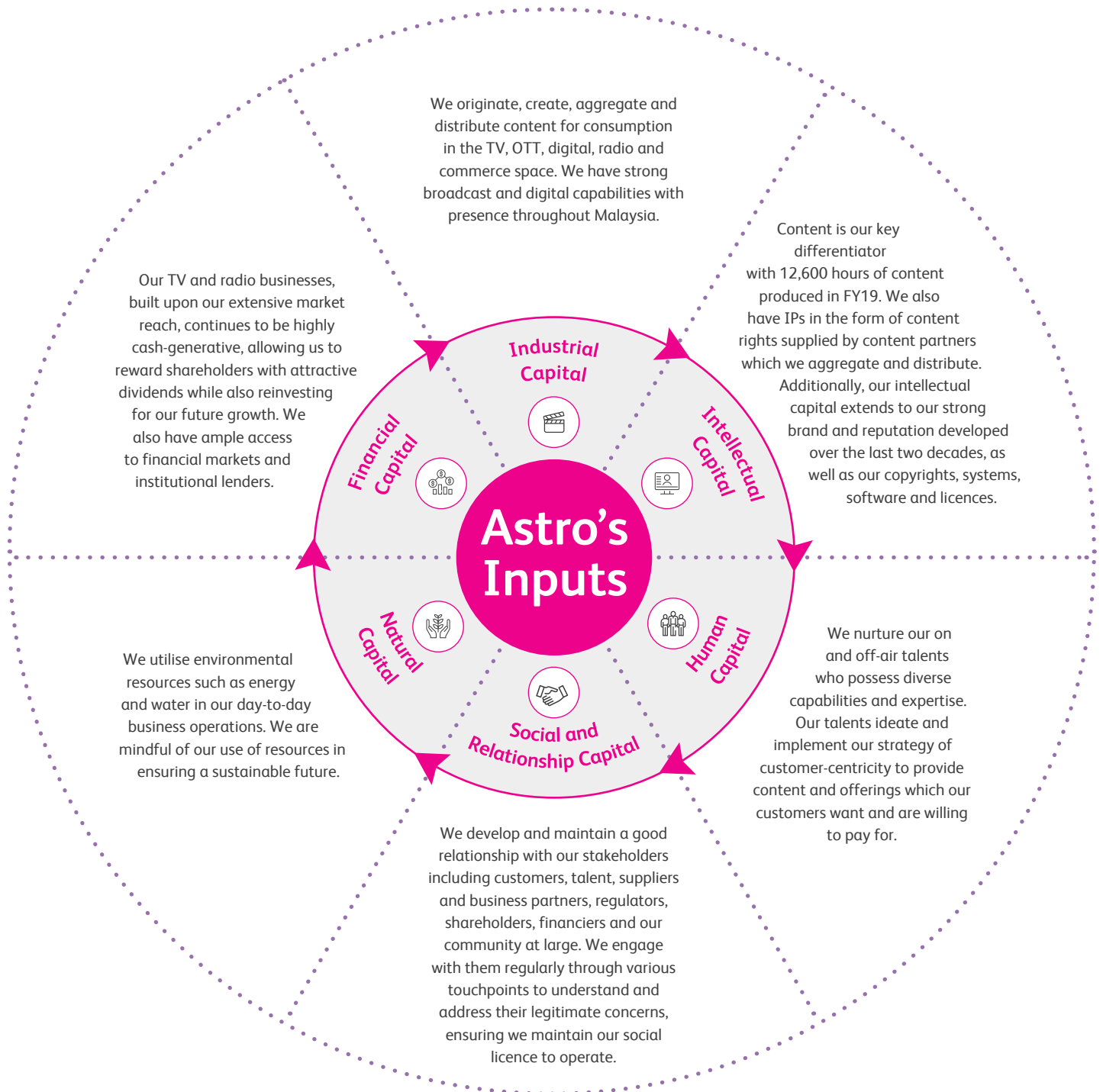


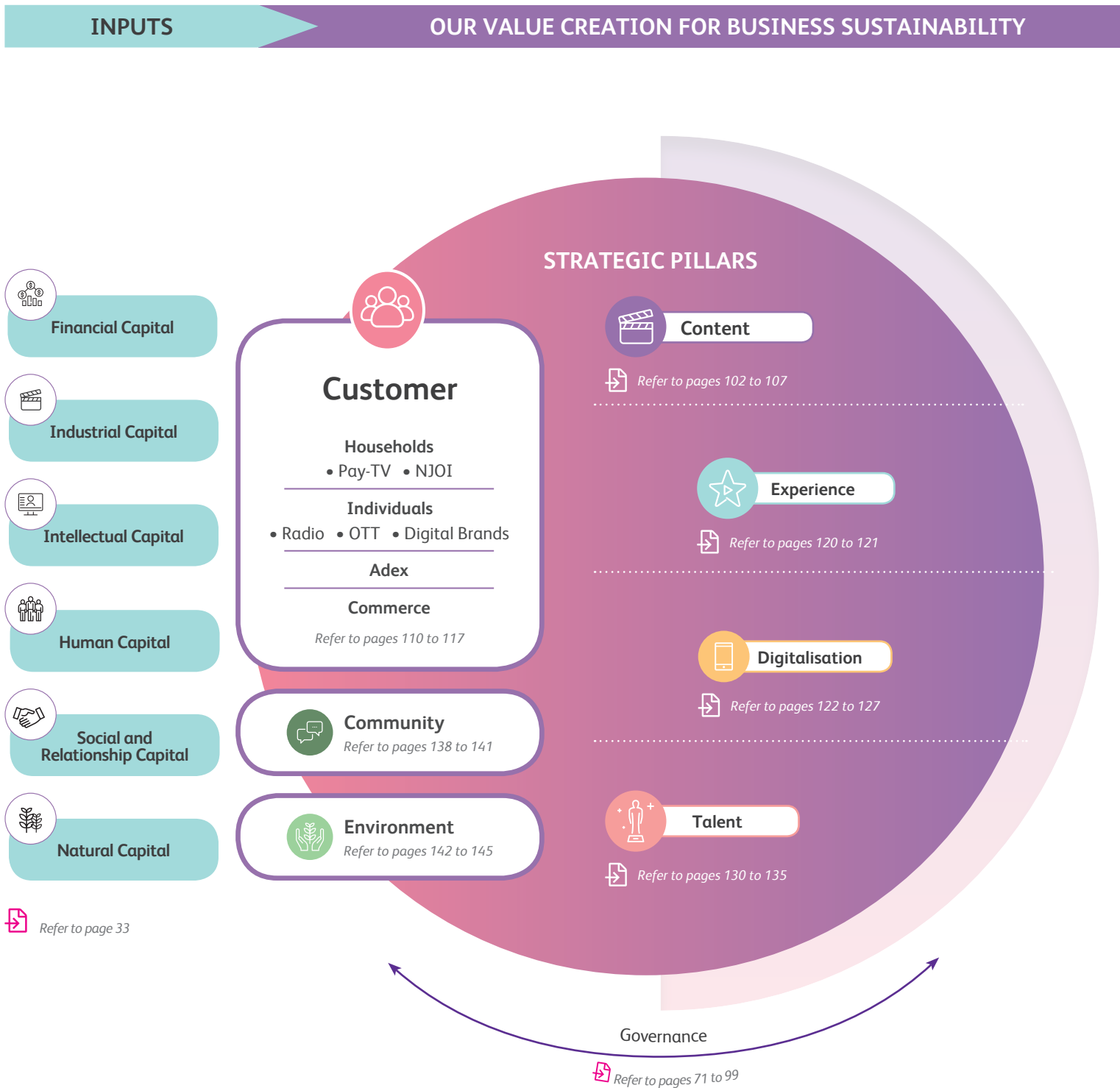
OUR VALUE CREATION

FY19 marks the fourth year into Astro's integrated reporting journey to provide relevant information that goes beyond our financial performance, allowing our stakeholders to better understand our business and make informed decisions. We adopt a holistic approach to strategic planning by utilising our six capitals as inputs into our value creation process.



OUR VALUE CREATION

We are reaffirming our capabilities around our core household business while enhancing capabilities in the individuals' space and adjacencies of commerce, adex and talent. Utilising our capitals, we create value through our seven Strategic Pillars for long-term sustainability.



OUTPUTS

Enhancing shareholder value

We are focused on growing our business and rewarding shareholders through dividends distributions



Financials



Refer to pages 38 to 39, Group Financial Review

RM5.5b

Revenue

RM469m

Dividend declared for FY19

RM463m

PATAMI

Growing our ecosystem

We aim to grow our business in a sustainable manner within a rapidly evolving industry



Market Reach



Refer to pages 38 to 39, Group Financial Review

77%

Household penetration

2.4m

Registered OTT users

5.7m

Households



Content

12,600 hours

Local content produced

RM1.8b

Total content spend

Supporting the economy

We contribute directly and indirectly to the economy, driving sustainability of the economy at large via multiplier effects



Talent

RM702m

Staff costs

51,820

Training hours



Government & Industry

RM190m

Tax

RM2.9b

Payment to vendors

Responsible corporate citizen

We run our business with integrity and aspire to leave a lasting and positive impact on our community via initiatives throughout Malaysia and beyond



Community

RM10m

Investment in community projects



Environment

4,780




Solar panels installed

1.8m

kWh electricity generating capability per annum

OUR VALUE CREATION

Astro leverages our seven Strategic Pillars to empower our customers and community to watch, listen, shop, learn and engage throughout our ecosystem, guided by the United Nations SDGs.

