DIRECTORS' RESPONSIBILITY STATEMENT

The Companies Act 2016 ("the Act") requires the 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 that give a true and fair view of the financial position of the Group and the Company as at 31 January 2019 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 prepare true and fair financial statements and any documents required to be attached thereto, as well as to keep such records in such manner as to enable them to be conveniently and properly audited.

In preparing the FY19 financial statements in conformity with MFRS, the Directors have used certain critical accounting estimates and assumptions. In addition, the Directors have exercised their judgement 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 Company are safeguarded against loss 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.

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 2019.

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 14 to the financial statements.

Financial Results

	Group	Company
	RM'000	RM'000
Profit for the financial year	460,824	443,560
Attributable to:		
Equity holders of the Company	462,921	443,560
Non-controlling interests	(2,097)	-
	460,824	443,560

Dividends

The dividends on ordinary shares paid or declared by the Company since 31 January 2018 were as follows:

	RM'000
In respect of the financial year ended 31 January 2018:	
Fourth interim single-tier dividend of RM0.03 per share on 5,213,883,600 ordinary shares, declared on 28 March 2018 and paid on 27 April 2018	156,416
Final single-tier dividend of RM0.005 per share on 5,213,883,600 ordinary shares, approved by shareholders at the Annual General Meeting on 7 June 2018 and paid on 6 July 2018	26,070
	182,486

Dividends (Cont'd.)

	RM'000
In respect of the financial year ended 31 January 2019:	
First interim single-tier dividend of RM0.025 per share on 5,213,883,600 ordinary shares, declared on 6 June 2018 and paid on 6 July 2018	130,347
Second interim single-tier dividend of RM0.025 per share on 5,213,883,600 ordinary shares, declared on 26 September 2018 and paid on 26 October 2018	130,347
Third interim single-tier dividend of RM0.025 per share on 5,214,314,500 ordinary shares, declared on 5 December 2018 and paid on 4 January 2019	130,358
	391,052

Subsequent to the financial year, on 26 March 2019, the Directors declared a fourth interim single-tier dividend of RM0.015 per share on 5,214,314,500 ordinary shares in respect of the financial year ended 31 January 2019, estimated at RM78,214,718, which will be payable on 25 April 2019.

The Directors do not recommend any final dividend to be paid for the financial year ended 31 January 2019.

Reserves and Provisions

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

Share Capital

During the financial year, the total number of issued shares of the Company has increased from 5,213,883,600 ordinary shares to 5,214,314,500 ordinary shares. The increase in the issued ordinary shares of the Company arose from the vesting of share awards granted to eligible employees pursuant to the Management Share Scheme ("Share Scheme") of the Company, details of which are disclosed in Note 7(a) to the financial statements. The abovementioned new ordinary shares rank pari-passu in all respects with the existing ordinary shares of the Company.

Management Share Scheme

The Company established the Share Scheme, which came into effect on 20 September 2012. An eligible executive or eligible employee who accepts an offer under the Share Awards ("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 Share Scheme, the Grantees shall be entitled to receive new ordinary shares to be issued pursuant to the Share Awards, on the scheduled vesting dates without further payment, subject to meeting the vesting conditions as set out in their respective letters of offer for their Share Awards, which comprise the performance targets stipulated by the Remuneration Committee of the Company.

The Share Scheme shall be in force for a period of ten years commencing from the date on which the Share Scheme becomes effective and no share under a share award shall vest beyond the expiry of the duration of the Share Scheme. The Company's Share Scheme consists of Restricted Share Units ("RSU") and Performance Share Units ("PSU").

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

Directors

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

Tun Dato' Seri Zaki bin Tun Azmi
Datuk Yvonne Chia
Renzo Christopher Viegas
Richard John Freudenstein
Lim Ghee Keong
Simon Cathcart
Shahin Farouque bin Jammal Ahmad
Tunku Alizakri bin Raja Muhammad Alias (appointed on 15 February 2019)
Mazita binti Mokty (appointed on 15 February 2019)
Vernon Das (appointed as Alternate Director to Lim Ghee Keong on 15 February 2019)
Dato' Rohana binti Tan Sri Datuk Haji Rozhan (resigned on 31 January 2019)

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

Save as disclosed in Note 7(a) to the financial statements, during and at the end of the financial year ended, there are no other 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 interest 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 1.2.2018	Acquired/vested	Disposed	As at 31.1.2019
Tun Dato' Seri Zaki bin Tun Azmi	1,000,000	50,000	-	1,050,000
Datuk Yvonne Chia	50,000	50,000	-	100,000
Renzo Christopher Viegas*	-	100,000	-	100,000
Lim Ghee Keong	1,000,000	-	-	1,000,000
Dato' Rohana binti Tan Sri Datuk Haji Rozhan	6,000,000	-	-	6,000,000

* *Subsequent to the financial year end, he disposed 50,000 AMH Shares on 12 February 2019.*

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	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Fees and meeting allowances	**2,409**	2,062	**2,399**	2,052
Salaries and bonus	**32,229**	31,583	**-**	-
Defined contribution plans	**4,981**	4,554	**-**	-
Estimated money value of benefits-in-kind	**118**	79	**30**	35
Share-based payments	**141**	6,138	**-**	-
Separation scheme	**6,252**	-	**-**	-
Total Directors' remuneration	**46,130**	44,416	**2,429**	2,087

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 RM380,000 (2018: RM433,000).

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.

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; 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 and Post Balance Sheet Events

The significant events during the year and post balance sheet events are as disclosed in Note 37 and Note 42 respectively to the financial statements.

Auditors and Auditors' remuneration

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

Details of auditors' remuneration are set out in Note 6 to the financial statements.

Signed on behalf of the Board of Directors in accordance with the approval granted by the Board of Directors on 19 April 2019.

RENZO CHRISTOPHER VIEGAS
DIRECTOR

LIM GHEE KEONG
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Renzo Christopher Viegas and Lim Ghee Keong, the Directors of Astro Malaysia Holdings Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 159 to 297 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 2019 and financial performance of the Group and of the Company for the financial year ended 31 January 2019 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 19 April 2019.

RENZO CHRISTOPHER VIEGAS
DIRECTOR

LIM GHEE KEONG
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 159 to 297, 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 on19 April 2019, before me.

COMMISSIONER FOR OATHS

PESURUHJAYA SUMPAH
No: W723
FIRDAUS BT S. FAIZAL
BCM. PJK
01-01-2019
-
31.12.2021
MALAYSIA

Suite 6.08, 6th Floor
Semua House Jalan Bunus 6
50100 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

To the members of Astro Malaysia Holdings Berhad
(Incorporated in Malaysia)
(Company No. 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 2019, and of their financial performance and their cash flows for the 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 2019 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 159 to 297.

