493	380,719	16,707	582,157
At 31 January 2023						
Cost	10,586	188,216	530,099	4,446,348[3]	16,707	5,191,956
Accumulated depreciation and impairment	-	(64,564)	(479,606)	(4,065,629)	-	(4,609,799)
Net book value	10,586	123,652	50,493	380,719[4]	16,707	582,157

13 Property, Plant and Equipment (Cont'd.)

Group (Cont'd.)	[1] Freehold land RM'000	Buildings RM'000	Equipment, fixtures and fittings RM'000	Broadcast and transmission equipment RM'000	Assets under construction RM'000	Total RM'000
Net book value						
At 1 February 2021	10,586	136,119	56,259	386,890	9,005	598,859
Additions	-	-	19,388	177,849[2]	59,099	256,336
Disposals	-	-	(10)	(54)	-	(64)
Transfers between classes	-	85	41	9,221	(9,347)	-
Reclassification from/(to) intangible assets (Note 20)	-	-	-	176	(939)	(763)
Written off	-	-	(100)	(803)	-	(903)
Depreciation charge	-	(6,280)	(19,369)	(213,908)	-	(239,557)
At 31 January 2022	10,586	129,924	56,209	359,371	57,818	613,908
At 31 January 2022						
Cost	10,586	188,203	537,173	4,311,209[3]	57,818	5,104,989
Accumulated depreciation and impairment	-	(58,279)	(480,964)	(3,951,838)	-	(4,491,081)
Net book value	10,586	129,924	56,209	359,371[4]	57,818	613,908

[1] The Selangor State Authority's approval is required for any disposal of the land or pledging of the land as collateral or security for the benefit of third parties.
[2] Includes significant non-cash transactions of RM98,017,000 (2022: RM130,340,000) as disclosed in Note 34.
[3] Includes fully depreciated Pay-TV set-top boxes of RM2,524,043,000 (2022: RM2,496,364,000) that are still in use.
[4] Includes net book value of Pay-TV set-top boxes of RM186,324,000 (2022: RM197,090,000).

13 Property, Plant and Equipment (Cont'd.)

	Equipment, fixtures and fittings	
	2023	2022
	RM'000	RM'000
Company		
Net book value		
At 1 February	11	18
Additions	12	5
Depreciation charge	(7)	(12)
At 31 January	16	11
At 31 January		
Cost	813	801
Accumulated depreciation	(797)	(790)
Net book value	16	11

14 Right-of-use assets

	2023	2022
Group	RM'000	RM'000
Carrying amount		
Leasehold land	30,555	31,465
Satellite transponders	1,608,062	892,577
Office	6,512	12,716
Equipment	10,059	10,615
Warehouse	194	1,378
At 31 January	1,655,382	948,751
Depreciation charge		
Leasehold land	910	910
Satellite transponders	150,410	148,610
Office	7,121	8,575
Equipment	3,118	3,286
Warehouse	2,343	2,361
At 31 January	163,902	163,742

14 Right-of-use assets (Cont'd.)

Group	2023 RM'000	2022 RM'000
Additions	925,014*	73
Adjustment due to lease modification^	(1,275)	(13,661)
Termination#	(53,206)	(130)
Expenses relating to leases of low value	5,181	4,471

* Includes significant non-cash transactions as disclosed in Note 34.
^ Adjustment due to revision in lease term and lease payments.
# Termination during the year is mainly due to early termination of 6 transponders on MEASAT 3b satellite

15 Investment in Subsidiaries

	Company 2023 RM'000	Company 2022 RM'000
Unquoted shares, at cost	6,987,879	6,978,879
Less: Accumulated impairment losses	(763,283)	-
	6,224,596	6,978,879
Investment in Redeemable Preference Shares ("RPS")	206,500	214,400
Less: Accumulated impairment losses	(982)	(982)
	205,518	213,418
	6,430,114	7,192,297

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Directly held by the Company				
Astro (Brunei) Sdn. Bhd. ("ABSB")	Malaysia	100	100	Investment holding
Astro Digital Sdn. Bhd. ("ADSB")	Malaysia	100	100	Investment holding

15 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Directly held by the Company (Cont'd.)				
Astro Entertainment Sdn. Bhd. ("AESB")	Malaysia	100	100	Investment holding
Astro Group Services Sdn. Bhd. ("AGS")	Malaysia	100	100	Management services
Astro Productions Sdn. Bhd. ("APSB")	Malaysia	100	100	Production and distribution of television programmes and rental of building
Astro Production Services Sdn. Bhd. ("APSSB")	Malaysia	100	100	Production and distribution of television programmes and related services
Astro Shaw Sdn. Bhd. ("ASSB")	Malaysia	100	100	Production and distribution of films
Astro GTS Sdn. Bhd. ("GTS")	Malaysia	100	100	Provision of in-house banking services
MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS")	Malaysia	100	100	Provision of television services
Astro Retail Ventures Sdn. Bhd. ("ARV")	Malaysia	100	100	Investment holding
Tribe Network Asia Pacific Limited (registered as a foreign company in Malaysia) ("Tribe")	Incorporated in Hong Kong and operates business in Malaysia	100	100	Creation, aggregation, distribution and monetisation of content

15 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Subsidiaries held by MBNS				
Astro Radio Sdn. Bhd. ("ARSB")	Malaysia	100	100	Management of commercial radio broadcasting stations, content and programming provider and provision of multimedia and advertising agency services
Maestra Broadcast Sdn. Bhd. ("MBSB")	Malaysia	100	100	Operation of commercial radio broadcasting stations
MEASAT Digicast Sdn. Bhd. ("MDIG")	Malaysia	100	100	Inactive
MEASAT Radio Communications Sdn. Bhd. ("MRC")	Malaysia	100	100	Operation of commercial radio broadcasting stations
Perfect Excellence Waves Sdn. Bhd. ("PEW")	Malaysia	100	100	Operation of commercial radio broadcasting stations
Radio Lebuhraya Sdn. Bhd. ("RLSB")	Malaysia	100	100	Operation of commercial radio broadcasting stations
Astro Media Solutions Sdn. Bhd. ("AMS")	Malaysia	100	100	Operation of commercial radio broadcasting stations and organising trade related projects, marketing, soliciting, and sale of airtime
Yayasan Astro Kasih ("Yayasan")	Malaysia	-	-	Advancing and benefitting the community

15 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Subsidiary held by ARSB				
DVR Player.Com Sdn. Bhd. ("DVRSB")	Malaysia	100	100	Inactive
Subsidiaries held by AESB				
Astro Arena Sdn. Bhd. ("AASB")	Malaysia	100	100	Inactive
Astro Awani Network Sdn. Bhd. ("AANSB")	Malaysia	84.62	80	Creation, production, acquisition and syndication of news and information-based content and end-to-end channel management for distribution across multiple platforms
Maestro Talent and Management Sdn. Bhd. ("MTAM")	Malaysia	100	100	Provision of training and related services
Astro Sports Marketing Sdn. Bhd. ("ASM")	Malaysia	100	100	Investment holding
Subsidiaries held by ASSB				
Karya Anggun Sdn. Bhd. ("KASB")	Malaysia	100	100	Inactive
Nusantara Retail Sdn. Bhd. ("NRSB")	Malaysia	100	100	Inactive
Tayangan Unggul Sdn. Bhd. ("TUSB")	Malaysia	100	100	Film production, acquisition, commissioning and distribution as well as the provision of contact centre services

15 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Subsidiaries held by ADSB				
Astro Digital 5 Sdn. Bhd. ("AD5SB")	Malaysia	100	100	Development and licensing of multimedia and interactive applications
Rocketfuel Entertainment Sdn. Bhd. ("RFESB")	Malaysia	100	100	Talent management, creative services, sound recording, music publishing, film productions and related business, which include subtitling and/or dubbing services
Nu Ideaktiv Sdn. Bhd. ("NISB")	Malaysia	51	51	Creation and monetisation of content verticals in Malaysia and the Nusantara region
Subsidiary held by ASM				
Asia Sports Ventures Pte. Ltd. ("ASV")	Singapore	100	100	Inactive
Subsidiary held by ARV				
Astro GS Shop Sdn. Bhd. ("Go Shop")	Malaysia	60	60	Home shopping business

All the subsidiaries are audited by PricewaterhouseCoopers PLT Malaysia, except for Tribe and ASV which are audited by member firms of PricewaterhouseCoopers International Limited.

The Group's effective equity interest in the subsidiaries, the respective principal activities and countries of incorporation are listed above. Other than Yayasan, which is consolidated in the Group's financial results, the proportion of the Group's voting rights in the subsidiaries held by the Group do not differ from the proportion of ordinary shares held or the Group's effective equity interest in the subsidiaries.

15 Investment in Subsidiaries (Cont'd.)

Yayasan is a company limited by guarantee. The Group has de facto control over Yayasan due to control over the source of funding. During the year, subsidiaries of the Company have made donations of RM191,000 (2022: RM350,000) to Yayasan for activities advancing and benefitting the community. The subsidiaries intend to continue providing such support to Yayasan.

Pursuant to the Shareholders' Agreement ("SHA") dated 11 February 2014 (as supplemented by the Deed of Adherence dated 17 January 2022) between ARV and GS Retail Co. Ltd. ("GSR"), the parties have agreed on additional capitalisation of RM15,000,000 in Go Shop in proportion to their respective shareholdings. On 9 November 2022, ARV and GHSH have subscribed an additional 9,000,000 and 6,000,000 ordinary shares in Go Shop for a total consideration of RM9,000,000 and RM6,000,000, proportionate to their respective shareholdings proportion of 60% and 40% respectively. Following the subscription, ARV's shareholding interest of 60% in Go Shop remains unchanged.

On 10 November 2022, the Company subscribed additional 9,000,000 ordinary shares in ARV for a total consideration of RM9,000,000 effected by way of full settlement of outstanding advances of RM9,000,000 owing from ARV. The subscription of the new shares did not result in any change in the Company's equity interest in ARV.

On 3 January 2023, AESB, a shareholder of AANSB holding 80% of the issued and paid-up share capital of AANSB, subscribed an additional 5,136,750 ordinary shares in AANSB. Following the subscription, AESB's shareholding interest in AANSB increased from 80% to 84.62%.

Subsequently, on 6 January 2023, AANSB redeemed 79 RPS at total redemption price of RM12,722,600 via cash. The total redemption price represents compounded annual capital growth of 5% on issue price of RM7,900,000 resulting in a gain on redemption of RPS amounting RM4,822,600 recognised in income statement.

Impairment testing for investments in subsidiaries

The Company performed impairment assessment of certain investment in subsidiaries, which had impairment indicators. The impairment assessment involved comparison of its carrying amount against its recoverable amount which was determined based on value in use ("VIU") calculation.

