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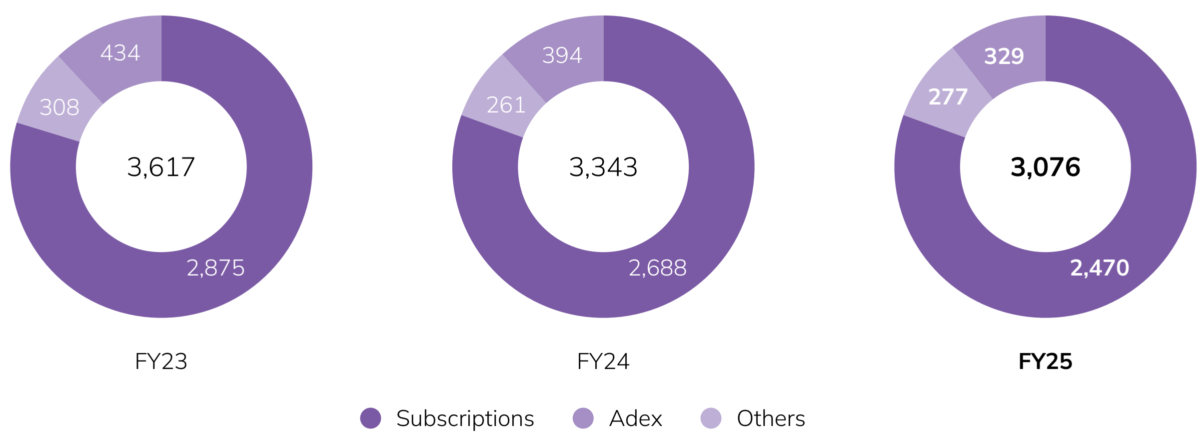
In 2024 (FY25), the Malaysian retail industry reported a positive growth rate of 3.8% (FY23: 2.2%), albeit slightly below market expectations; as cost-of-living challenges, including the diesel float and service tax increase that happened in the first half, continued to impede the financial stability of families and businesses. Further fiscal reforms are slated for implementation in 2025, as detailed in the Market Landscape section on pages 20 to 21.

Cognisant of the pressure to consumer wallets, we availed better value product offerings, including the December 2024 launch of our streamlined, affordable Astro One TV packs, designed to make quality entertainment accessible to all Malaysians. With cautious spending becoming a priority among consumers, including T15 customers, we aim to provide more economical options without compromising on value to ensure Malaysians across all income levels can continue to enjoy top-tier entertainment at a reasonable cost.

Following the application of the MFRS 5 accounting standard (Non-current Assets Held for Sale and Discontinued Operations), Go Shop (formerly our commerce arm) was classified as a discontinued operation upon ceasing its business in October 2023. All Income Statement and Capex numbers disclosed herein are presented on a continuing basis.

Revenue (RM m)



As a consumer-centric business, Astro's FY25 performance has been affected by muted consumer sentiments. Total revenue eased by 8.0% to RM3.08 billion in FY25, primarily from reduced advertising and consumer subscription revenue, partly cushioned by growth in adjacent businesses namely enterprise, broadband, sooka and production services. Pay TV ARPU softened by 1.2% to RM98.50, by design, as we rolled out Rakyat-friendly packs to attract new customers. As a result, Pay-TV gross customer additions grew by 52%, marking the highest level in four years and the first time in 11 years that our gross additions are trending upwards. Our standalone OTT sooka doubled its VIP paying base premised on its competitive pass pricing, new payment options and multiple partnerships with leading brands. Meanwhile, paying customers for our prepaid TV brand NJOI expanded by almost 50%. Overall, net customer losses across Pay-TV, sooka and NJOI narrowed significantly by over 80% in FY25.

Our Enterprise business recorded a 10% uplift from improved traction of the new attractive BizONE commercial packs launched in January 2024, growth in the food and tourism industry, and strong anti-piracy initiatives. Our Astro Fibre broadband base strengthened by 7.3% in a competitive landscape marked by deep discounting by peer ISPs, premised on affordable bundled packages and high service quality.

As for content creation, production service revenue increased by 69% as we executed more third-party deliverables including non-scripted shows and TV commercials. Our films continued to lead in FY25 with 71% market share, collectively grossing RM121 million at the box office, with Astro as a co-producer and partner in each of the Top 5 highest-grossing local films of 2024. *Sheriff* alone generated RM64 million and was Malaysia's No. 1 film in 2024, outgrossing all Hollywood and international movies, including *Deadpool & Wolverine* and *Godzilla x Kong*.