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' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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 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 year. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Report on the Audit of the Financial Statements (Cont'd)

Key audit matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
Goodwill, brands and spectrum impairment assessment *Refer to Note 3E – Summary of significant accounting policies – Intangible assets, Note 4 – Critical accounting estimates and judgements and Note 19 – Intangible assets.* We focused on this area due to the size of the goodwill, brands and spectrum balance of RM1,508 million as at 31 January 2019, and because 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 and Radio segments. The brands and spectrum have been allocated to the Radio segment. For the year ended 31 January 2019, management performed an impairment assessment over the goodwill, brands and spectrum balance, as well as a sensitivity analysis over the VIU calculations, by varying the key assumptions used (compound revenue growth rates in the projection periods, terminal growth rates and discount rates) to assess the impact on the impairment assessment.	We performed the following audit procedures on the value in use ("VIU") calculation which was based on the approved financial budget for 2020 and cash flow projections for the next 2 years with terminal values at the end of year 3: • Agreed the VIU cash flows to the financial budget and cash flow projections approved by the Directors; • Compared the 2019 actual results with the figures included in the prior year VIU cash flows for 2019 to consider whether these forecasts included key assumptions that, with hindsight, had been optimistic; • 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 and Radio 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; (iii) compared the terminal growth rates used in determining the terminal value to market forecast; and • 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 Directors' conclusion that no impairment is required for goodwill, brands and spectrum rights as at 31 January 2019.

Report on the Audit of the Financial Statements (Cont'd)

Key audit matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
Subscription revenue recognition *Refer to Note 3Q – Summary of Significant Accounting Policies – Revenue recognition and Note 5 – Revenue.* The Group recorded subscription revenue of RM4,002 million for the financial year ended 31 January 2019 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. In addition, we focused on the assessment performed by management during the year following the Group's application of MFRS 15 "Revenue from contracts with customers" ("MFRS 15"). The Group elected to apply the modified retrospective transition approach where no restatement to comparative period is required. There is no impact to the opening balance of retained earnings as at 1 February 2018 in relation to subscription revenue.	We performed the following audit procedures: • Reviewed management's assessment on the application of MFRS 15; • 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.

INDEPENDENT AUDITORS' REPORT

To the members of Astro Malaysia Holdings Berhad
(Incorporated in Malaysia)
(Company No. 932533 V)

Report on the Audit of the Financial Statements (Cont'd)

Key audit matters (Cont'd)

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 36(b) - Financial Instruments - Liquidity Risk.* As at 31 January 2019, the Group had short term borrowings of RM475 million and payables and accruals of RM1,258 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 RM438 million at that date. The Group's ability to obtain funding is disclosed in Note 36(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 flow forecast. 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.

There are no key audit matters in relation to the Financial Statements of the Company.

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 2019 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.

Report on the Audit of the Financial Statements (Cont'd)

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.

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 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 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.

(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.

INDEPENDENT AUDITORS' REPORT

To the members of Astro Malaysia Holdings Berhad
(Incorporated in Malaysia)
(Company No. 932533 V)

Report on the Audit of the Financial Statements (Cont'd)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

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, related safeguards.

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 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.

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 14 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
LLP 0014401-LCA & AF 1146
Chartered Accountants

PAULINE HO
02684/11/2019 J
Chartered Accountant

Kuala Lumpur
19 April 2019

INCOME STATEMENTS

For The Financial Year Ended 31 January 2019

		Group		Company	
	Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue	5	**5,479,048**	5,530,753	**496,632**	742,251
Cost of sales		**(3,534,266)**	(3,269,886)	**-**	-
Gross profit		**1,944,782**	2,260,867	**496,632**	742,251
Other operating income		**10,109**	20,377	**43**	449
Marketing and distribution costs		**(491,098)**	(507,468)	**(311)**	(394)
Administrative expenses		**(532,037)**	(633,767)	**(24,069)**	(29,333)
Finance income	9(a)	**37,812**	171,522	**40,261**	70,425
Finance costs	9(b)	**(317,077)**	(236,772)	**(69,009)**	(96,837)
Share of post tax results from investments accounted for using the equity method		**796**	(1,608)	**-**	-
Impairment of investments accounted for using the equity method		**(2,142)**	-	**-**	-
Profit before tax	6	**651,145**	1,073,151	**443,547**	686,561
Tax expense	10	**(190,321)**	(309,175)	**13**	(74)
Profit for the financial year		**460,824**	763,976	**443,560**	686,487
Attributable to:					
Equity holders of the Company		**462,921**	770,636	**443,560**	686,487
Non-controlling interests		**(2,097)**	(6,660)	**-**	-
		460,824	763,976	**443,560**	686,487
Earnings per share attributable to equity holders of the Company (RM):					
- Basic	11	**0.09**	0.15		
- Diluted	11	**0.09**	0.15		

The accompanying notes on pages 171 to 297 form part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For The Financial Year Ended 31 January 2019

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Profit for the financial year	**460,824**	763,976	**443,560**	686,487
Other comprehensive income/(loss):				
Items that will be reclassified subsequently to profit or loss:				
Net change in derivatives used for hedging	**68,469**	(138,627)	**(1,609)**	4,552
Net change in available-for-sale financial assets	**-**	(364)	**-**	143
Foreign currency translation	**(9,683)**	9,401	**-**	-
Taxation	**(17,430)**	35,252	**-**	-
Other comprehensive income/(loss), net of tax	**41,356**	(94,338)	**(1,609)**	4,695
Total comprehensive income	**502,180**	669,638	**441,951**	691,182
Attributable to:				
Equity holders of the Company	**504,277**	676,298	**441,951**	691,182
Non-controlling interests	**(2,097)**	(6,660)	**-**	-
	502,180	669,638	**441,951**	691,182

The accompanying notes on pages 171 to 297 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