(i) Impairment assessment for Go Shop

As a result of the subdued consumer sentiment, changes in consumer behaviour as customers return to physical stores and continuing losses during the financial year, the Company had fully impaired its cost of investment in Go Shop which is held by ARV amounting to RM48,100,000.

The recoverable amount have been determined based on VIU calculation taking into account the approved financial budget for FY2024 and cash flow projections for the next 4 years with terminal value at the end of year 5. The cash flow forecasts for Go Shop are based on moderated projected 5-year cash flow forecasts and the key assumptions are as follows:

	2023	2022
	%	%
Cost of equity	11.5	11.6
Terminal growth assumptions	0.0	0.0
5 years compound revenue growth rate	4.60	5.47

15 Investment in Subsidiaries (Cont'd.)

Impairment testing for investments in subsidiaries (Cont'd.)

(ii) Impairment assessment for MBNS

The cost of investment in MBNS was valued at a carrying amount in the previous business environment. The current operating landscape has evolved with changes in consumer content consumption patterns, continuing acts of piracy and structural changes in the media industry, leading to a reassessment of future cash flow forecast. Based on an impairment assessment, the carrying amount of the Company's investment in MBNS as at 31 January 2023 exceeded its recoverable amount by RM715 million, hence impairment losses were recognised during the financial year. The Group recognises this as a non-cash impairment, remeasuring a historical investment valuation.

The recoverable amount of the CGU have been determined based on VIU calculation taking into account the approved financial budget for FY2024 and cash flow projections for the next 4 years with terminal value at the end of year 5. The cash flow forecasts are based on moderated projected 5-year cash flow forecasts and the key assumptions are as follows:

	2023 %
Pre-tax discount rates	9.0
Terminal growth assumptions	0.0
5 years compound revenue growth rate	(0.6)

Based on the sensitivity analysis performed, if compound revenue growth rate decreases by 0.1%, the impairment loss recognised is expected to increase by approximately RM62 million.

Non-controlling interests ("NCI") in subsidiaries

	NISB RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
Group – 2023			
NCI percentage of ownership interest and voting interest	49%		
Carrying amount of NCI	39,227	(12,511)	26,716
Loss allocated to NCI	(32,527)	(16,023)	(48,550)
Group – 2022			
NCI percentage of ownership interest and voting interest	49%		
Carrying amount of NCI	71,754	(3,097)	68,657
Profit/(loss) allocated to NCI	468	(719)	(251)

15 Investment in Subsidiaries (Cont'd.)

Non-controlling interests ("NCI") in subsidiaries (Cont'd.)

Set out below is the summarised financial information for a subsidiary with NCI that is material to the Group:

	NISB	
	2023	2022
	RM'000	RM'000
Summarised balance sheet		
Non-current assets	11,837	78,351
Current assets	82,004	82,562
Non-current liabilities	(10,117)	(10,654)
Current liabilities	(3,607)	(3,761)
Summarised income statement		
Revenue	13,539	14,400
Expenses	(79,921)	(13,446)
(Loss)/profit/total comprehensive (loss)/profit for the financial year	(66,382)	954
Summarised cash flow		
Net cash (used in)/generated from operating activities	(2,937)	1,033
Net cash generated from/(used in) investing activities	3,258	(30,225)
Net cash (used in)/ generated from financing activities	(564)	29,455
Net (decrease)/increase in cash and cash equivalents	(243)	263

The information above is the amount before inter-company eliminations.

16 Investment in Associate

	Group	
	2023	2022
	RM'000	RM'000
Share of net assets and reserves	-	-

The associates are not material to the Group.

	Group	
	2023	2022
Income statements	RM'000	RM'000
Revenue	2,878	19,797
Expenses	(3,295)	(34,516)
Loss/total comprehensive loss for the financial year	(417)	(14,719)
Share of profit for the financial year	-	-

16 Investment in Associate (Cont'd.)

The Group has not recognised losses related to Kristal-Astro Sdn. Bhd. ("Kristal-Astro") amounting RM204,200 (2022: RM7,197,600) in respect of the current financial year (total unrecognised accumulated losses of RM55,192,800) (2022: RM54,988,600), since the Group has no obligation in respect of these losses and the carrying value of the investment is Nil (2022: Nil).

On 1 April 2022, Kristal-Astro ceased providing television services. On 17 December 2022, ABSB and MBNS entered into a Settlement Agreement with Datastream Technology Sdn Bhd, DST Communications Sdn Bhd, Kristal Sdn Bhd ("KSB") and Kristal-Astro Sdn Bhd ("Kristal-Astro"). The settlement entailed: (a) restructuring of the debts owe by Kristal-Astro to MBNS including partial assignment of debts by MBNS to ABSB; (b) subscription of 1,075,800 new ordinary shares in Kristal-Astro by ABSB proportionate to its shareholding via debt-equity conversion; (c) writing off by MBNS of the remainder debt owed by Kristal-Astro to it amounting to B$19.9 million; (d) disposal by ABSB to KSB of 1,320,300 ordinary shares held in Kristal-Astro representing 48.9% of the total share capital of Kristal-Astro for a consideration of B$1.00 (with transaction completing on the same date); and (e) termination of the Joint Venture Agreement between ABSB and KSB dated 29 October 1999. Kristal-Astro will thereafter proceed with member's voluntary liquidation.

Details of the associate are as follows:

Name of associate	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Associate held by ABSB				
Kristal-Astro Sdn. Bhd.	Brunei	-	48.9	Provision of television services

17 Investment in Joint Venture

	Group 2023 RM'000	Group 2022 RM'000
Share of net assets and reserves	2,059	2,182

The joint venture is not material to the Group.

Income statements

	2023 RM'000	2022 RM'000
Revenue	3,847	4,636
Expenses	(4,270)	(4,314)
(Loss)/profit/total comprehensive (loss)/profit for the financial year	(423)	322
Share of (loss)/profit for the financial year	(123)	93

Commitment and contingent liabilities in respect of joint venture

There are no commitments and contingent liabilities relating to the Group's interest in joint venture.

17 Investment in Joint Venture (Cont'd.)

Details of the joint venture are as follows:

Name of joint venture	Country of incorporation and place of business	Group's effective interest 2023 %	Group's effective interest 2022 %	Principal activities
Joint Venture held by AESB				
Red Communications Sdn. Bhd.	Malaysia	28.9	28.9	Provision of services in communication and organising media related events

18 Other investments

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Non-current				
Financial assets at FVOCI:				
- Preference shares in an unquoted company (Note (a))	3,416	10,657	-	-
	3,416	10,657	-	-
Current				
Financial assets at FVTPL:				
- Investment in unit trusts (Note (b))	510,048	561,532	26,438	43,374
	510,048	561,532	26,438	43,374
	513,464	572,189	26,438	43,374

(a) Preference shares

On 15 December 2017, ADSB subscribed to 186,219 Series A-3 Preferred Stock of Catalyst IT Services, Inc., a Delaware corporation. The Series A-3 Preferred Stock are convertible to ordinary shares on a 1:1 ratio.

(b) Investment in unit trusts

Investment in unit trusts made by the Group and the Company can be purchased or liquidated within one to three day's notice.

19 Advances to Subsidiaries

Advances to subsidiaries are unsecured, with 5-years repayment term and are subject to interest ranging from 4.49% to 4.75% (2022: ranging from 4.32% to 4.34%) per annum.

Included in advances to subsidiaries is an impairment of RM46,650,000 (2022: RM49,557,000). During the financial year, there was a write back of impairment amounting RM2,907,000 (2022: Nil). The impairment amount was recognised pursuant to MFRS 9 impairment assessment.

20 Intangible Assets

Group	Goodwill RM'000	Intellectual properties RM'000	Brands and spectrums RM'000	Event licence rights RM'000	Film library and programme rights RM'000	Computer software RM'000	Software development RM'000	Total RM'000
Net book value								
At 1 February 2022	1,140,117	40,805	368,263	1,304	144,781	209,093	100,354	2,004,717
Additions	-	-	-	-	323,996	100,382	36,594	460,972
Reclassification from/(to) property, plant and equipment (Note 13)	-	-	-	-	-	2,138	(1,564)	574
Transfer between classes	-	-	-	-	-	89,891	(89,891)	-
Impairment	(32,685)	(40,805)	-	-	-	(3,202)	-	(76,692)
Amortisation charge	-	-	-	(115)	(307,440)	(175,803)	-	(483,358)
At 31 January 2023	1,107,432	-	368,263	1,189	161,337	222,499	45,493	1,906,213
At 31 January 2023								
Cost	1,140,117	40,805	368,263	8,452	4,034,367	1,896,045	45,493	7,533,542
Accumulated amortisation and impairment	(32,685)	(40,805)	-	(7,263)	(3,873,030)	(1,673,546)	-	(5,627,329)
Net book value	1,107,432	-	368,263	1,189	161,337	222,499	45,493	1,906,213

20 Intangible Assets (Cont'd.)

Group (Cont'd.)	Goodwill RM'000	Intellectual properties RM'000	Brands and spectrums RM'000	Event licence rights RM'000	Film library and programme rights RM'000	Computer software RM'000	Software development RM'000	Total RM'000
Net book value								
At 1 February 2021	1,140,117	40,805	368,263	1,418	122,557	222,110	38,906	1,934,176
Additions	-	-	-	-	317,850	82,864	92,215	492,929
Reclassification from/(to) property, plant and equipment (Note 13)	-	-	-	-	-	939	(176)	763
Transfer between classes	-	-	-	-	-	30,591	(30,591)	-
Amortisation charge	-	-	-	(114)	(295,626)	(127,411)	-	(423,151)
At 31 January 2022	1,140,117	40,805	368,263	1,304	144,781	209,093	100,354	2,004,717
At 31 January 2022								
Cost	1,140,117	40,805	368,263	8,452	3,706,325	1,732,907	100,354	7,097,223
Accumulated amortisation and impairment	-	-	-	(7,148)	(3,561,544)	(1,523,814)	-	(5,092,506)
Net book value	1,140,117	40,805	368,263	1,304	144,781	209,093	100,354	2,004,717

20 Intangible Assets (Cont'd.)

	Computer software	
	2023	2022
	RM'000	RM'000
Company		
Net book value		
At 1 February	-	-
Amortisation charge	-	-
At 31 January	-	-
At 31 January		
Cost	12	12
Accumulated amortisation	(12)	(12)
Net book value	-	-

The remaining amortisation period of film library and programme rights at the end of the financial year ranged from 1 month to 2 years (2022: 1 month to 2 years).

The remaining amortisation period of software at the end of the financial year ranged from 1 month to 4 years (2022: 1 month to 4 years).

The remaining amortisation period of event licence rights at the end of the financial year is 5 years (2022: 6 years).

