

## Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Astro Malaysia Holdings Berhad's 2024 Integrated Annual Report. Astro's pivot to being a digital, streaming company has brought about significant shifts. We are reinventing our business model, resetting our legacy cost base and strengthening our product proposition. We must carve out a new, sustainable space within this vibrant media and entertainment landscape, even as cyclical market forces and piracy pose growth headwinds. It is incredibly encouraging to see our innovative digital solutions, in particular sooka and Addressable Advertising, making good headway as customers and clients discover their effectiveness, ease of use and value.

**Tunku Ali Redhauddin Ibni Tuanku Muhriz**  
Chairman



## Chairman's Statement

### Contributing to the Malaysian economy

In FY24, Astro's direct contribution to Malaysia's GDP, including employment and tax contributions, is estimated at RM1.1 billion. Beyond this headline financial number, Astro's indirect contribution to the local creative ecosystem is likewise significant – encompassing multiplier effects across our spends into content, media infrastructure, and data, and even more importantly, in our role as a voice for the country by sharing untold Malaysian stories globally.

In a country where local shows have the highest viewing share, we are Malaysia's largest content creator, funding around half of all investments into Malaysian content. In FY24, Astro produced and commissioned 10,200 hours of local content, investing RM361 million and benefitting independent studios, actors, writers and crew alike. We fully leverage our end-to-end production capabilities in creating in-house productions, including ideation, scriptwriting, production, and post-production. Indeed, our All Asia Broadcast Centre in Bukit Jalil is one of Southeast Asia's largest and most progressive digital TV and radio facilities.

### Sustainability as a business imperative

Astro and its foundation, Yayasan Astro Kasih, also play a crucial role in creating sustainable social impact nationwide through long-term programmes grounded in our Group's five ESG Pillars, centred around Responsible Business, Caring for the Environment, Voice for Good, Education for All, and Community Development. We are actively integrating sustainable practices into our operations as we recognise that this is necessary to build resilience, foster innovation, and mitigate risks.

Astro is committed to becoming carbon neutral by 2040. In FY24, our Board endorsed our Climate Roadmap that charts our transition path towards achieving this. We are tracking well, with Greenhouse Gas (GHG) Scope 1 and 2 emissions, as defined by the GHG Protocol, reducing by 5.6% in FY24 and exceeding our yearly reduction target under our Climate Roadmap.

Our content, platform and reach make Astro an influential voice for good to inspire positive change. This is the genesis behind our RimbaKita climate advocacy campaign, launched in August 2023. Through this initiative, we work with partners like the UN Global Compact Network Malaysia & Brunei (UNGCMYB), WWF-Malaysia and Taman Tugu, to advocate for a greener planet while increasing climate awareness among Malaysians. Astro's RimbaKita On Demand rail showcases many excellent nature-based documentaries to build public awareness. Meanwhile, our charity RimbaKita Run, through Malaysia's largest freshwater wetlands in

Putrajaya was a massive success, with proceeds going towards the adoption of 27 trees at Taman Tugu and the planting of 600 trees by employee volunteers at the Raja Musa and Kuala Langat Forest Reserves with the Global Environment Centre. The Sustainability section on pages 50 to 85 provides an overview of our initiatives across our five ESG Pillars aligned with our business goals.

We are honoured that Sustainalytics named Astro an ESG Regional Top-Rated company in 2024 for the third straight year, putting us among the Top 7% of companies globally. We are also part of the FTSE4Good Bursa Malaysia Index.

### Anti-piracy as part of the ESG agenda

From an ESG standpoint, the creative economy promotes social inclusion due to its participant demographics. This so-called Orange Economy is important as it employs more youths and females vis-a-vis other sectors, especially in developing countries, as highlighted by the World Bank and other multilaterals. Regrettably, the spectre of content piracy looms large, facilitated by connectivity, and poses a critical threat to Orange Economy participants across the entire media value chain.