As At 31 January 2019

		Group	
	Note	2019 RM'000	2018 RM'000
Non-Current Assets			
Property, plant and equipment	13	**2,233,114**	2,400,846
Investment in associates	15	**-**	663
Investment in joint ventures	16	**2,127**	2,044
Other investments	17	**4,085**	4,085
Receivables	21	**180,054**	136,036
Derivative financial instruments	24	**83,171**	116,901
Deferred tax assets	26	**123,510**	106,957
Intangible assets	19	**2,091,910**	2,039,303
		4,717,971	4,806,835
Current Assets			
Inventories	20	**16,284**	19,678
Receivables	21	**808,430**	1,011,530
Contract assets	5	**9,625**	-
Derivative financial instruments	24	**64,869**	45,682
Other investments	17	**348,680**	728,447
Tax recoverable		**10,213**	2,167
Deposits, cash and bank balances	22	**283,486**	233,608
		1,541,587	2,041,112
Current Liabilities			
Payables	23	**1,257,841**	1,652,490
Contract liabilities	5	**208,720**	-
Derivative financial instruments	24	**11,557**	88,618
Borrowings	25	**474,949**	645,728
Tax liabilities		**26,757**	16,809
		1,979,824	2,403,645
Net Current Liabilities		**(438,237)**	(362,533)

The accompanying notes on pages 171 to 297 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

As At 31 January 2019

		Group	
	Note	2019 RM'000	2018 RM'000
Non-Current Liabilities			
Payables	23	**411,619**	389,519
Derivative financial instruments	24	**4,045**	2,737
Borrowings	25	**3,095,721**	3,319,454
Deferred tax liabilities	26	**89,441**	79,263
		3,600,826	3,790,973
NET ASSETS		**678,908**	653,329
Capital and reserves attributable to equity holders of the Company			
Share capital	27	**6,727,947**	6,726,845
Exchange reserve		**3,368**	13,051
Capital reorganisation reserve	28	**(5,470,197)**	(5,470,197)
Hedging reserve	29	**1,857**	(49,182)
Fair value reserve	30	**-**	(369)
Share scheme reserve	31	**312**	10,362
Accumulated losses		**(678,019)**	(576,918)
		585,268	653,592
Non-controlling interests		**93,640**	(263)
TOTAL EQUITY		**678,908**	653,329

The accompanying notes on pages 171 to 297 form part of these financial statements.

COMPANY BALANCE SHEET

As At 31 January 2019

	Note	Company 2019 RM'000	Company 2018 RM'000
Non-Current Assets			
Property, plant and equipment	13	**33**	24
Investment in subsidiaries	14	**7,169,297**	7,017,657
Receivables	21	**-**	24,360
Advances to subsidiaries	18	**51,785**	253,875
Derivative financial instruments	24	**80,989**	114,318
Deferred tax assets	26	**258**	245
Intangible assets	19	**-**	-
		7,302,362	7,410,479
Current Assets			
Receivables	21	**76,540**	299,196
Derivative financial instruments	24	**54,618**	45,224
Advances to subsidiaries	18	**108,691**	844,159
Other investments	17	**-**	170,709
Tax recoverable		**486**	361
Deposits, cash and bank balances	22	**65,752**	18,480
		306,087	1,378,129
Current Liabilities			
Payables	23	**12,205**	24,842
Derivative financial instruments	24	**-**	2,019
Borrowings	25	**281,894**	502,465
		294,099	529,326
Net Current Assets		**11,988**	848,803
Non-Current Liabilities			
Derivative financial instruments	24	**-**	2,737
Borrowings	25	**416,136**	1,228,733
		416,136	1,231,470
NET ASSETS		**6,898,214**	7,027,812

The accompanying notes on pages 171 to 297 form part of these financial statements.

COMPANY BALANCE SHEET

As At 31 January 2019

		Company	
	Note	2019 RM'000	2018 RM'000
Capital and reserves attributable to equity holders of the Company			
Share capital	27	**6,727,937**	6,726,845
Hedging reserve	29	**1,350**	2,959
Fair value reserve	30	**-**	39
Share scheme reserve	31	**312**	10,362
Retained earnings		**168,615**	287,607
TOTAL EQUITY		**6,898,214**	7,027,812

The accompanying notes on pages 171 to 297 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 January 2019

	Attributable to equity holders of the Company									
Year ended 31 January 2019	Share capital (Note 27) RM'000	Exchange reserve RM'000	Capital reorganisation reserve (Note 28) RM'000	Hedging reserve (Note 29) RM'000	Fair value reserve (Note 30) RM'000	Share scheme reserve (Note 31) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
At 31 January 2018, as reported	6,726,845	13,051	(5,470,197)	(49,182)	(369)	10,362	(576,918)	653,592	(263)	653,329
Effects arising from adoption of:										
- MFRS 15 (Note 41)	-	-	-	-	-	-	5,170	5,170	-	5,170
- MFRS 9 (Note 41)	-	-	-	-	369	-	(6,591)	(6,222)	-	(6,222)
At 1 February 2018, as adjusted	6,726,845	13,051	(5,470,197)	(49,182)	-	10,362	(578,339)	652,540	(263)	652,277
Profit/(loss) for the financial year	-	-	-	-	-	-	462,921	462,921	(2,097)	460,824
Other comprehensive (loss)/income for the year	-	(9,683)	-	51,039	-	-	-	41,356	-	41,356
Total comprehensive (loss)/income for the year	-	(9,683)	-	51,039	-	-	462,921	504,277	(2,097)	502,180
Ordinary shares dividends declared (Note 12)	-	-	-	-	-	-	(573,538)	(573,538)	-	(573,538)
Issuance of shares to non-controlling interest (Note 40)	-	-	-	-	-	-	-	-	96,000	96,000
Redemption of redeemable preference share ("RPS") by a subsidiary (Note 14)	10	-	-	-	-	-	(10)	-	-	-
Transfer of lapsed share options	-	-	-	-	-	(10,947)	10,947	-	-	-
Share grant exercised	1,092	-	-	-	-	(1,092)	-	-	-	-
Share-based payment transaction	-	-	-	-	-	1,989	-	1,989	-	1,989
Transactions with owners	1,102	-	-	-	-	(10,050)	(562,601)	(571,549)	96,000	(475,549)
At 31 January 2019	6,727,947	3,368	(5,470,197)	1,857	-	312	(678,019)	585,268	93,640	678,908

The accompanying notes on pages 171 to 297 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 January 2019