Intellectual properties

Intellectual properties relate to thirty eight (38) titles and trademarks. As explained in Note 3E(h), the useful life of these intellectual properties is estimated to be indefinite.

Brands

Brands relate to the nine FM terrestrial radio stations and additional themed music channels that are broadcast on the ASTRO satellite television platform. As explained in Note 3E(d), the useful life of these brands is estimated to be indefinite.

Spectrums

Spectrums relate to two FM terrestrial radio stations. As explained in Note 3E(g), the useful life of these spectrums is estimated to be indefinite.

20 Intangible Assets (Cont'd.)

Impairment testing of goodwill, intellectual properties, brands and spectrums

Goodwill arising from business combinations, intellectual properties, brands and spectrums have been allocated to three individual cash-generating units ("CGU") for impairment testing as follows:

- Television
- Radio
- Intellectual properties ("IP")

The carrying amounts of goodwill, intellectual properties, brands and spectrums allocated to each CGU are as follows:

	Television RM'000	Radio RM'000	IP RM'000	Total RM'000
As at 31 January 2023				
Goodwill	506,920	600,512	-	1,107,432
Intellectual properties	-	-	-	-
Brands	-	328,000	-	328,000
Spectrums	-	40,263	-	40,263
As at 31 January 2022				
Goodwill	539,605	600,512	-	1,140,117
Intellectual properties	-	-	40,805	40,805
Brands	-	328,000	-	328,000
Spectrums	-	40,263	-	40,263

The recoverable amounts of the CGUs have been determined based on value in use ("VIU") calculations taking into account the approved financial budget for FY2024 and cash flow projections for the next 4 years with terminal values at the end of year 5. The cash flow forecasts of the television and IP CGUs are based on moderated 5-year cash flow forecasts whilst cash flow forecasts of the radio CGU is based on probability weighted moderated 5-year cash flow forecasts taking into account an expected delayed recovery period of 24 months and more than 24 months. The pre-tax discount rate applied to the approved financial budget for FY2024 and cash flow projections for the next 4 years are as follows:

As at 31 January 2023	Television %	Radio %	IP %
Pre-tax discount rates	9.0	11.4	12.0
Terminal growth assumption	0.0	0.0	0.0
5 years compound revenue growth rate	(0.6)	8.74	7.87

As at 31 January 2022	Television %	Radio %	IP %
Pre-tax discount rates	9.6	10.6	11.4
Terminal growth assumption	0.0	0.0	0.0
5 years compound revenue growth rate	3.39	8.90	33.80

20 Intangible Assets (Cont'd.)

Impairment testing of goodwill, intellectual properties, brands and spectrums (Cont'd.)

The projection assumes the renewal of all existing licences granted to the Group.

Pre-tax discount rates reflect the current market assessment of the risks specific to each CGU. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals. In determining appropriate discount rates for each CGU, regard has been given to the Malaysian 20-year risk free rate and Malaysia's long term consumer price index ("CPI").

Terminal growth and compound revenue growth rate assumptions represent management's assessment of future trends in the regional media and entertainment industry, expectation of growth of new businesses and business segments and are based on both external and internal sources.

Due to macroeconomics headwinds including global inflationary pressure leading to lower advertisers' sentiment, the Group recognised an impairment loss of RM32,685,000 and RM40,805,000 on Goodwill and IP respectively as the carrying amounts exceed the recoverable amounts. The Group recognises this as a non-cash impairment, remeasuring a historical investment valuation.

Based on the sensitivity analysis performed, if the compound revenue growth rates for television are nil, the recoverable amount will continue to be higher than the carrying amount of the CGU. If the compound revenue growth rates for radio segment decreases by 4.7%, then the recoverable amount will be equal to the carrying amount.

21 Inventories

	Group	
	2023	2022
	RM'000	RM'000
At cost		
Set-top boxes	12,047	9,178
Merchandise	1,629	2,017
Other materials	7,974	8,454
	21,650	19,649
At net realisable value		
Set-top boxes	5	5
	21,655	19,654

Included in cost of sales is cost of inventories charged to the income statement amounting to RM146,120,000 (2022: RM285,490,000).

22 Receivables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current				
Deposits	97,093	101,292	-	-
Downpayments and prepayments	15,225	11,621	-	-
Contract cost assets	4,697	2,840	-	-
	117,015	115,753	-	-
Current				
Trade receivables	301,400	277,430	-	-
Impairment of trade receivables (Note 37(a))	(53,403)	(42,361)	-	-
	247,997	235,069	-	-
Other receivables, net of impairment	24,383	14,222	-	-
Contract cost assets	19,641	14,510	-	-
Deposits	15,595	17,206	78	77
Amounts due from related parties, net of impairment	7,994	12,474	95	89
Amounts due from subsidiaries	-	-	26,742	90,927
Downpayments and prepayments	211,303	429,337	33	23
	526,913	722,818	26,948	91,116

The Group's non-current and current amounts due from related companies and related parties are unsecured, non-interest bearing and with credit terms ranging from 30 to 60 days (2022: 30 to 60 days). The Company's amounts due from subsidiaries and related parties are unsecured, non-interest bearing, have no fixed terms of repayment and includes dividend receivable of RM Nil (2022: RM70,024,000).

Included in deposits of the Group are deposits paid to related parties of RM104,201,000 (2022: RM108,401,000) for transponders which are neither past due nor impaired.

Credit terms of trade receivables range from payment in advance to 60 days (2022: payment in advance to 60 days).

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of customers. The Group's historical experience in the collection of account receivables falls within the recorded allowances.

Movements in impairment of trade receivables, other receivables, amounts due from related parties and amount due from associate are as disclosed in Note 37(a). During the financial year, the Company recognised an impairment of RM436,000 on amounts due from subsidiaries.

22 Receivables (Cont'd.)

Contract cost assets

	Group	
	2023	2022
	RM'000	RM'000
Sales commission included in selling and distribution expenses	17,203	11,250
Non-subscription based set-top boxes costs	7,135	6,100
	24,338	17,350

The amortisation of contract cost assets is as disclosed in Note 6.

23 Deposits, Cash and Bank Balances

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	1,839	2,980	-	-
Cash with Astro GTS Sdn. Bhd.	-	-	93	51
Cash and bank balances	157,593	162,244	16	18
Cash and cash equivalents	159,432	165,224	109	69

Deposits of the Group have an average maturity of 34 days (2022: 35 days) for RM deposits. The deposits are placed in financial institutions for investment purposes.

The effective interest rates on RM deposits for the Group is 3.3% (2022: 2.0%) per annum.

Please refer to Note 37(c) for bank balances denominated in USD.

A portion of the Company's cash and bank balances are held in an In-House Bank ("IHB") managed by Astro GTS Sdn. Bhd. ("GTS") for more efficient cash management within the Group and the Company.

23 Deposits, Cash and Bank Balances (Cont'd.)

Changes in liabilities arising from financing activities

	Lease liabilities RM'000	SFCL RM'000	Term loan RM'000	Other financial liabilities RM'000	Total RM'000
Group					
At 1 February 2022	1,122,986	615,409	971,228	347,023	3,056,646
Cash flow:					
Payment for set-top boxes	-	-	-	(156,627)	(156,627)
Repayment of lease liabilities	(122,636)	-	-	-	(122,636)
Net repayment	-	-	(135,000)	-	(135,000)
Interest paid#	(84,383)	(26,994)	(38,429)	(9,721)	(159,527)
	(207,019)	(26,994)	(173,429)	(166,348)	(573,790)
Non-cash changes:					
Addition of new leases (Note 14)	925,014	-	-	-	925,014
Remeasurement of leases	(1,275)	-	-	-	(1,275)
Termination of leases	(30,273)	-	-	-	(30,273)
Drawn facilities	-	-	-	103,356^	103,356
Foreign exchange movement	(35,708)	-	-	(431)	(36,139)
Others*	84,854	29,708	38,927	10,294	163,783
	942,612	29,708	38,927	113,219	1,124,466
At 31 January 2023	**1,858,579**	**618,123**	**836,726**	**293,894**	**3,607,322**

23 Deposits, Cash and Bank Balances (Cont'd.)

Changes in liabilities arising from financing activities (Cont'd.)

	Lease liabilities RM'000	SFCL RM'000	Term loan RM'000	Other financial liabilities RM'000	Total RM'000
Group					
At 1 February 2021	1,311,037	615,409	1,086,698	371,819	3,384,963
Cash flow:					
Payment for set-top boxes	-	-	-	(162,766)	(162,766)
Repayment of lease liabilities	(207,873)	-	-	-	(207,873)
Net repayment	-	-	(89,718)	-	(89,718)
Interest paid#	(87,787)	(29,412)	(39,851)	(10,315)	(167,365)
	(295,660)	(29,412)	(129,569)	(173,081)	(627,722)
Non-cash changes:					
Addition of new leases (Note 14)	73	-	-	-	73
Remeasurement of leases	(13,661)	-	-	-	(13,661)
Termination of leases	(133)	-	-	-	(133)
Drawn facilities	-	-	-	135,032^	135,032
Foreign exchange movement	33,971	-	(25,544)	2,253	10,680
Others*	87,359	29,412	39,643	11,000	167,414
	107,609	29,412	14,099	148,285	299,405
At 31 January 2022	1,122,986	615,409	971,228	347,023	3,056,646

Company	Term loan 2022 RM'000
At 1 February	100,331
Cash Flow :	
Repayment	(74,718)
Interest paid#	(474)
Non-cash changes:	
Foreign exchange movement	(25,544)
Others*	405
At 31 January	-

* Others comprise unamortised transaction costs, realised foreign exchange, interest expense and prepayment movements

^ Included in the amount is vendor financing that was drawn during the financial year for acquisition of set-top boxes and inventories in the previous financial year.

\# Interest paid does not include interest in relation to hedging instruments in connection with the financial liabilities.

24 Payables

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Current				
Trade payables and accruals	266,989	326,301	-	-
Other payables and accruals	387,198	445,451	16,128	16,391
Amounts due to related parties	45,306	33,016	22	1
Amounts due to subsidiaries	-	-	983	-
	699,493	804,768	17,133	16,392

Credit terms granted by vendors generally ranging from 0 to 90 days (2022: 0 to 90 days).

The amounts due to the related parties of the Group and Company are unsecured, non-interest bearing and with credit terms ranging from 0 to 90 days (2022: 0 to 90 days). The amounts due to the subsidiaries of the Company are unsecured, non-interest bearing and have no fixed terms of repayment.

Included in other accruals are mainly staff costs and other administrative accruals.