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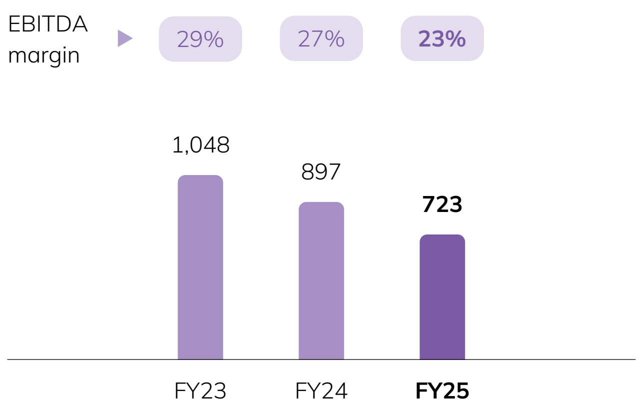
Adex revenue moderated by 16% to RM329 million, impacted by consumer boycotts due to the Middle East conflict and global brands' cost-cutting initiatives amid muted consumer sentiments and shifting priorities. Overall, adex picked up in the second half of FY25, supported by major sporting events such as the Paris 2024 Olympic Games and the Premier League, year-end festive celebrations including Chinese New Year in January 2025, and the airing of our popular signatures and originals. Almost 80% of Astro's adex revenue is derived from our local shows and channels which is a key competitive advantage.

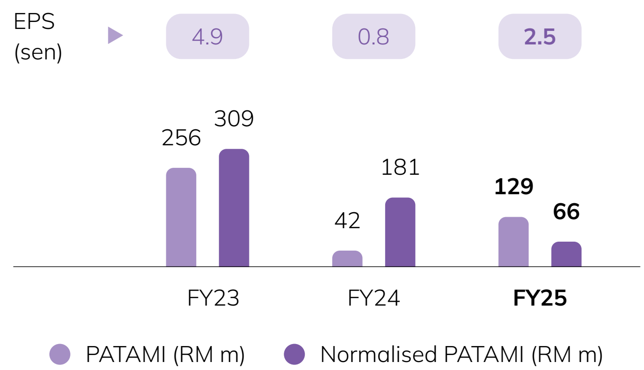
Astro's digidex registered a 2.1% growth in FY25, underpinned by a 17% growth in our Addressable Advertising product as new clients and FMCG players acquainted themselves with the service. Radex exhibited good momentum in the latter half of FY25 as Astro's radio reach strengthened by 2 percentage points, leading the market at 72% in Peninsular Malaysia. Our radio brands retained the No. 1 spot across all four major languages, according to GfK's bi-annual radio survey. Overall, our radex, TV and digidex market share stood at 75%, 24%, 3%, respectively (FY24: 77%, 30%, 2%).

EBITDA (RM m)

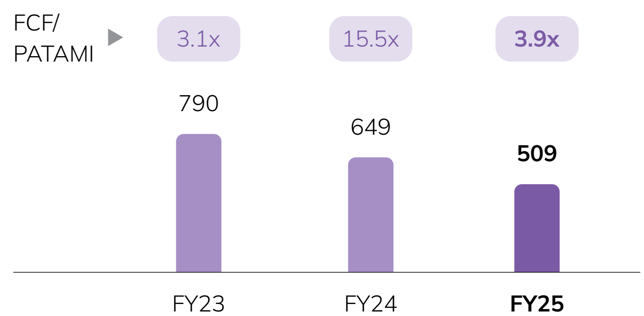


Our continuous cost efforts, reflecting our priority to shrink legacy costs, yielded a 7.9% drop in opex in FY25. Cost savings were derived from lower employee costs resulting from the FY24 voluntary separation scheme, a fall in cost to serve from ongoing technology replatforming efforts, the retirement of the M3a satellite in July 2024, and tighter control over marketing expenses even as we emphasised new customer growth. Content cost has also decreased despite FY25 being a sporting year with our hedged USD rates higher than FY24. Overall, EBITDA moderated by 19% to RM723 million, with margin easing by 4 percentage points to 24%.

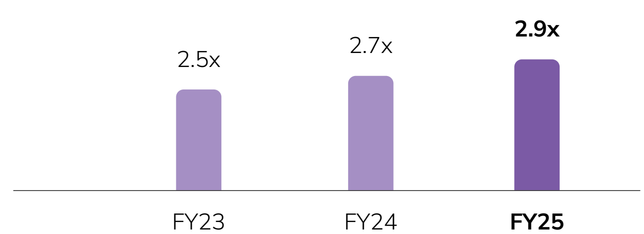
PATAMI



Free Cash Flow (RM m)



Net Debt/EBITDA



PATAMI more than tripled to RM129 million from lower net financing costs primarily due to unrealised forex gains (versus losses in FY24), offset by a higher tax expense. Normalised PATAMI, which excludes unrealised forex losses arising from USD-denominated transponder lease liabilities and the financial impact from the FY24 voluntary separation scheme, dipped by 64% to RM66 million as EBITDA eased. Overall, basic earnings per share improved threefold to 2.5 sen. We remained cash-generative with free cash flow at RM509 million in FY25, translating to 3.9x PATAMI.