	Attributable to equity holders of the Company									
Year ended 31 January 2018	**Share capital (Note 27) RM'000**	**Exchange reserve RM'000**	**Capital reorganisation reserve (Note 28) RM'000**	**Hedging reserve (Note 29) RM'000**	**Fair value reserve (Note 30) RM'000**	**Share scheme reserve (Note 31) RM'000**	**Accumulated losses RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total RM'000**
At 1 February 2017	6,715,704^	3,650	(5,470,197)	54,193	(5)	25,051	(704,981)	623,415	6,397	629,812
Profit/(loss) for the financial year	-	-	-	-	-	-	770,636	770,636	(6,660)	763,976
Other comprehensive income/(loss) for the year	-	9,401	-	(103,375)	(364)	-	-	(94,338)	-	(94,338)
Total comprehensive income/(loss) for the year	**-**	**9,401**	**-**	**(103,375)**	**(364)**	**-**	**770,636**	**676,298**	**(6,660)**	**669,638**
Ordinary shares dividends declared (Note 12)	-	-	-	-	-	-	(651,321)	(651,321)	-	(651,321)
Cash settlement of share options	-	-	-	-	-	(3,217)	-	(3,217)	-	(3,217)
Transfer of lapsed share options	-	-	-	-	-	(8,748)	8,748	-	-	-
Share grant exercised	11,141	-	-	-	-	(11,141)	-	-	-	-
Share-based payment transaction	-	-	-	-	-	8,417	-	8,417	-	8,417
Transactions with owners	**11,141**	**-**	**-**	**-**	**-**	**(14,689)**	**(642,573)**	**(646,121)**	**-**	**(646,121)**
At 31 January 2018	6,726,845^	13,051	(5,470,197)	(49,182)	(369)	10,362	(576,918)	653,592	(263)	653,329

^ *Companies Act 2016 (the "Act"), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account and capital redemption reserves became part of the Company's share capital pursuant to the transitional provisions set out in Section 618 (2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM6,194,751,323.61 for purposes as set out in Sections 618 (3) and the capital redemption reserve of RM677.50 for bonus issue pursuant to Section 618(4) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.*

The accompanying notes on pages 171 to 297 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 January 2019

Year ended 31 January 2019	Share capital (Note 27) RM'000	Hedging reserve (Note 29) RM'000	Fair value reserve (Note 30) RM'000	Share scheme reserve (Note 31) RM'000	Retained earnings RM'000	Total RM'000
At 31 January 2018, as reported	6,726,845	2,959	39	10,362	287,607	7,027,812
Effect arising from adoption of MFRS 9 (Note 41)	-	-	(39)	-	39	-
At 1 February 2018, as adjusted	6,726,845	2,959	-	10,362	287,646	7,027,812
Profit for the financial year	-	-	-	-	443,560	443,560
Other comprehensive loss for the year	-	(1,609)	-	-	-	(1,609)
Total comprehensive (loss)/income for the year	-	(1,609)	-	-	443,560	441,951
Ordinary shares dividends declared (Note 12)	-	-	-	-	(573,538)	(573,538)
Transfer of lapsed share options	-	-	-	(10,947)	10,947	-
Share grant exercised	1,092	-	-	(1,092)	-	-
Share-based payment transaction	-	-	-	1,989	-	1,989
Transactions with owners	1,092	-	-	(10,050)	(562,591)	(571,549)
At 31 January 2019	6,727,937	1,350	-	312	168,615	6,898,214
Year ended 31 January 2018						
At 1 February 2017	6,715,704^	(1,593)	(104)	25,051	243,693	6,982,751
Profit for the financial year	-	-	-	-	686,487	686,487
Other comprehensive income for the year	-	4,552	143	-	-	4,695
Total comprehensive income for the year	**-**	**4,552**	**143**	**-**	**686,487**	**691,182**
Ordinary shares dividends declared (Note 12)	-	-	-	-	(651,321)	(651,321)
Cash settlement of share options	-	-	-	(3,217)	-	(3,217)
Transfer of lapsed share options	-	-	-	(8,748)	8,748	-
Share grant exercised	11,141	-	-	(11,141)	-	-
Share-based payment transaction	-	-	-	8,417	-	8,417
Transactions with owners	**11,141**	**-**	**-**	**(14,689)**	**(642,573)**	**(646,121)**
At 31 January 2018	6,726,845^	2,959	39	10,362	287,607	7,027,812

^ *The Act, which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account and capital redemption reserves became part of the Company's share capital pursuant to the transitional provisions set out in Section 618 (2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM6,194,751,323.61 for purposes as set out in Sections 618 (3) and the capital redemption reserve of RM670 for bonus issue pursuant to Section 618(4) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.*

The accompanying notes on pages 171 to 297 form part of these financial statements.

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 31 January 2019

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Cash Flows From Operating Activities					
Profit before tax		**651,145**	1,073,151	**443,547**	686,561
Adjustments for:					
Bad debts written off		**8,172**	11,147	**-**	-
Barter transactions – revenue		**(21,896)**	(10,350)	**-**	-
Contract cost amortisation		**56,108**	-	**-**	-
Dividend income – unit trusts	9(a)	**(29,379)**	(19,967)	**(3,885)**	(1,996)
Dividend income		**-**	-	**(492,482)**	(738,485)
Event licence rights					
- amortisation		**9,132**	2,315	**-**	-
Fair value (gain)/loss on unit trusts		**(369)**	-	**1,602**	-
Fair value loss on derivatives recycled to income statement arising from:					
- Foreign exchange risk		**53,355**	211,594	**19,625**	161,845
- Interest rate risk		**11,670**	20,149	**10,307**	16,746
Film library and programme rights					
- amortisation		**382,532**	390,786	**-**	-
- impairment		**7,448**	10,130	**-**	-
Impairment of receivables		**32,550**	114,704	**-**	11
Impairment of investments accounted for using the equity method		**2,142**	-	**-**	-
Impairment of advances		**-**	-	**1,254**	7,650
Interest expense	9(b)	**239,609**	209,919	**57,061**	80,091
Interest income	9(a)	**(8,064)**	(7,277)	**(36,376)**	(68,429)
Inventories written off		**1,335**	1,867	**-**	-
Loss on disposal of unit trusts		**2,589**	14	**39**	545
Property, plant and equipment					
- depreciation		**506,910**	523,457	**10**	104
- gain on disposal		**(202)**	(200)	**-**	-
- impairment		**1,053**	114	**-**	-
- written off		**57**	244	**-**	-
Share-based payments	7	**1,989**	8,417	**103**	339
Share of post tax results from investments accounted for using the equity method		**(796)**	1,608	**-**	-
Software					
- amortisation		**139,169**	154,024	**-**	5
- impairment		**16,725**	-	**-**	-
Unrealised foreign exchange losses/(gains), net		**41,856**	(389,591)	**(19,621)**	(161,851)
Write back of bad debts		**(2,078)**	(2,301)	**-**	-
Operating profit/(loss) before changes in working capital		**2,102,762**	2,303,954	**(18,816)**	(16,864)

The accompanying notes on pages 171 to 297 form part of these financial statements.