25 Other Financial Liabilities

	Group	
	2023	2022
Current	RM'000	RM'000
Vendor financing	73,773	157,413
Non-current		
Vendor financing	220,121	189,610

The Group acquired set-top boxes and outdoor units with an extended payment terms of 36 months ("vendor financing") via Usance Letter of Credit Payable at Sight ("ULCP") facilities granted to the Group. Interest is charged for ULCP at the USD Cost of Fund or Ringgit Cost of Fund* + margin of between 0.5% and 1.7% (2022: USD Cost of Fund or Ringgit Cost of Fund* + margin of between 0.5% and 1.7%) per annum calculated at 360 or 365 days respectively from disbursement date. The effective interest rates at the end of the financial year ranged between 4.0% and 6.6% (2022: 0.7% and 2.8%) per annum.

As at 31 January 2023, the Group had a total of RM467,396,000 (2022: RM558,675,000) in undrawn multi-trade facilities to facilitate ULCP issuance which includes revolving credit facilities of RM142,000,000 (2022: RM143,000,000).

* Certain Ringgit Cost of Fund makes reference to KLIBOR. As at reporting date, there is no change to the Group's KLIBOR-linked contracts. The Group will closely monitor the regulators' announcement on the alternative benchmark rate or discontinuation of publication of the KLIBOR for the relevant tenors; and engage the counterparties to discuss necessary changes to the related contracts.

25 Other Financial Liabilities (Cont'd.)

The following is a summary of the repayment terms:

	Group 2023 RM'000	Group 2022 RM'000
Vendor financing repayments (including finance charges):		
- Not later than 1 year	74,466	162,208
- Later than 1 year and not later than 2 years	125,969	55,928
- Later than 2 years and not later than 5 years	100,808	136,513
	301,243	354,649
Future finance charges	(7,349)	(7,626)
Present value of vendor financing	293,894	347,023

26 Derivative Financial Instruments

	Group 2023 Assets RM'000	Group 2022 Assets RM'000
Current		
Interest rate swaps – cash flow hedges	8	11
Forward foreign currency exchange contracts – cash flow hedges	659	2,181
Cross-currency interest rate swaps – cash flow hedges	1,926	-
Foreign currency options – cash flow hedges	1,767	-
	4,360	2,192
Non-current		
Interest rate swaps – cash flow hedges	2,282	394
Forward foreign currency exchange contracts – cash flow hedges	-	2,987
Cross-currency interest rate swaps – cash flow hedges	5,266	2,068
Foreign currency options – cash flow hedges	151	-
	7,699	5,449

	Group 2023 Liabilities RM'000	Group 2022 Liabilities RM'000
Current		
Interest rate swaps – cash flow hedges	28	666
Forward foreign currency exchange contracts – cash flow hedges	36,869	4,215
Cross-currency interest rate swaps – cash flow hedges	-	300
	36,897	5,181

26 Derivative Financial Instruments (Cont'd.)

	Group	
	2023	2022
	Liabilities	Liabilities
Non-current	RM'000	RM'000
Interest rate swaps – cash flow hedges	4,266	18
Cross-currency interest rate swaps – cash flow hedges	4,147	312
Forward foreign currency exchange contracts – cash flow hedges	19,919	504
	28,332	834

Derivatives designated in hedging relationship

Forward foreign currency exchange contracts and foreign currency options

Forward foreign currency exchange contracts and foreign currency options are used to manage the foreign currency exposures arising from the Group's payables denominated in currencies other than the functional currencies of the Group. The forward foreign currency exchange contracts were entered into for a period of up to 6 years, while foreign currency options were entered into for a period of up to 3 years. As at 31 January 2023, the notional principal amounts of the outstanding forward foreign currency exchange contracts were RM1,373,976,000 (2022: RM1,062,883,000) and foreign currency options were USD28,518,000 (2022: USD5,565,000).

Cross-currency interest rate swaps

To mitigate financial risks arising from adverse fluctuations in interest and exchange rates, the Group has entered into cross-currency interest rate swaps with notional principal amounts of USD61,866,000 (2022: USD40,337,000) for vendor financing.

The cross-currency interest rate swap for vendor financing was entered into for a period of up to 3 years and had an average fixed swap rate and exchange rate of 2.30% p.a. (2022: 1.95% p.a.) and USD/RM4.2432 (2022: USD/RM4.1654) respectively.

Interest rate swaps

Interest rate swaps are used to achieve an appropriate interest rate exposure within the Group. The Group entered into interest rate swaps to hedge the cash flow risk in relation to vendor financing in Ringgit and USD dollar with notional principal amount of RM3,762,000 and USD160,000 (2022: Ringgit: RM160,389,000; USD dollar: Nil) and term loan with notional principal amount of RM501,375,000 (2022: RM195,000,000).

The Ringgit and USD dollar interest rate swaps for the vendor financing were entered into for a period of up to 3 years with an average fixed swap rate of 2.73% p.a. (2022: 2.42% p.a.) and 4.06% p.a. (2022: Nil) respectively.

The interest rate swaps for term loan was entered into for a period of up to 4.5 years with an average fixed swap rate of 3.54% p.a. (2022: 2.98% p.a.).

The maturity profile of the derivative financial instruments is disclosed in Note 37(b) to the financial statements.

27 Borrowings

	Group 2023 RM'000	Group 2022 RM'000
Current		
Lease liabilities (Note (a))	170,294	137,078
Synthetic foreign currency loan (Note (b))	5,373	615,409
Term loans (Note (c)):		
- MBNS Term Loan	536,726	141,228
	712,393	893,715
Non-current		
Lease liabilities (Note (a))	1,688,285	985,908
Synthetic foreign currency loan (Note (b))	612,750	-
Term loans (Note (c)):		
- MBNS Term Loan	300,000	830,000
	2,601,035	1,815,908
	3,313,428	2,709,623

27 Borrowings (Cont'd.)

(a) Lease liabilities

Lease liabilities include the lease of transponders on the MEASAT 3a ("M3a") satellites from MEASAT Satellite Systems Sdn. Bhd. ("MSS"), MEASAT 3b ("M3b") satellite from MEASAT International (South Asia) Ltd ("MISAL") and MEASAT 3d ("M3d") satellite from Measat Communication Systems Sdn. Bhd. ("MCSSB"), all related parties of the Group. The liabilities for M3a are denominated in RM, while M3b and M3d are denominated in USD.

The effective interest rate of the lease at the end of the financial year 12.5% (2022: 12.5%), 5.56% (2022: 5.56%) and 5.8% (2022: Nil) per annum for M3a, M3b and M3d respectively.

Lease liabilities also include leases of leasehold land, office premises, equipment, and warehouse. The effective interest rate ranges from 4.3% to 6.7% (2022: 4.3% to 6.7%) per annum.

The following is a summary of the minimum lease payments:

	Group	
	2023	2022
Lease obligation	RM'000	RM'000
Minimum lease payments:		
- Not later than 1 year	270,718	185,064
- Later than 1 year and not later than 2 years	244,801	195,745
- Later than 2 years and not later than 5 years	732,927	479,474
- Later than 5 years	1,235,807	532,004
	2,484,253	1,392,287
Future finance charges	(625,674)	(269,301)
Present value of lease obligations	1,858,579	1,122,986

As at 31 January 2023, potential future cash flow of RM79,283,000 (2022: RM79,283,000) (undiscounted) have not been included in the lease liabilities because it is not reasonably certain that the leases will be extended (or not terminated).

27 Borrowings (Cont'd.)

(b) Synthetic foreign currency loan ("SFCL") (unsecured and interest bearing)

On 26 September 2022, MBNS had accepted the SFCL Facility of up to USD150 million. On 29 November 2022, MBNS had fully drawn down a Ringgit equivalent of RM613 million from the SFCL Facility. The loan proceeds have been used to refinance the existing SFCL facility amounting to USD150 million (approximately RM613 million) obtained on 13 December 2017. The repayment of the loan commences three years from the drawdown date, maturing on 29 November 2029. The interest is payable quarterly at the rate of 5.08% per annum.

The following is a summary of the repayment terms:

	Group	
	2023	2022
	RM'000	RM'000
SFCL repayments (including finance charges):		
- Not later than 1 year	32,270	639,825
- Later than 1 year and not later than 2 years	32,595	-
- Later than 2 years and not later than 5 years	445,975	-
- Later than 5 years	264,681	-
	775,521	639,825
Future finance charges	(157,398)	(24,416)
Present value of SFCL	618,123	615,409

(c) Term Loans (unsecured and interest bearing)

MBNS accepted the following term loan facility ("MBNS Term Loan"):

(i) 1st MBNS Term Loan on 9 August 2018

MBNS had drawn down RM380 million on 23 August 2018 with RM50 million maturing on 23 February 2023 and RM330 million maturing on 23 August 2023. The interest rate is 5.18% per annum, payable quarterly.

(ii) 2nd MBNS Term Loan on 28 December 2018

MBNS had drawn down RM50 million and RM250 million on 28 March 2019 and 28 June 2019 respectively maturing on 28 March 2024. The interest rate ranges from 3.41% to 5.11% (2022: 3.37% to 3.49%) per annum, payable quarterly.

(iii) 3rd MBNS Term Loan on 27 August 2020

MBNS had drawn down RM300 million on 2 September 2020 with semi-annual repayment and final maturity on 2 September 2026. The interest rate ranges from 3.27% to 4.84% (2022: 3.23% to 3.27%) per annum, payable quarterly.

27 Borrowings (Cont'd.)

(c) Term Loans (unsecured and interest bearing) (Cont'd.)