Thus, we advocate a shift in perspective and urge the government, businesses and ordinary Malaysians to view the theft of intellectual property (IP) such as content as gravely as they would any theft or financial fraud. Addressing content piracy aligns with ESG principles, given its adverse impact on content creators, distributors, consumers and the nation. It leads to losses in terms of income, tax collection and jobs, exposes consumers to cybersecurity risk such as malware, scams and identity theft, and represents unethical business practices that disregard the rule of law. With content creators deprived of economic benefits while having to bear significant production costs, piracy ultimately impairs the entire industry's ability to make great shows and innovate to serve audiences.

We are taking a firm stance against piracy. Prosecutions under the Copyright Act 1987 (as amended in 2022) and on-ground raids on business premises have encouragingly ramped up. In FY24, more individuals and business owners have been charged than ever before by the courts for selling TV boxes preloaded with unauthorised Astro content, and for streaming Astro content illegally to the public. Astro applauds the government and judiciary for the increasingly tough measures taken on piracy. While fines and damages paid by perpetrators have increased considerably, much remains to be done. We continue to collaborate with our peers, content partners and governmental institutions on innovative approaches to raise awareness and tackle this serious issue.

## Chairman's Statement



Team Astro planted 600 trees at peat swamp forests as part of our RimbaKita initiatives

### Commitment to good governance

Our Board is committed to good governance as a key element of the long-term value creation process. We are also equally focused on other governance aspects such as data privacy, tax integrity, diversity and inclusion, and workplace safety, alongside the four fundamental corporate governance principles of accountability, transparency, fairness and responsibility. A key responsibility statement for business sustainability and long-term value generation that incorporates ESG factors has been added to our Board Charter. Our Directors participate in seminars and forums about sustainability standards to keep abreast of this important topic.

My focus, as Chairman, is to promote open, constructive debate on the optimal way forward on strategic and business issues considering our operating context. Board (and indeed Management) diversity is essential in this decision-making process to provide a balanced perspective to discussions on strategy, business, risk, financials and succession planning, produce more varied and inclusive views, improve cohesiveness, and strengthen our responsiveness to change. Our Board has had more than 30% female representation for most of FY24, and we hope to pass this percentage again as we explore new appointments.

### Dividend policy change to strengthen competitiveness

Against a shifting media landscape, Astro's dividend policy was revised in September 2023 to achieve a more optimal balance between reinvesting to grow adjacent businesses, preserving liquidity to strengthen the balance sheet, and rewarding shareholders through dividends. Our current policy is to distribute dividends annually from consolidated PATAMI, and we will continue to review this as we progress towards our revenue and profit aspirations. A total of 0.25 sen per share was paid as dividends for FY24, representing 35% of PATAMI and supported by our cash-generative business and strong cost discipline. Since our IPO in 2012, Astro has distributed a total of RM5.0 billion in dividends.

### Outlook

Looking ahead, we remain committed to shaping the future of content in Malaysia. Amid industry flux and pervasive content piracy, Astro's original content continues to engage Malaysians. We will leverage our content strength and the expanded reach of our platforms with digital now in play. These include 1 million Astro customers who are enjoying our hybrid Ultra and Ulti Boxes (U-Boxes), over 1 million sooka monthly active users (MAU), and numerous new clients and industries who now advertise with Astro through Addressable Advertising.

Our GCEO, Euan Smith and his management team are actively refining and executing key strategies to maintain Astro's position as the nation's No.1 Entertainment and Streaming Destination. As we work on this, we continuously emphasise the delivery of quality products to drive the top line while seizing cost, technology and data opportunities. In doing so, Astro will prioritise investments into local content, product innovation and customer experience to create sustainable, long-term value for our shareholders. In tandem, sustained efforts across our five ESG Pillars will help deliver social value to our community.

### Acknowledgements

On behalf of our Board and Team Astro, I extend my gratitude to Rossana Annazah Ahmad Rashid, who stepped down from our Board in September 2023. Her candidness, experience and insights will be greatly missed. My deepest appreciation also goes to my fellow Directors for their unwavering support and guidance.

Finally, a heartfelt thanks to Team Astro and our customers, shareholders, partners, regulators, and stakeholders, for your continued trust and support on our shared journey to shape and colour the future of Astro, and ultimately Malaysia's content industry at large.

**Tunku Ali Redhaudin Ibni Tuanku Muhriz**  
Chairman