		Group		Company	
		2019	2018	2019	2018
	Note	RM'000	RM'000	RM'000	RM'000
Cash Flows From Operating Activities (Cont'd.)					
Changes in working capital:					
Inventories		**2,059**	(1,179)	**-**	-
Receivables and prepayments		**57,083**	(122,745)	**(6,331)**	21,251
Payables		**(50,430)**	95,078	**(13,143)**	(15,819)
Cash from operations:		**2,111,474**	2,275,108	**(38,290)**	(11,432)
Dividend received		**-**	-	**749,434**	795,451
Interest received		**5,028**	8,890	**1,375**	884
(Tax paid)/tax refund		**(221,532)**	(267,832)	**(125)**	122
Net cash generated from operating activities		**1,894,970**	2,016,166	**712,394**	785,025
Cash Flows From Investing Activities					
Advances to subsidiaries		**-**	-	**(50,615)**	(49,234)
Financial assets:					
- disposal/(purchase)of unit trusts		**407,295**	(438,443)	**172,914**	(136,392)
Intangible assets:					
- purchase of software		**(117,159)**	(143,900)	**-**	-
- acquisition of film library and programme rights		**(386,706)**	(413,917)	**-**	-
Interest received on:					
- advances to subsidiaries		**-**	-	**35,004**	168,447
Investment in associates:					
- purchase		**(780)**	-	**-**	-
Investment in subsidiaries	14	**-**	-	**(56,650)**	-
Other investments:					
- proceeds from maturity		**-**	5,000	**-**	-
- purchase		**-**	(4,085)	**-**	-
Property, plant and equipment:					
- purchase		**(99,379)**	(95,245)	**(22)**	(13)
- proceeds from disposal		**466**	213	**3**	-
Redemption of RPS by a subsidiary	14	**-**	-	**10**	-
Repayment from subsidiaries		**-**	-	**890,985**	423,616
(Placement)/withdrawal of fixed deposits with maturity of more than 3 months		**(43,000)**	113,024	**-**	2,018
Net cash (used in)/generated from investing activities		**(239,263)**	(977,353)	**991,629**	408,442

The accompanying notes on pages 171 to 297 form part of these financial statements.

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 31 January 2019

		Group		Company	
		2019	**2018**	**2019**	**2018**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cash Flows From Financing Activities					
Dividends paid	12	**(573,538)**	(651,321)	**(573,538)**	(651,321)
Interest paid		**(121,468)**	(98,935)	**(71,277)**	(94,408)
Payment for set-top boxes		**(325,982)**	(270,485)	**-**	-
Payment of finance lease interest		**(104,652)**	(95,053)	**-**	-
Net (repayment)/drawdown of borrowings		**(325,561)**	156,939	**(1,011,936)**	(449,436)
Repayment of finance lease liabilities		**(187,945)**	(118,982)	**-**	-
Net cash used in financing activities		**(1,639,146)**	(1,077,837)	**(1,656,751)**	(1,195,165)
Net increase/(decrease) in cash and cash equivalents		**16,561**	(39,024)	**47,272**	(1,698)
Effects of foreign exchange rate changes		**(9,683)**	9,401	**-**	-
Cash and cash equivalents at beginning of the financial year		**233,608**	263,231	**18,480**	20,178
Cash and cash equivalents at end of the financial year	22	**240,486**	233,608	**65,752**	18,480

The principal non-cash transactions are as disclosed in Note 32.

The accompanying notes on pages 171 to 297 form part of these financial statements.

1 General Information

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. The principal activities of the subsidiaries are as disclosed in Note 14 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:

3rd Floor, Administration Building
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 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 borrowings and vendor financing.

(b) Interest rate risk

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

(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 only with financial institutions with strong credit ratings and investment in unit trusts are made only in cash/money market i.e. very liquid funds.

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

(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 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 36.

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.

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

A Basis of preparation (Cont'd.)

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 2018:

- Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 128 Investments in Associates and Joint Ventures
- Amendments to MFRS 140 Transfers of Investment Property
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- MFRS 9 Financial Instruments

  The Group and the Company applied MFRS 9 for the first time in the 2019 financial statements with the date of initial application of 1 February 2018. The standard is applied retrospectively.

  In accordance with the transitional provisions provided in MFRS 9, comparative information for 2018 was not restated and continued to be reported under the previous accounting policies governed under MFRS 139. The cumulative effects of initially applying MFRS 9 were recognised as an adjustment to the opening balance of retained earnings as at 1 February 2018.

  The detailed impact of the change in accounting policy on financial instruments is disclosed in Note 41.

- MFRS 15 Revenue from Contracts with Customers

  The Group applied MFRS 15 for the first time in the 2019 financial statements with the date of initial application of 1 February 2018 by using the modified retrospective transition method.

  Under the modified retrospective transition method, the Group applies the new policy retrospectively only to contracts that are not completed contracts at the date of initial application. Accordingly, the 2018 comparative information was not restated and the cumulative effects of initial application of MFRS 15 were recognised as an adjustment to the opening balance of retained earnings as at 1 February 2018. The comparative information continued to be reported under the previous accounting policies governed under MFRS 118 and MFRS 111. Financial impact on the financial statements if MFRS 15 is applied retrospectively is disclosed in Note 41 to the financial statements.

  In addition, the Group has elected the practical expedient not to retrospectively restate contracts that were modified before the date of initial application.

  The detailed impact of the change in accounting policy on revenue is disclosed in Note 3(Q), 3(AC), 3(AD) and 41.

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 2019. 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 2019

- MFRS 16 Leases (effective from 1 January 2019) supersedes MFRS 117 Leases and the related interpretations.

  Under MFRS 16, a lease is a contract (or part of a contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

  MFRS 16 eliminates the classification of leases by the lessee as either finance leases (on balance sheet) or operating leases (off balance sheet). MFRS 16 requires a lessee to recognise a "right-of-use" of the underlying asset and a lease liability reflecting future lease payments for most leases.

  The right-of-use asset is depreciated in accordance with the principle in MFRS 116 Property, Plant and Equipment and the lease liability is accreted over time with interest expense recognised in income statement.

  For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

  Based on the assessment undertaken to-date, the adoption of this standard would impact on the Group's balance sheet with the recognition of right-of-use assets and lease liabilities by less than 3% of total assets and total liabilities.