The following is a summary of the repayment terms:

	Group	
	2023	2022
	RM'000	RM'000
Term loans repayments (including finance charges):		
- Not later than 1 year	562,093	177,177
- Later than 1 year and not later than 2 years	116,383	560,775
- Later than 2 years and not later than 5 years	204,901	320,130
	883,377	1,058,082
Future finance charges	(46,651)	(86,854)
Present value of term loans	836,726	971,228

28 Deferred Tax Assets/(Liabilities)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheets:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Subject to income tax:				
Deferred tax assets:				
- Deferred tax assets to be recovered after more than 12 months	39,962	75,272	-	-
- Deferred tax assets to be recovered within 12 months	47,877	29,873	99	307
	87,839	105,145	99	307
Deferred tax liabilities:				
- Deferred tax liabilities to be settled after more than 12 months	(77,492)	(87,757)	-	-
- Deferred tax liabilities to be settled within 12 months	(2,736)	(126)	-	-
	(80,228)	(87,883)	-	-
Net deferred tax assets	7,611	17,262	99	307

28 Deferred Tax Assets/(Liabilities) (Cont'd.)

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
At beginning of financial year	17,262	46,120	307	307
(Charged)/credited to income statements (Note 10):				
Provisions and accruals	2,152	2,882	(204)	-
Tax losses	(4,571)	15,911	-	-
Property, plant and equipment	(29,279)	(23,978)	(4)	-
Right-of-use assets	(172,928)	41,192	-	-
Lease liabilities	180,700	(49,623)	-	-
Intangible assets	13,401	1,296	-	-
Receivables	3,520	3,250	-	-
Contract liabilities	(2,355)	(3,525)	-	-
Others	(10,795)	(8,735)	-	-
	(20,155)	(21,330)	(208)	-
Credited/(charged) to other comprehensive income:				
Cash flow hedge	10,504	(7,528)	-	-
At end of financial year	7,611	17,262	99	307

Subject to income tax:

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Deferred tax assets (before offsetting):				
Provisions and accruals	10,126	7,974	102	306
Tax losses	22,279	26,850	-	-
Property, plant and equipment	1,872	718	-	1
Lease liabilities	440,869	260,169	-	-
Receivables	12,672	9,152	-	-
Contract liabilities	36,854	39,209	-	-
Cash flow hedge	11,472	968	-	-
Others	7,399	8,529	-	-
	543,543	353,569	102	307
Offsetting	(455,704)	(248,424)	(3)	-
Deferred tax assets (after offsetting)	87,839	105,145	99	307

28 Deferred Tax Assets/(Liabilities) (Cont'd.)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Subject to income tax:				
Deferred tax liabilities (before offsetting):				
Property, plant and equipment	(45,003)	(14,570)	(3)	-
Right-of-use assets	(397,390)	(224,462)	-	-
Intangible assets	(83,874)	(97,275)	-	-
Others	(9,665)	-	-	-
	(535,932)	(336,307)	-	-
Offsetting	455,704	248,424	3	-
Deferred tax liabilities (after offsetting)	(80,228)	(87,883)	-	-

Deferred tax assets have not been recognised in respect of the following items (stated at gross amounts):

	Group	
	2023	2022
	RM'000	RM'000
Tax losses carried forward:		
- Expiring between one and five years	46,852	-
- Expiring between six to ten years	62,467	93,831
- No expiry period	96,136	96,026
	205,455	189,857
Capital allowances carried forward	8,599	2,727
Other temporary differences carried forward	228	11,174
Unabsorbed investment tax allowances	25	25
	214,307	203,783

The availability of unutilised tax losses for offsetting against future taxable profits of a subsidiary in Malaysia is subject to there being no substantial changes in the shareholding of the subsidiary under the Income Tax Act 1967 and guidelines issued by the tax authority. The unutilised tax losses which were previously allowed to be utilised for seven (7) consecutive years of assessments ("YA") effective from YA2019 was extended to ten (10) consecutive YA effective from YA2022. The deductible temporary difference in relation to unabsorbed capital allowances does not have any expiry date.

29 Share Capital

	Group			
	Number of shares 2023 '000	Amount 2023 RM'000	Number of shares 2022 '000	Amount 2022 RM'000
Issued and fully paid up:				
Ordinary shares				
At beginning and end of financial year	5,214,507	6,728,405	5,214,507	6,728,405
Others				
At beginning and end of financial year	-	10	-	10
Total	5,214,507	6,728,415	5,214,507	6,728,415

	Company			
	Number of shares 2023 '000	Amount 2023 RM'000	Number of shares 2022 '000	Amount 2022 RM'000
Issued and fully paid up:				
Ordinary shares				
At beginning and end of financial year	5,214,507	6,728,405	5,214,507	6,728,405

30 Capital Reorganisation Reserve

The Company acquired the entire issued and paid up share capital of MBNS comprising 260,217,142 ordinary shares of RM1.00 each and 10,000 Class A RPS of RM1.00 each for a total consideration of RM6,795,540,152 on 5 April 2011. The acquisition was accounted for as a capital reorganisation of MBNS.

The difference between the total consideration paid by the Company and the acquired net assets of MBNS was accounted for as capital reorganisation reserve.

31 Hedging Reserve

This represents changes in the fair value of the hedging instruments, represented by the interest rate swap, cross-currency interest rate swap ("CCIRS"), forward foreign currency exchange contracts and foreign currency options which the Group entered into during the financial year, which is deferred in the hedging reserve until the hedged items affect the income statements. The hedging reserves relate to the following hedging instruments:

		Cash flow hedge reserve				
	Cost of hedging reserve	Intrinsic value of options	Spot component of currency forwards	Interest rate swaps	Spot component of CCIRS	Total hedging reserves
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
At 1 February 2021	(605)	2,099	(28,121)	(2,557)	(682)	(29,866)
Change in fair value of hedging instrument recognised in OCI	-	(2,762)	38,757	422	(26,064)	10,353
Costs of hedging deferred and recognised in OCI	(6,271)	-	-	-	-	(6,271)
Reclassified from OCI to profit or loss	-	-	191	2,053	27,926	30,170
Deferred tax	1,347	663	(9,538)	-	-	(7,528)
At 31 January 2022	(5,529)	-	1,289	(82)	1,180	(3,142)
At 1 February 2022	(5,529)	-	1,289	(82)	1,180	(3,142)
Change in fair value of hedging instrument recognised in OCI	-	1,918	(10,118)	(3,406)	689	(10,917)
Costs of hedging deferred and recognised in OCI	(10,666)	-	-	-	-	(10,666)
Reclassified from OCI to profit or loss	-	-	(24,910)	1,508	(681)	(24,083)
Deferred tax	2,874	(460)	8,090	-	-	10,504
At 31 January 2023	(13,321)	1,458	(25,649)	(1,980)	1,188	(38,304)

31 Hedging Reserve (Cont'd.)

	Cash flow hedge reserve		
	Cost of hedging reserve RM'000	Spot component of CCIRS RM'000	Total hedging reserves RM'000
Company			
At 1 February 2021	180	(591)	(411)
Change in fair value of hedging instrument recognised in OCI	-	(25,761)	(25,761)
Costs of hedging deferred and recognised in OCI	(180)	-	(180)
Reclassified from OCI to profit or loss	-	26,352	26,352
At 31 January 2023/31 January 2022	-	-	-

Hedge ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk or the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, the economic relationship was 100% effective.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur if:

- there is a reduction in the total amount of the hedged items (loans), and
- differences in critical terms between the interest rate swaps and loans.

There was no ineffectiveness during financial year 2023 (2022: Nil) in relation to the interest rate swaps.

32 Fair Value Reserve

This represents the cumulative net change in the fair value of FVOCI financial assets until the investments are derecognised or impaired in the income statement.

33 Share Scheme Reserve

This represents the cumulative value of employee services rendered for the grant of share awards. When the grant is exercised, for any period prior to the Act's effective date, the amount from the share scheme reserve is transferred to share premium and share capital. For any period on and after the Act's effective date, the amount from the share scheme reserve is transferred to share capital. When the share grants expire, the amount from the share scheme reserve is transferred to retained earnings. Details of the share grant are disclosed in Note 7(a).

34 Non-Cash Transactions

The principal non-cash transactions during the financial year for the Group and the Company are as follows:

(a) Advertising airtime and digital advertising sales in exchange for consumable items of RM4,057,000 (2022: RM1,537,000) and subsequent settlement of liabilities using these consumable items.

(b) Acquisition of set-top boxes and broadband equipments not settled in cash as at year end of RM89,958,000 and RM8,059,000 (2022: RM130,340,000 and RM Nil). The Group repaid RM156,627,000 (2022: RM162,766,000) in relation to vendor financing for set-top boxes.

(c) Acquisition of satellite transponders by means of lease liabilities of RM916,973,000 (2022: RM Nil).

(d) Dividend on unit trust received in the form of unit trust reinvestment for the Group of RM3,696,000 (2022: RM7,682,000) and for the Company of RM164,000 (2022: RM1,325,000).

35 Capital Commitments

(a) Capital commitments for property, plant and equipment not provided for in the financial statements are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Approved and contracted for	199,949	1,544,683
Approved but not contracted for	34,223	63,804
	234,172	1,608,487

Included in approved and contracted for in the previous financial year was the supply of transponder capacity to MBNS by MEASAT Communication Systems Sdn Bhd ("MCSSB") on MEASAT 3d satellite of RM1,470,515,000. MCSSB is an indirect subsidiary of a company in which a substantial shareholder, Ananda Krishnan Tatparanandam, has a 100% direct equity interest.

35 Capital Commitments (Cont'd.)

(b) Programming commitments for programme rights not provided for in the financial statements are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Approved and contracted for	601,480	149,415
Approved but not contracted for	483,052	548,545
	1,084,532	697,960

(c) Commitments for software not provided for in the financial statements are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Approved and contracted for	45,374	44,224
Approved but not contracted for	164,768	224,418
	210,142	268,642

36 Significant Related Party Disclosures

The Group has a number of related party transactions with companies directly or indirectly controlled by or associated with Usaha Tegas Sdn. Bhd. ("UTSB") as well as companies or entities directly or indirectly controlled by or associated with Ananda Krishnan Tatparanandam ("TAK") or in which he is deemed to have an interest. UTSB and TAK are dee med substantial shareholders of the Company.

UTSB has a 23.95% indirect interest in the Company through its wholly-owned subsidiaries, All Asia Media Equities Limited and Usaha Tegas Entertainment Systems Sdn. Bhd. The ultimate holding company of UTSB is PanOcean Management Limited ("PanOcean"). PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of TAK and foundations including those for charitable purposes. Although PanOcean and TAK are deemed to have an interest in the shares of the Company, they do not have any economic or beneficial interest over such shares as such interest is held subject to the terms of the discretionary trust.

TAK also has a deemed interest in the shares of the Company via entities which are the direct shareholders of the Company and held by companies ultimately controlled by TAK.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant transactions and balances. The related party transactions described below were carried out on agreed terms with the related parties.