Our Group's tax expense was recorded at RM53 million (FY24: RM22 million) with an effective tax rate of 29% (FY24: 35%). This was higher than the statutory tax rate of 24%, mainly due to non tax-deductible expenses and under provision of taxes in the prior year. Net finance cost dipped by 74% to RM78 million primarily due to unrealised forex gains from unhedged USD-denominated transponder lease liabilities as the Ringgit appreciated by 7.0% against the USD in FY25.

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Financial Position

Assets, Liabilities & Funding

Total assets moderated by 3.2% to RM5.48 billion in FY25. This was underpinned by a reduction in right-of-use assets by 11% to RM1.31 billion due to depreciation, partially offset by an increase in unit trusts and cash and bank balances by 7.0% to RM825 million.

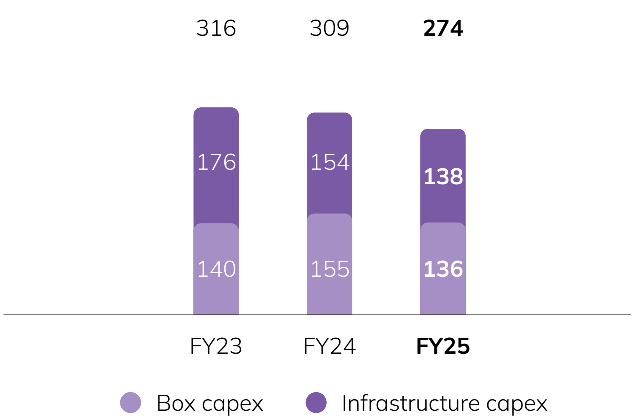
Meanwhile, total liabilities reduced by 6.7% to RM4.21 billion, mainly attributable to a fall in borrowings due to the paring down of term loans and transponder lease liabilities. Consequently, net assets grew by 11% to RM1.27 billion, and net debt/EBITDA ratio increased to 2.9x (FY24: 2.7x).

In March 2024, Astro fully drew down on a RM160 million term loan provided by AmBank (M) Berhad. This 4-year amortising facility was granted on a clean basis. The loan proceeds were utilised to finance technology-related opex and capex for the broadcast, transmission, and acquisition of software and platform. We routinely re-evaluate and review our funding opportunities and liquidity position to optimise capital efficiency.

Capex, comprising infrastructure capex and box capex, declined by 11% overall to RM274 million. Infrastructure capex, funded by cash, decreased by 10% to RM138 million as we prioritised key transformation investments to elevate customer experience on our U-Boxes, OTT and digital, and refreshed our back-end technology infrastructure.

Box capex is funded by vendor financing and deployed for the purchase of STBs and ODUs to provide Pay-TV services, as well as broadband equipment to provide Astro Fibre services. Our box capex eased by 12% to RM136 million albeit the growth in new customers as we enhanced our STB portfolio management.

Capex (RM m)



Outlook

Our transformation journey sees Team Astro pushing aggressively to be Malaysia's No. 1 Entertainment and Streaming Destination. Investments continue to be firmly focused on long-term and sustainable growth by:

- elevating local content, which is Astro's clear competitive advantage, with high-quality production and fresh storytelling via Astro Originals, signatures and movies;
- creating more value for customers, by increasing the volume and diversity of content in lower tiers and reducing entry pricing for Astro and sooka products, with the intent to grow our base;
- increasing uptake of our adjacent businesses – sooka, Astro Fibre, Enterprise, Addressable Advertising and Studios, targeting both current and new market segments with increased value and flexibility; and
- transforming legacy cost structures to support the above.

Customers now spend 79% of their time on Astro watching local content, up from 64% five years ago. We produce over 10,000 hours of new content annually to satisfy this demand, ranging from well-known signatures and dramas to thought-provoking Astro Originals and animation. All the Top 5 dramas in Malaysia in 2024 were from Astro, and our blockbuster movies led with a 71% local cinema share.

Our three new streamlined Astro One TV packs aim to provide compelling value in terms of content, offering the best global streaming apps integrated into our U-Boxes, high convenience and strong online safety. The intent is to attract new customers and support a positive advertising trajectory over the long term.

Content piracy remains our biggest challenge. In 2024, we made notable headway in anti-piracy actions in both the judicial and legislative spaces. Malaysian courts awarded statutory damages to Astro for the first time. They also imposed heftier fines against ISD sellers and F&B outlets who streamed illegal content on their premises. Having pushed for stricter laws to curb digital piracy, we are encouraged that the amended Communications and Multimedia Act 1998 (that came into effect in February 2025) now criminalises piracy using ISD. We hope this sends a strong message to businesses to stop engaging in piracy and breaching copyright.

The Group maintains a cautious outlook, carefully monitoring business conditions and ensuring effective cost discipline as consumers and businesses digest the impact of domestic reforms including subsidy rationalisation initiatives and higher minimum wages, and external issues such as global trade and tariff policy uncertainties.