- IC Interpretation 23 Uncertainty over Income Tax Treatments (effective 1 January 2019) provides guidance on how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

  If an entity concludes that it is not probable that the tax treatment will be accepted by the tax authority, the effect of the tax uncertainty should be included in the period when such determination is made. An entity shall measure the effect of uncertainty using the method which best predicts the resolution of the uncertainty.

  IC Interpretation 23 will be applied retrospectively.

- Amendments to MFRS 9 Prepayment Features with Negative Compensation (effective 1 January 2019) allow companies to measure some prepayable financial assets with negative compensation at amortised cost. Negative compensation arises where the contractual terms permit the borrower to prepay the instrument before its contractual maturity, but the prepayment amount could be less than the unpaid amounts of principal and interest. To qualify for amortised cost measurement, the negative compensation must be reasonable compensation for early termination of the contract, and the asset must be held within a 'held to collect' business model.

  The amendments will be applied retrospectively.

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 (Cont'd.)

(i) Financial years beginning on/after 1 February 2019 (Cont'd.)

- Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures (effective from 1 January 2019) clarify that an entity should apply MFRS 9 Financial Instruments (including the impairment requirements) to long-term interests in an associate or joint venture, which are in substance form part of the entity's net investment, for which settlement is neither planned nor likely to occur in the foreseeable future.

  In addition, such long-term interest are subject to loss allocation and impairment requirements in MFRS 128.

  The amendments will be applied retrospectively.

- Amendments to MFRS 119 Plan Amendment, Curtailment or Settlement (effective from 1 January 2019)
- Annual improvements to MFRS Standards 2015-2017 cycle (effective from 1 January 2019)

(ii) Financial years beginning on/after 1 February 2020

- Amendments to References to the Conceptual Framework in MFRS Standards (effective from 1 January 2020)

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

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

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 except for MFRS 16.

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.

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.

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

B Consolidation (Cont'd.)

(a) Subsidiaries (Cont'd.)

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.

(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.

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

B Consolidation (Cont'd.)

(c) Associates (Cont'd.)

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.

(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.

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

B Consolidation (Cont'd.)

(d) Joint arrangements (Cont'd.)

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.

C Property, plant and equipment

Property, plant and equipment are stated at cost (inclusive of sales and services tax), net of the amount of goods and services tax ("GST") recoverable, less accumulated depreciation and impairment losses. When the amount of GST incurred is not recoverable from the government, the GST is recognised as part of the cost of acquisition of property, plant and equipment.

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
Satellite transponders	15 years
Equipment, fixtures and fittings	3 - 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 "HD set-top boxes") used to provide the Astro High Definition Services ("Astro B.yond") to Astro subscribers. These HD set-top boxes remain the property of the Group after installation. The HD set-top boxes are capitalised and depreciated over their useful economic life of 3 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

(a) Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a periodic constant rate on the balance outstanding. The corresponding rental obligations, net of finance charges, are included as part of borrowings.

The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term. Assets acquired under finance leases are depreciated according to the basis set out in Note 3(C).

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to the carrying amount of the leased assets and recognised as an expense in the income statement over the lease term on the same basis as the lease expense.

(b) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the leases.

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/associate/joint venture 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.

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

E Intangible assets (Cont'd.)

(b) Computer software (Cont'd.)

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.

(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.

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

E Intangible assets (Cont'd.)

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

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 three years.

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 license 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 to the renewal process is insignificant to the future economic value of the business.

(h) Intellectual properties

Intellectual properties relating to the digital and print media 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 of sales and services tax) are determined after deducting rebates, discounts and the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the government. When the amount of GST incurred is not recoverable from the government, the GST is recognised as part of the cost of purchased inventory.

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 draw down 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 fo the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. 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.

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.

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

K Employee benefits (Cont'd.)

(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 (options) 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 options 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 options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, is recognised in the income statement, with a corresponding adjustment to share option reserve in equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option 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 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).

(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.

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

L Foreign currencies (Cont'd.)

(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 on 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.

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.

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

O Provisions (Cont'd.)

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.

Q Revenue recognition

Accounting policies applied from 1 February 2018

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. 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 satellite television services to customers. HD set-top boxes 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.

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

Q Revenue recognition (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(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 broadcasted or published. Digital advertising revenue is recognised over the period in which fulfillment 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 voucher. Prepaid subscription revenue is recognised upon utilisation of prepaid voucher by the customers or upon expiry, whichever is earlier. Unutilised credits of prepaid voucher that have been deferred are presented as contract liabilities.

(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 available to the licensee. Theatrical sales of motion pictures is recognised at a point in time the 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 period 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.

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

Q Revenue recognition (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(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 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.

Accounting policies applied until 31 January 2018

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of goods and services tax, returns, rebates and discounts and amounts collected on behalf of third parties and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below.

Dividend income of the Company is recognised when the right to receive payment is established.

Subscription fees derived from satellite television services are recognised as earned over the financial period the services are provided, net of goods and services taxes, discounts and rebates. Subscription fees received prior to services being provided are recognised as unearned revenue.

Airtime revenues, derived from the placement of commercials on television and broadcast of commercials on radio stations, are recognised in the period during which the commercials are aired, net of goods and services taxes, discounts and rebates.

Advertising revenues from sale of advertising space in magazines are recognised in the period during which advertisements are published, net of goods and services taxes, discounts and rebates.

Certain advertising revenues are generated in barter transactions in exchange for equipment, goods or services, provided by the advertisers. Such revenues are recorded at the estimated fair market value of the equipment and goods received. The revenue is recognised over the period of the contracts as the commercials are aired. The fair market value of the equipment and goods received is recorded as an asset when they qualify for assets recognition or is otherwise expensed. Services received in exchange are expensed over the service period.

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

Q Revenue recognition (Cont'd.)

Accounting policies applied until 31 January 2018 (Cont'd.)

Licensing income is recognised over the contracted years based on a fixed fee, that is adjusted according to various drivers such as the number of channel subscribers or number of linear channels available.

Revenue from sale of set-top boxes for non-subscription services is recognised in the period it is delivered as ownership is transferred to the customer upon delivery. HD set-top boxes are not sold as ownership of these boxes remain with the Group, as disclosed in Note 3(C).

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 in the period the rights are available to the licensee. Theatrical sales of motion pictures is recognised in the period the motion pictures are screened in cinemas.

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.

Revenue from sales of merchandise is recognised upon goods delivered to customers, net of returns.

Interest income is recognised using the effective interest method.

Production service revenue is recognised by providing production services to other parties or related companies. The production company has no rights to the content produced after the production. The services include lighting, recording, camera, etc.