36 Significant Related Party Disclosures (Cont'd.)

The significant related parties, with whom the Group and Company transact, include the following companies:

Related Companies	**Relationship**
AGS	Subsidiary of the Company
ASSB	Subsidiary of the Company
GTS	Subsidiary of the Company
MBNS	Subsidiary of the Company
ABSB	Subsidiary of the Company
Kristal-Astro Sdn. Bhd.	Associate of ABSB

Related Parties	**Relationship**
ASTRO Overseas Limited ("AOL")	Subsidiary of Astro Holdings Sdn Bhd ("AHSB"), a company jointly controlled by UTSB and Khazanah Nasional Berhad, pursuant to a shareholders' agreement in relation to AHSB
Celestial Movie Channel Limited	Associate of AOL
Tiger Gate Entertainment Limited	Associate of AOL
Sun TV Network Limited	Joint venture partner of AOL
Maxis Broadband Sdn. Bhd.	Subsidiary of a joint venture of UTSB
UTSB Management Sdn. Bhd.	Subsidiary of UTSB
MEASAT Satellite Systems Sdn. Bhd. ("MSS")	Indirect subsidiary of a company in which TAK has a 100% direct equity interest
MEASAT International (South Asia) Ltd ("MISAL")	Indirect subsidiary of a company in which TAK has a 100% direct equity interest
MEASAT Communication Systems Sdn. Bhd. ("MCSSB")	Indirect subsidiary of a company in which TAK has a 100% direct equity interest

36 Significant Related Party Disclosures (Cont'd.)

(a) Sales of goods and services

	Group 2023 RM'000	Group 2022 RM'000
Sales of goods and services to related parties:		
Maxis Broadband Sdn. Bhd.		
- Airtime sales	4,820	1,869

	Company 2023 RM'000	Company 2022 RM'000
Interest income on advances to subsidiaries:		
ASSB	794	244
Interest income from IHB:		
GTS	18	49
Share-based payments charged to subsidiary:		
MBNS	2,815	7,285
AGS	1,211	3,099
Corporate management fees charged to subsidiary:		
MBNS	3,740	2,957

(b) Purchases of goods and services

	Group 2023 RM'000	Group 2022 RM'000
Purchases of goods and services from related parties:		
UTSB Management Sdn. Bhd.		
- Personnel, strategic and other consultancy and support services	15,864	14,878
Maxis Broadband Sdn. Bhd.		
- Telecommunication services	132,949	107,590
MSS		
- Expenses related to leases	12,312	20,637
- Termination of finance lease	(728)	-

36 Significant Related Party Disclosures (Cont'd.)

(b) Purchases of goods and services (Cont'd.)

	Group 2023 RM'000	Group 2022 RM'000
Purchases of goods and services from related parties (Cont'd.):		
MISAL		
- Expenses related to leases	71,417	72,961
- Deposit refunded for transponder lease	(7,109)	(7,109)
- Termination of finance lease	(30,471)	-
MCSSB		
- Expenses related to leases	32,342	-
Celestial Movie Channel Limited		
- Programme broadcast rights	12,872	11,986
Sun TV Network Limited		
- Programme broadcast rights	25,312	27,606
Tiger Gate Entertainment Limited		
- Programme broadcast rights	720	1,348

	Company 2023 RM'000	Company 2022 RM'000
Corporate management fees charged by subsidiary:		
AGS	3,698	3,720

(c) Repayment of advances by subsidiary:

	Company 2023 RM'000	Company 2022 RM'000
ASSB	6,286	4,242

36 Significant Related Party Disclosures (Cont'd.)

(d) Year end balances arising from significant sales/purchases of goods and services (stated at gross)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Receivable from related parties				
Maxis Broadband Sdn. Bhd.	766	3,776	-	-
MSS	4,244	4,963	-	-
MISAL	2,047	3,655	-	-
Receivable from associate				
Kristal-Astro Sdn. Bhd.	-	31,331	-	-
Receivable from subsidiary				
MBNS	-	-	22,199	83,911
Payable to related parties				
UTSB Management Sdn. Bhd.	1,257	1,285	-	-
Maxis Broadband Sdn. Bhd.	8,685	7,840	-	-
MSS	501	177	-	-
MCSSB	1,327	-	-	-
Celestial Movie Channel Limited	2,064	2,056	-	-
Sun TV Network Limited	8,315	12,678	-	-
Tiger Gate Entertainment Limited	-	140	-	-

(e) Year end balances arising from advances to subsidiary

	Company	
	2023	2022
	RM'000	RM'000
Advances to subsidiary		
ASSB	-	2,585

36 Significant Related Party Disclosures (Cont'd.)

(f) Key management personnel's remuneration and emoluments

The remuneration of key management personnel during the year was as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Directors' fees and meeting allowances	3,241	2,835	3,241	2,835
Salaries and bonus	35,932	38,726	6,520	5,156
Defined contribution plans	3,293	3,543	983	775
Estimated money value of benefits-in-kind	773	671	34	25
Staff welfare and allowances	105	121	25	10
Separation scheme	612	-	-	-
	43,956	45,896	10,803	8,801

Key management personnel comprises Directors and members of the senior leadership team who are directly responsible for the financial and operating policies, and decisions of the Group and the Company. The key management personnel information includes remunerations for Directors of the Company and its subsidiaries, consistent with Note 8 to the financial statements.

(g) Government-related entities

Khazanah Nasional Berhad ("Khazanah") is deemed interested in 20.67% of the Company's shares held by its wholly-owned subsidiary, Pantai Cahaya Bulan Ventures Sdn Bhd. Khazanah is the sovereign wealth fund of the Government of Malaysia and was incorporated under the Companies Act 2016 on 3 September 1993 as a public limited company. Except for one share owned by the Federal Lands Commissioner, all the share capital of Khazanah is owned by the Minister of Finance Incorporated, a body pursuant to the Ministry of Finance (Incorporation) Act 1957.

All the transactions entered into by the Group with the government-related entities are conducted in the ordinary course of the Group's business on negotiated terms.

(i) Collectively, but not individually, significant transactions

The Group has transactions with other government-related entities including but not limited to the use of public utilities.

These transactions are conducted in the ordinary course of the Group's business on negotiated terms.

For the financial year ended 31 January 2023, management estimates that the aggregate amount of the Group's significant transactions with other government-related entities are at 4.04% (2022: 3.20%) of its total administrative expenses.

37 Financial Instruments

(a) Credit risk

The Group and Company are exposed to credit risk arising from the financial assets of the Group and Company, which comprise receivables, contract assets, cash and cash equivalents and derivative financial instruments.

Trade receivables and contract assets

(i) Measurement of expected credit losses ("ECL")

The Group applies the MFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 January 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors. The Group has identified the unemployment rate of Malaysia and Malaysian Consumer Price Index to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

37 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

Trade receivables and contract assets (Cont'd.)

(ii) Maximum exposure to credit risk

The Group assesses impairment of subscriber, advertising and other trade debtors separately. The following table consolidates the analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets:

Group	Current	Past Due Between 1 and 60 days	Past Due Between 61 and 90 days	Past Due Over 90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 January 2023					
Expected loss rate	0.0-3.6%	0.1-49.3%	0.6-60.9%	1.2-100%	
Gross carrying amount – Trade receivables	218,597	29,956	13,371	39,476	301,400
Gross carrying amount – Contract assets	33,151	-	-	-	33,151
Loss allowance	(7,118)	(4,895)	(3,356)	(38,034)	(53,403)
Carrying amount (net of loss allowance)	244,630	25,061	10,015	1,442	281,148

Group	Current	Past Due Between 1 and 60 days	Past Due Between 61 and 90 days	Past Due Over 90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 January 2022					
Expected loss rate	0.0-10.4%	0.0-34.1%	0.3-51.1%	0.6-100%	
Gross carrying amount – Trade receivables	197,171	39,583	7,212	33,464	277,430
Gross carrying amount – Contract assets	16,953	-	-	-	16,953
Loss allowance	(2,401)	(5,060)	(2,638)	(32,262)	(42,361)
Carrying amount (net of loss allowance)	211,723	34,523	4,574	1,202	252,022

37 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

Trade receivables and contract assets (Cont'd.)

(ii) Maximum exposure to credit risk (Cont'd.)

The above trade receivables are past due but not impaired as based on past collection trends, management believes that these balances are recoverable. In addition, certain specific trade receivables are concluded on a barter basis and collection is based on contracted terms between the parties.

(iii) Reconciliation of loss allowance

The loss allowance for trade receivables and contract assets of the Group as at 31 January 2023 reconciles to the opening loss allowance as follows:

	Trade receivables	
	2023	2022
	RM'000	RM'000
At beginning of financial year	(42,361)	(48,733)
Charge for the year	(36,013)	(24,984)
Written off	24,971	31,356
At end of financial year	(53,403)	(42,361)

Other financial asset at amortised costs

Other financial assets at amortised costs include other receivables, amount due from associate and amounts due from related parties. The loss allowance for other receivables, amount due from associate and amounts due from related parties of the Group as at 31 January 2023 reconciles to the opening loss allowance as follows:

	Other receivables		Amount due from associate		Amounts due from related parties	
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At beginning of financial year	(113)	(92)	(31,331)	(31,345)	(485)	(1,027)
Charge for the year	(325)	(21)	-	-	(409)	-
Written off	-	-	31,331	14	-	542
At end of financial year	(438)	(113)	-	(31,331)	(894)	(485)

37 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

Advances to subsidiaries and amount due from subsidiaries

For inter-company balances that are repayable on demand, the Company's ECL is based on the following assumptions:

- If the borrower has sufficient accessible highly liquid assets in order to repay the advances if demanded at the reporting date, the ECL is likely to be immaterial.
- If the borrower is unable to repay the advances if demanded at the reporting date, the Company considers the expected manner of recovery to measure the ECL. The recovery manner could be either through 'repayment over time' or a fire sale of less liquid assets by the borrower.
- If the recovery strategies indicate that the Company would fully recover the outstanding balance of the advances, the ECL would be limited to the effect of the discounting of the amount due on the advances, at the advances' effective interest rates, over the period until the amount is fully recovered.

As at the end of the financial year, there was no indication that the advances to subsidiaries are not recoverable other than those which have already been impaired. The Company does not specifically monitor the aging of amount due from subsidiaries.

Other financial assets

With respect to credit risk arising from other financial assets of the Group, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

In addition, a majority of the Group's deposits are placed with financial institutions with strong credit ratings in Malaysia. Investment in unit trusts are made in cash/money market i.e. very liquid funds.

(b) Liquidity risk

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. The Group and Company's exposure to liquidity risk arises principally from its various payables, other financial liabilities, loans and borrowings.

The Group and Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure that, as far as possible, each will have sufficient liquidity to meet its liabilities when they fall due. Management monitors rolling forecasts of the Group's liquidity requirements based on the ability of the Group to generate cash flows from operations.

As at 31 January 2023, the Group has a net current liabilities position of RM334 million (2022: RM509 million). The Group has prepared a 12 month cash flows forecast, which shows that it has sufficient cash flows to support its operating, investing and financing activities.

As at 31 January 2023, the Group has undrawn revolving credit of RM142 million (2022: RM143 million) for working capital purposes, which can be drawn down upon the Group's request within the next 12 months from 31 January 2023.

37 Financial Instruments (Cont'd.)

(b) Liquidity risk (Cont'd.)