 CONTENT	 CUSTOMER	 EXPERIENCE
<p>Description</p> <p>Offering a holistic content proposition by creating, aggregating, distributing and monetising content across all genres</p>	<p>Catering to diverse customer needs in terms of content preference, spending propensities and mediums of consumption through various offerings within our ecosystem</p>	<p>Delivering better customer experience through intuitive interfaces, convenient customer care options and backed by data analytics to provide personalised recommendations across our ecosystem</p>
<p>Market Landscape</p> <ul style="list-style-type: none"> • Priority on owning content IPs to differentiate offering, drive customer acquisition and retention, and enable 360° monetisation • Increase in consumption of vernacular content observed locally and regionally • Increasing competition in the content space, both legal or otherwise 	<ul style="list-style-type: none"> • Increase in OTT and direct-to-customer offerings which creates a highly fragmented market landscape with an abundance of choice • Growth in the digital economy in proportion to increasing affluence, higher internet penetration rates and improved ancillary infrastructure • Rise of triple and quad-plays which focus on diversification of business offerings leveraging technological convergence 	<ul style="list-style-type: none"> • Growth in connectivity fuelled by the increasing use of technology and personal devices, particularly mobile phones • Customers expect mobility, portability, flexibility, simplicity and user-centricity • Shift towards non-linear and OTT platforms as consumers increasingly prefer an on-demand viewing experience
<p>Our strategy</p> <ul style="list-style-type: none"> • Local content leadership by producing premium vernacular content IPs and movies • Curate a comprehensive content slate encompassing vernacular, regional, international and live sports content which underpins penetration and viewership • Invest in key content verticals such as Nusantara, Kids, eSports and Horror with promising export potential in collaboration with like-minded content partners • Leverage monetisation opportunities across licensing, merchandising and on-ground events based on the popularity of content IPs, amplified through astute use of digital media • Advocate responsible content consumption and support anti-piracy regulatory measures 	<ul style="list-style-type: none"> • Households: Redefine our Pay-TV value proposition through broadband bundling and Astro Rewards while deepening penetration via NJOI • Individuals: Extend our household reach into the individuals' space through OTT, digital brands and radio • Adex: Provide 360° marketing solutions to advertisers by marrying our multiplatform media reach, signature content, on-air talent, ground activation and analytics • Commerce: Position Go Shop as a leading commerce brand offering a premium multiplatform shopping experience 	<ul style="list-style-type: none"> • Diversify our offerings to allow customers to consume content in their preferred manner – be it device, time or location – which is increasingly digital in nature • Enhance customer journey by leveraging technology while retaining human touch in customer engagement

Guided by the United Nations SDGs



 DIGITALISATION	 TALENT	 COMMUNITY & ENVIRONMENT
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Leveraging digitalisation as an enabler to drive efficiency, cost optimisation and enhance customer experience

Nurturing the best on-air, off-air and digital talents to thrive within a culture of diversity, agility and innovation

Being responsible towards our community and mindful of our business' impact on the environment in achieving long-term business sustainability

- Increasing focus on digitalisation to underpin sustainable growth in an increasingly disruptive landscape
- Shifts in skill sets and strategies are vital to address the changing business context

- Growing demand for talents with strategic digital capabilities
- Increasing focus on upskilling and reskilling talents to remain relevant in the digital world
- Low barriers of entry fuelling growth of digital talents and social influencers

- Growing emphasis on sustainability practices in response to global environmental issues such as climate change and resources consumption as well as social issues such as gender equality in the workplace
- Improving governance framework for sustainability reporting including SDGs

- Cultivate digital culture of our talents through agile methodologies and innovative frameworks, driving customer centricity while boosting speed-to-market
- Digitally enable end-to-end value chain including sales and distribution, operations and customer care
- Continue to build capabilities around data analytics and data sciences for better marketing and business decisions

- Upskill and reskill workforce through organisation-wide training programmes
- Revamp our organisational structure to support a digital culture of agility and innovation
- Grow and groom our on-air talent pool
- Build a strong talent pipeline via different talent programmes and other effective recruitment strategies

- Understand and address the concerns of our stakeholders
- Grow the local media industry and contribute positively to the economy
- Empower our community through various projects and programmes
- Mitigate our environmental impact through sustainable business solutions