Prepaid subscription revenue for DTH customers and NJOI packages is recognised over the period in which the services are provided.

Loyalty points under the customer loyalty programmes are accounted for as a separately identifiable component of the transaction in which they are granted. The fair value of the consideration received in respect of the initial sale is allocated between the cost of loyalty points and the other components of the sale. The consideration allocated to loyalty points is recognised in the income statements under the caption of 'revenue' when loyalty points are redeemed.

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, 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.

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

S Financial assets

Accounting policies applied from 1 February 2018

(a) Classification

From 1 February 2018, the Group and the Company classify its 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 its 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.

(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 fair value through profit or loss ("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").

<u>Debt instruments</u>

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 its debt instruments:

(a) <u>Amortised cost</u>

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 separate line item in the income statement.

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

S Financial assets (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(c) Measurement (Cont'd.)

Debt instruments (Cont'd.)

(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 separate line item in the income statement.

(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 is recognised in income statement and presented net within respective income statement lines in the period 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
- Loans to subsidiaries and amount due from subsidiaries
- Contract assets
- Other receivables
- Amount 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.

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

S Financial assets (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(d) Impairment (Cont'd.)

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

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

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) Simplified approach for trade receivables, contract assets, amounts due from related parties and amount due from associate

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 36(a) sets out the measurement details of ECL.

(b) General 3-stage approach for other receivables and loans to subsidiaries

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 36(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 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.

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.

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

S Financial assets (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(d) Impairment (Cont'd.)

(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:

Quantitative criteria:

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

Qualitative criteria:

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 individual basis.

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

(a) Collective assessment

To measure ECL, trade receivables arising from television services and advertising business 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.

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

(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.

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

S Financial assets (Cont'd.)

Accounting policies applied from 1 February 2018 (Cont'd.)

(d) Impairment (Cont'd.)

(v) Write-off (Cont'd.)

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

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 and loan to 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.

Accounting policies applied until 31 January 2018

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), loans and receivables, available-for-sale ("AFS") and held-to-maturity ("HTM"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at FVTPL

Financial assets at FVTPL are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. The Group has not elected to designate any financial assets at FVTPL.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets. They are included in 'Receivables and prepayments' and 'Deposits, cash and bank balances' in the balance sheet.

(iii) AFS investments

AFS financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within twelve months of the end of the reporting period.

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

S Financial assets (Cont'd.)

Accounting policies applied until 31 January 2018 (Cont'd.)

(a) Classification (Cont'd.)

(iv) HTM investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Group has the positive intent and ability to hold it to maturity. They are classified as non-current assets when the remaining maturities are more than twelve months and as current assets when the remaining maturities are less than twelve months. They are included in financial assets in the balance sheet at amortised cost. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(b) Recognition and measurement

Purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at FVTPL. Financial assets carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the income statement. FVTPL are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method. AFS are subsequently carried at fair value. Any gains or losses from changes in fair value of AFS are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments, interest and dividends are recognised in the income statement.

(c) Subsequent measurement - Impairment of financial assets

Financial assets carried at amortised cost are impaired when there is objective evidence as a result of one or more events that the present value of estimated discounted future cash flows is lower than the carrying value. Any impairment losses are recognised immediately in the income statement. Financial assets are continuously monitored and allowances are applied against financial assets on a collective basis based on the Group's and Company's historical loss experiences for the relevant aged category.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the income statement.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If 'loans and receivables' have a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The Group may measure impairment on the basis of an instrument's fair value using an observable market price.

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

S Financial assets (Cont'd.)

Accounting policies applied until 31 January 2018 (Cont'd.)

(c) Subsequent measurement - Impairment of financial assets (Cont'd.)

In the case of equity securities classified as AFS, in addition to the criteria for financial assets carried at amortised cost above, a significant or prolonged decline in the fair value of the security below its cost is also considered as an indicator that the assets are impaired. If any such evidence exists for AFS financial assets, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in income statement. The amount of cumulative loss that is reclassified to income statement is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as AFS are not reversed through the income statement.

(d) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When AFS are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to the income statement.

T Financial liabilities

Financial liabilities within the scope of MFRS 9 and MFRS 139 Financial Instruments: Recognition and Measurement 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.

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

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.

Since adoption of MFRS 9, 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. Prior to 1 February 2018, the Group documented at the inception of the transaction, the relationship between hedging instruments and hedged items and its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that were used in hedging transactions have been, and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

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.

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 are 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 adoption of MFRS 9, gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in other comprehensive income 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 other comprehensive income and accumulated in costs of hedging reserve within equity.

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

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

Cash flow hedges (Cont'd.)

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 other comprehensive income 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 other comprehensive income 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.

V Earnings per ordinary share

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

Basic EPS are 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 are 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.

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

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, with the amount of GST included. The net amount of GST recoverable from the government is included in other receivables.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows which are recoverable from, or payable to, the government are classified as operating cash flows.

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(c) 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, with the amount of GST included. The net amount of GST payable to the government is included in other payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows which are recoverable from, or payable to, the government are classified as operating cash flows.

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

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.

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

AB Loans to subsidiaries

Loans 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.

Loans to subsidiaries are subsequently measured at amortised cost using the effective interest method, less loss allowance. Details on the Company's impairment policies of loans to subsidiaries are provided in Note 3(S).

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.

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 considerations that the Group expects to receive for the specific contract that the cost relate 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) 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 19 to the financial statements.

The recoverable amount of the CGUs was determined based on a value in use basis and no impairment was identified 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 flow projections are based on the Board approved budget for the next financial year and the strategic plan covering a three (2018: five) 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 19.

(c) 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 36(a).