The table below summarises the maturity profile of the Group and Company's financial liabilities (borrowings, payables and other financial liabilities, excluding contract liabilities) at 31 January 2023 and 31 January 2022 based on contractual undiscounted payments:

Group	Within 1 year	Between 1 and 5 years	Over 5 years	Total
	RM'000	RM'000	RM'000	RM'000
At 31 January 2023				
Borrowings	865,081	1,777,582	1,500,488	4,143,151
Payables	618,985	-	-	618,985
Other financial liabilities	74,466	226,777	-	301,243
Derivative financial instruments – financial liabilities	36,202	19,406	-	55,608
	1,594,734	2,023,765	1,500,488	5,118,987
At 31 January 2022				
Borrowings	1,002,066	1,556,124	532,004	3,090,194
Payables	715,714	-	-	715,714
Other financial liabilities	162,208	192,441	-	354,649
Derivative financial instruments – financial liabilities	2,693	6,556	-	9,249
	1,882,681	1,755,121	532,004	4,169,806
Company				
At 31 January 2023				
Payables	2,588	-	-	2,588
	2,588	-	-	2,588
At 31 January 2022				
Payables	1,859	-	-	1,859
	1,859	-	-	1,859

37 Financial Instruments (Cont'd.)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

Foreign exchange risk

Exposure

The Group and Company's exposure to foreign currency risk at the end of the reporting period, expressed in RM, are as follows:

	Denominated in USD	
	2023	2022
	RM'000	RM'000
Group		
Bank balances	91,285	53,727
Receivables	7,425	8,012
Payables	(193,498)	(255,457)
Other financial liabilities	(263,173)	(168,990)
Borrowings	(1,761,307)	(995,887)
Company		
Bank balances	13	13
Payables	(15)	(6)

Instruments used by the Group

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. The currency giving rise to this risk is primarily USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that are not the functional currency of the relevant group entity. The risk is measured through a forecast of highly probable USD expenditures. The risk is hedged with the objective of minimising the volatility of the RM currency cost of highly probable forecast purchases.

The Group treasury's risk management policy is to hedge between 75% and 100% of forecasted USD payables and commitments falling due (on a rolling basis) within twelve months. For payables and commitments above the 12-months rolling period, the hedging is subject to a review of the cost of implementing each hedge and approvals from the Treasury Committee and thereafter the Board.

In addition to foreign currency forwards, the Group also uses foreign currency options to hedge content purchases on specific contracts and periods. Under the Group's policy, the critical terms of the forwards and options must align with the hedged items.

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Foreign exchange risk (Cont'd.)

Instruments used by the Group (Cont'd.)

The Group only designates the spot component of foreign currency forwards in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. It is discounted, where material.

The intrinsic value of foreign currency options is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the discounted spot market exchange rate is defined as the time value. It is discounted, where material.

The changes in the forward element of the foreign currency forwards and the time value of the options that relate to hedged items are deferred in the costs of hedging reserve.

Effects of hedge accounting on the financial position and performance

The effects of the foreign currency related hedging instruments on the Group and Company's financial position and performance are as follows:

	2023 RM'000	2022 RM'000
(i) Foreign currency options		
Carrying amount (asset)	1,918	-
Notional amount USD	121,004	23,315
Maturity date	Current up to 3 years	Current up to 3 years
Hedge ratio	1:1	1:1
Change in intrinsic value of outstanding hedging instruments for the year	1,918	(2,762)
Change in fair value of hedged item used to determine hedge effectiveness	(1,918)	2,762
Weighted average strike rate for the year	USD1:RM3.905	-
(ii) Foreign currency forwards		
Carrying amount (net asset/(liability))	(56,129)	449
Notional amount USD	1,373,976	1,062,883
Maturity date	Current up to 6 years	Current up to 5 years
Hedge ratio	1:1	1:1
Change in discounted spot value of outstanding hedging instrument for the year	(35,028)	38,948
Change in fair value of hedged item used to determine hedge effectiveness	35,028	(38,948)
Weighted average hedged rate for the year (including forward points)	USD1:RM4.354	USD1:RM4.232

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Foreign exchange risk (Cont'd.)

Effects of hedge accounting on the financial position and performance (Cont'd.)

	2023 RM'000	2022 RM'000
(iii) Cross-currency interest rate swaps		
Carrying amount (asset)	3,045	1,456
Notional amount USD	262,509	168,020
Maturity date	Current up to 3 years	Current up to 3 years
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments for the year	8	1,862
Change in value of hedged item used to determine hedge effectiveness	(8)	(1,862)
Weighted average hedged rate for the year	USD1:RM4.243	USD1: RM4.165

The following table provides the sensitivity to a reasonably possible change in the USD exchange rate, taking into account the impact of hedging, with all other variables held constant, of the Group and Company's profit or loss after tax. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in the exchange rate.

	Increase/ (decrease) in USD rate	Effect on profit after tax RM'000	Effect on equity RM'000
Group			
31 January 2023	+10%	(105,661)	(78,937)
	-10%	105,661	78,937
31 January 2022	+10%	(56,489)	(27,421)
	-10%	56,489	27,421
Company			
31 January 2023	+10%	(2)	(2)
	-10%	2	2
31 January 2022	+10%	(1)	(1)
	-10%	1	1

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Interest rate risk

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group adopt a baseline policy to hedge between 50% and 100% of its borrowing and vendor financing interest rate exposure from floating to fixed rate basis.

Hedging instrument	Hedged item	2023 Weighted average fixed rate %	2022 Weighted average fixed rate %
Group			
CCIRS	USD vendor financing	2.30	1.95
RM IRS	RM vendor financing	2.73	2.42
RM IRS	MBNS term loan	3.54	2.98
USD IRS	USD vendor financing	4.06	-

The IRS and CCIRS for vendor financing have an average 3 years maturity date and IRS for term loan have an average of 5 years maturity date.

The notional principal amount and maturity profiles of both IRS and CCIRS are disclosed in Note 26 to the financial statements.

The profile of the Group and Company's floating rate interest bearing financial instruments, based on the carrying amounts are set out below:

	2023 RM'000	2022 RM'000
Group		
Other financial liabilities	(293,894)	(347,023)
Borrowings	(1,062,750)	(585,000)
Company		
Advances to subsidiaries	-	2,430

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Interest rate risk (Cont'd.)

Effects of hedge accounting on the financial position and performance

The effects of the interest rate swaps on the Group's financial position and performance are as follows:

	2023 RM'000	2022 RM'000
(i) Interest rate swaps		
Carrying amount (liability)	(2,004)	(279)
Notional amount	505,814	355,389
Maturity date	Current up to 5 years	Current up to 5 years
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments for the year	(1,898)	2,475
Change in fair value of hedged item used to determine hedge effectiveness	1,898	(2,475)
Weighted average hedged rate for the year	3.54%	2.73%

The following table provides the sensitivity to a reasonably possible change in interest rates, taking into account the impact of hedging, with all other variables held constant, of the Group and Company's profit or loss after tax. The sensitivity analysis is determined based on the impact on floating rate financial instruments at the end of the balance sheet date.

	Increase/ (decrease) in basis points	Effect on profit after tax RM'000	Effect on equity RM'000
Group			
31 January 2023	+100	(4,890)	1,532
	-100	4,890	(1,532)
31 January 2022	+100	(3,145)	(4,625)
	-100	3,145	4,625

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Interest rate risk (Cont'd.)

	Increase/ (decrease) in basis points	Effect on profit after tax RM'000	Effect on equity RM'000
Company			
31 January 2023	+100	-	-
	-100	-	-
31 January 2022	+100	24	24
	-100	(24)	(24)

Price risk

The Group and Company's investment in unit trusts is exposed to price risk as the investment is carried at fair value in the balance sheet, with fair value changes impacting income statement. To manage its price risk arising from the investment in unit trusts, the Group and Company diversifies its portfolio in various financial institutions.

The table below summarises the impact of increases/decreases of the unit price on the Group and Company's equity. The analysis is based on the assumption that the unit price had increased/decreased by 0.5% with all other variables held constant.

	Increase/ (decrease) in unit price	Effect on profit after tax RM'000	Effect on equity RM'000
Group			
31 January 2023	+0.5%	1,267	1,267
	-0.5%	(1,267)	(1,267)
31 January 2022	+0.5%	2,039	2,039
	-0.5%	(2,039)	(2,039)
Company			
31 January 2023	+0.5%	73	73
	-0.5%	(73)	(73)
31 January 2022	+0.5%	209	209
	-0.5%	(209)	(209)

37 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Capital risk management

The Group and Company's objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the financial year ended 31 January 2023.

The Group and Company will balance their overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the repayment of existing borrowings.

The capital structure of the Group and Company consist of borrowings, deposits, cash and bank balances and total equity, comprising issued share capital, reserves and non-controlling interests, are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Total borrowings	3,313,428	2,709,623	-	-
Less:				
Deposits, cash and bank balances	(159,432)	(165,224)	(109)	(69)
Investment in unit trusts	(510,048)	(561,532)	(26,438)	(43,374)
	2,643,948	1,982,867	(26,547)	(43,443)
Total equity	1,098,016	1,203,761	6,466,849	7,313,513
Total capital	3,741,964	3,186,628	6,440,302	7,270,070

The Group is required to maintain a total net debt to adjusted earnings before interest, taxation, depreciation and amortisation ("EBITDA"), as defined in the facilities agreement, not exceeding 4 times and adjusted EBITDA to net interest of not less than 2 times for the purpose of borrowing covenants. During the financial year, the Group has complied with these requirements.

(d) Fair values

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group and Company use a variety of methods and make assumptions that are based on market conditions existing at each balance sheet date. Estimated discounted cash flows are used to determine fair value for the financial instruments. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

37 Financial Instruments (Cont'd.)

(d) Fair values (Cont'd.)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly (ie. from prices) or indirectly (ie. derived from prices).
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Assets/(Liabilities) measured at amortised cost:

The carrying amounts of financial assets and liabilities of the Group at the balance sheet date approximated their fair values except as set out below:

Group	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 January 2023				
Borrowings	(3,313,428)	-	(3,352,621)	-
At 31 January 2022				
Borrowings	(2,709,623)	-	(2,812,180)	-

The fair value of financial instruments categorised at Level 2 is determined based on a discounted cash flow analysis, using contractual cash flows and market interest rates.

Assets/(Liabilities) measured at fair value:

The Group and Company held the following financial instruments measured at fair value.

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
At 31 January 2023				
Other investments:				
- Investment in unit trusts	510,048	510,048	-	-
- Preference shares in an unquoted company	3,416	-	-	3,416
Forward foreign currency exchange contracts – cash flow hedges	(56,129)	-	(56,129)	-
Interest rate swaps – cash flow hedges	(2,004)	-	(2,004)	-

37 Financial Instruments (Cont'd.)

(d) Fair values (Cont'd.)

Assets/(Liabilities) measured at fair value (Cont'd.):

Group (Cont'd.)	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 January 2023 (Cont'd.)				
Cross-currency interest rate swaps – cash flow hedges	3,045	-	3,045	-
Foreign currency options – cash flow hedges	1,918	-	1,918	-
At 31 January 2022				
Other investments:				
- Investment in unit trusts	561,532	561,532	-	-
- Preference shares in an unquoted company	10,657	-	-	10,657
Forward foreign currency exchange contracts – cash flow hedges	449	-	449	-
Interest rate swaps – cash flow hedges	(279)	-	(279)	-
Cross-currency interest rate swaps – cash flow hedges	1,456	-	1,456	-
Foreign currency options – cash flow hedges	-	-	-	-
Company				
At 31 January 2023				
Other investments:				
- Investment in unit trusts	26,438	26,438	-	-
At 31 January 2022				
Other investments:				
- Investment in unit trusts	43,374	43,374	-	-

The fair value of derivative financial instruments in Level 2 is determined using valuation techniques.

37 Financial Instruments (Cont'd.)

(d) Fair values (Cont'd.)

Assets/(Liabilities) measured at fair value (Cont'd.):

These valuation techniques maximise the use of observable market data where it is available, and rely as little as possible on entity-specific estimates. The forward foreign currency exchange contracts and foreign currency options are valued using forward exchange rate at the balance sheet date, with the resulting value discounted back to present value.

The fair values of CCIRS and IRS are calculated using observable market interest rates and yield curves with estimated future cash flows being discounted to present value.

The fair value of preference shares in an unquoted company in Level 3 is determined by reference to recent sales price of a comparable transaction with a third party.

During the financial year ended 31 January 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

(e) Financial Instruments by Category

	Group RM'000	Company RM'000
31 January 2023		
Financial assets at FVTPL		
Financial assets as per balance sheets		
Other investments	510,048	26,438
Financial assets at FVOCI		
Financial assets as per balance sheets		
Other investments	3,416	-
Financial assets at amortised cost		
Financial assets as per balance sheets		
Deposits, cash and bank balances	159,432	109
Receivables, excluding downpayment, prepayments and contract cost assets	385,068	78
Amounts due from related parties	7,994	95
Amounts due from subsidiaries	-	26,742
	552,494	27,024

37 Financial Instruments (Cont'd.)

(e) Financial Instruments by Category (Cont'd.)

	Group RM'000	Company RM'000
31 January 2023 (Cont'd.)		
Derivatives used for hedging		
Financial assets as per balance sheets		
Derivative financial instruments	12,059	-
Financial liabilities as per balance sheets		
Derivative financial instruments	65,229	-
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Payables, excluding statutory liabilities	573,679	1,583
Other financial liabilities	293,894	-
Amounts due to related parties	45,306	22
Amounts due to subsidiaries	-	983
Borrowings	3,313,428	-
	4,226,307	2,588
31 January 2022		
Financial assets at FVTPL		
Financial assets as per balance sheets		
Other investments	561,532	43,374
Financial assets at FVOCI		
Financial assets as per balance sheets		
Other investments	10,657	-
Financial assets at amortised cost		
Financial assets as per balance sheets		
Deposits, cash and bank balances	165,224	69
Receivables, excluding downpayment, prepayments and contract cost assets	367,789	77
Amounts due from related parties	12,474	89
Amounts due from subsidiaries	-	90,927
Advances to subsidiaries	-	2,585
	545,487	93,747

37 Financial Instruments (Cont'd.)

(e) Financial Instruments by Category (Cont'd.)

31 January 2022 (Cont'd.)	Group RM'000	Company RM'000
Derivatives used for hedging		
Financial assets as per balance sheets		
Derivative financial instruments	7,641	-
Financial liabilities as per balance sheets		
Derivative financial instruments	6,015	-
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Payables, excluding statutory liabilities	682,698	1,859
Other financial liabilities	347,023	-
Amounts due to related parties	33,016	1
Borrowings	2,709,623	-
	3,772,360	1,860

38 Significant Events During the Financial Year

(i) The Group has capitalised 12 transponders on the MEASAT 3d satellite as right-of-use assets and a corresponding increase in lease liabilities and early termination of 6 transponders on MEASAT 3b satellite. The impact arising from the above are disclosed in Note 14 and 27.

(ii) On 26 September 2022, MBNS had accepted the SFCL Facility of up to USD150 million. On 29 November 2022, MBNS had fully drawn down a Ringgit equivalent of RM613 million from the SFCL Facility. The loan proceeds have been used to refinance the existing SFCL facility amounting to USD150 million (approximately RM613 million) obtained on 13 December 2017.

39 Indemnity, Guarantees, Contingent Assets and Material Litigation

(a) Indemnity and guarantees

Details of the indemnity and guarantees of the Group as at end of financial year, for which no provision has been made in the financial statements are as set out below:

	Group	
	2023	2022
	RM'000	RM'000
Indemnity given to financial institutions in respect of bank guarantees issued – unsecured		
- Others[1]	3,638	3,120
Other indemnities:		
- Parental guarantee to programme rights vendor[2]	589,297	736,350
	592,935	739,470

Note:

[1] Consists of bank guarantees issued mainly to Royal Malaysian Customs, utility companies and other statutory bodies.
[2] Included as part of the programming commitments for programme rights as set out in Note 35(b).

(b) Contingent assets

There were no significant contingent assets as at 31 January 2023 and 31 January 2022.

(c) Neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant.

40 Segment Information

For management purposes, the Group is organised into business units based on their services, and has three separate segments based on operating segments as follows:

I. The television segment is a provider of television services including content, creation, aggregation and distribution, magazine publication and distribution and multimedia interactive services;
II. The radio segment is a provider of radio broadcasting services and media sales services;
III. Home-shopping business; and
IV. Other non-reportable segments.

The corporate function relates to treasury and management services and is not an operating segment. The corporate function is presented as part of the reconciliation to the consolidation total. The corporate function's assets and liabilities mainly comprise of deposits, cash and bank balances, other investments and borrowings.

Transactions between segments are carried out on a mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Performance is measured based on segment profit, which is profit before tax, as included in the internal management reports that are reviewed by the chief operating decision maker comprising the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating results. Income taxes are managed on a group basis and are not allocated to operating segments. The Group's business units primarily operate in Malaysia.

Transfer prices between operating segments are on a mutually agreed basis in a manner similar to transactions with third parties.

Segment assets

The total of segment assets is measured based on all assets (including goodwill and excluding deferred tax asset) of a segment, as included in the internal management reports that are reviewed by the Board of Directors.

Segment liabilities

The total of segment liabilities is measured based on all liabilities (excluding tax liabilities) of a segment, as included in the internal management reports that are reviewed by the Board of Directors.

Unallocated assets and liabilities

Unallocated assets and liabilities consist of deferred tax assets, tax liabilities and deferred tax liabilities.

Elimination

Elimination items mainly comprise inter-company receivables and payables.

40 Segment Information (Cont'd.)

	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Corporate function RM'000	Elimination RM'000	Total RM'000
At 31 January 2023							
Revenue							
Total revenue	3,455,789	237,557	184,593	588	58,302	-	3,936,829
Inter-segment revenue[(1)]	(31,333)	(45,569)	(1,274)	(397)	(58,191)	-	(136,764)
External revenue	3,424,456	191,988	183,319	191	111	-	3,800,065
Results							
Interest income	19,373	1,447	154	72	3,312	(8,064)	16,294
Interest expense	(180,190)	(633)	(29)	(1,072)	-	7,340	(174,584)
Depreciation and amortisation	(864,929)	(9,116)	(5,492)	(14)	(1,479)	23,077	(857,953)
Share of results of associates/joint ventures	(123)	-	-	-	-	-	(123)
Segment profit/(loss) – Profit/(loss) before tax	265,853	92,390	(35,661)	(43,834)	3,097	7,096	288,941

40 Segment Information (Cont'd.)

	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Corporate function RM'000	Elimination RM'000	Total RM'000
At 31 January 2023 (Cont'd.)							
Assets/Liabilities							
Investment in associates/ joint ventures	2,059	-	-	-	-	-	2,059
Additions to non-current assets[2]	1,554,291	8,093	3,403	-	1,596	-	1,567,383
Segment assets	4,964,070	1,106,476	18,239	6,511	102,869	(585,275)	5,612,890
Unallocated assets							87,839
Total assets							5,700,729
Segment liabilities	4,746,648	99,434	72,940	11,728	30,197	(441,788)	4,519,159
Unallocated liabilities							83,554
Total liabilities							4,602,713

40 Segment Information (Cont'd.)

At 31 January 2022	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Corporate function RM'000	Elimination RM'000	Total RM'000
Revenue							
Total revenue	3,677,223	214,649	381,352	1,675	64,935	-	4,339,834
Inter-segment revenue[(1)]	(47,579)	(50,140)	(133)	(1,675)	(64,827)	-	(164,354)
External revenue	3,629,644	164,509	381,219	-	108	-	4,175,480
Results							
Interest income	16,116	1,796	609	113	2,097	(2,206)	18,525
Interest expense	(153,462)	(911)	(125)	(207)	(413)	2,205	(152,913)
Depreciation and amortisation	(838,770)	(9,685)	(5,747)	(15)	(1,250)	29,017	(826,450)
Share of results of associates/joint ventures	93	-	-	-	-	-	93
Segment profit/(loss) – Profit/(loss) before tax	526,655	81,723	(397)	(89)	(23,033)	5,855	590,714

40 Segment Information (Cont'd.)

	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Corporate function RM'000	Elimination RM'000	Total RM'000
At 31 January 2022 (Cont'd.)							
Assets/Liabilities							
Investment in associates/ joint ventures	2,182	-	-	-	-	-	2,182
Additions to non-current assets[(2)]	742,514	3,333	2,217	-	1,201	-	749,265
Segment assets	4,426,442	1,102,690	27,347	56,662	117,460	(510,955)	5,219,646
Unallocated assets							105,145
Total assets							5,324,791
Segment liabilities	4,316,866	98,008	61,425	11,699	37,796	(498,289)	4,027,505
Unallocated liabilities							93,525
Total liabilities							4,121,030

Note:

(1) Inter-segment revenues are eliminated on consolidation.

(2) Additions to non-current assets consist of additions to property, plant and equipment, right-of-use assets and intangible assets (including acquisition of subsidiaries).

41 Approval of Financial Statements

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 25 April 2023.

This page is intentionally left blank

astro

ASTRO MALAYSIA HOLDINGS BERHAD

Incorporated in Malaysia - Company No. 201101004392 (932533-V)
All Asia Broadcast Centre, Technology Park Malaysia, Lebuhraya Puchong-Sungai Besi,
Bukit Jalil, 57000 Kuala Lumpur, Malaysia

T | +603 9543 6688
W | corporate.astro.com.my | www.astro.com.my

fb.com/astro
@astroonline
@astromalaysia
youtube.com/astromalaysia