5 Revenue and contract assets/(liabilities)

Financial year ended 31 January 2019

	Group RM'000	Company RM'000
Revenue from contract with customers (Note a)	5,477,407	4,150
Revenue from other sources:		
Dividend income from subsidiaries	-	492,482
Rental income	1,641	-
	5,479,048	496,632

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

	Television RM'000	Radio RM'000	Home-shopping RM'000	Others RM'000	Total RM'000
Major goods and services					
Television services:					
- Subscription	4,002,137	-	-	-	4,002,137
- Prepaid subscription	62,057	-	-	-	62,057
- Non-subscription based set-top boxes	51,549	-	-	-	51,549
- Others*	72,440	-	-	-	72,440
Advertising airtime sales:					
- barter	6,538	12,653	-	-	19,191
- non-barter	362,103	255,728	-	-	617,831
Digital advertising:					
- barter	-	2,705	-	-	2,705
- non-barter	25,486	21,696	-	-	47,182
Sales of merchandise	1,575	-	371,157	-	372,732
Programme and channel sales:					
- Provision of programme broadcast rights	39,403	-	-	-	39,403
- Production service revenue	73,107	-	211	-	73,318
- Licensing income	91,034	-	-	-	91,034
- Others	7,735	-	-	-	7,735
Others	14,705	83	2,597	708	18,093
	4,809,869	292,865	373,965	708	5,477,407
Timing of revenue recognition					
At a point in time	83,948	-	371,157	-	455,105
Over time	4,725,921	292,865	2,808	708	5,022,302
	4,809,869	292,865	373,965	708	5,477,407

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
	2019
	RM'000
At beginning of financial year	-
Effect arising from adoption of MFRS 15	**5,107**
At beginning of financial year, as adjusted	**5,107**
Transfer to receivables	**(5,107)**
Additions due to revenue recognised during the year	**9,625**
At end of financial year	**9,625**

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

Contract liabilities

	Group
	2019
	RM'000
At beginning of financial year	-
Effect arising from adoption of MFRS 15	**222,110**
At beginning of financial year, as adjusted	**222,110**
Increases due to cash received	**234,787**
Revenue recognised in income statement during the year	**(248,177)**
At end of financial year	**208,720**

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 next 1 to 12 months.

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

Financial year ended 31 January 2018

	Group RM'000	Company RM'000
Subscription	4,199,424	-
Advertising airtime sales:		
- barter	10,350	-
- non-barter	681,132	-
Prepaid subscription revenue	51,766	-
Provision of programme broadcast rights	33,506	-
Production service revenue	96,881	-
Licensing income	32,601	-
Non-subscription based set-top boxes	52,677	-
Interactive services	31,612	-
Dividend income from subsidiaries	-	738,485
Magazine advertising sales	1,555	-
Sales of merchandise	287,571	-
Playout channel service fees	6,821	-
Set up fee revenue	12,631	-
Others**	32,226	3,766
	5,530,753	742,251

** *Comprise management fees, talent revenue, activation fee, technical service fee and income from rental of building for the Group and management fees for the Company.*

6 Profit Before Tax

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

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Amortisation:				
- film library and programme rights	**382,532**	390,786	**-**	-
- event license rights	**9,132**	2,315	**-**	-
- contract costs assets	**56,108**	-	**-**	-
- software	**139,169**	154,024	**-**	5
Auditors' remuneration:				
- audit	**2,079**	1,842	**573**	550
- over provision of audit fees	**-**	(46)	**-**	-
- audit related services (including quarterly reviews)	**873**	1,001	**735**	970
- other services*	**1,157**	402	**-**	-
Bad debts written off	**8,172**	11,147	**-**	-
Set-top boxes related costs	**45,996**	105,001	**-**	-
Corporate management costs	**-**	-	**6,620**	6,880
Corporate responsibility programme costs	**11,293**	10,816	**-**	-
Depreciation:				
- property, plant and equipment	**506,910**	523,457	**10**	104
Fair value loss on derivatives recycled to income statement arising from foreign exchange risk	**34,186**	-	**-**	-
Impairment:				
- film library and programme rights	**7,448**	10,130	**-**	-
- software	**16,725**	-	**-**	-
- property, plant and equipment	**1,053**	114	**-**	-
- receivables	**32,550**	114,704	**-**	11
- advances to subsidiaries	**-**	-	**1,254**	7,650
- investments accounted for using equity method	**2,142**	-	**-**	-
Insurance	**6,346**	8,464	**82**	130
Inventories written off	**1,335**	1,867	**-**	-
Maintenance expenses	**97,688**	86,473	**290**	301
Marketing and market research expenses	**136,833**	140,038	**310**	394
Professional, consultancy and other related expenses	**133,324**	140,167	**851**	696
Programme provider fees	**1,248,009**	1,138,751	**-**	-
Property, plant and equipment written off	**57**	244	**-**	-
Realised foreign exchange losses (net)	**-**	3,340	**240**	246

6 Profit 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	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Rental:				
- buildings	**16,123**	22,970	**141**	126
- equipment	**9,700**	9,984	**19**	24
- land	**2,435**	5,189	**-**	-
- storage	**614**	747	**8**	4
Staff costs (Note 7)	**702,359**	589,897	**7,769**	6,237
Selling and distribution expenses**	**145,464**	183,774	**-**	-
Unrealised foreign exchange loss (net)	**1,108**	-	**4**	-

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.

* *Fees for other services were incurred in connection with performance of agreed upon procedures, 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 sales incentive and warehousing and distribution costs.*

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

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Gain on disposal of property, plant and equipment	**(202)**	(200)	**-**	-
Realised foreign exchange gains (net)	**(5,287)**	-	**-**	-
Unrealised foreign exchange gains (net)	**-**	(20,749)	**-**	(6)
Write back of bad debts	**(2,078)**	(2,301)	**-**	-
Fair value gain on derivatives recycled to income statement arising from foreign exchange risk	**-**	(15,218)	**-**	-

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

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Wages and salaries	**502,758**	475,213	**5,191**	4,912
Employee benefits-in-kind	**26,650**	22,158	**179**	159
Social security costs	**4,462**	3,634	**24**	22
Defined contribution plans	**74,269**	68,841	**773**	723
Staff welfare and allowances	**9,685**	11,634	**66**	82
Share-based payments (Note (a))	**1,989**	8,417	**103**	339
Separation scheme*	**82,546**	-	**1,433**	-
	702,359	589,897	**7,769**	6,237

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 and Company.*

(a) Share-based payments

The Company established a Share Scheme, which came into effect on 20 September 2012. An eligible executive or eligible employee who accepts an offer under the Share Awards ("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 Share Scheme, the Grantees shall be entitled to receive new ordinary shares to be issued pursuant to the Share Awards, on the scheduled vesting dates without further payment, subject to meeting the vesting conditions as set out in their respective letters of offer for their Share Awards, which comprise the performance targets stipulated by the Remuneration Committee of the Company.

The Share Scheme shall be in force for a period of ten years commencing from the date on which the Share Scheme became effective and no share under a share award shall vest beyond the expiry of the duration of the Share Scheme. The Company's Share Scheme consists of two types of share awards namely, Restricted Share Units ("RSU") and Performance Share Units ("PSU").

<u>RSU</u>

On 11 October 2012, 19 October 2015 and 19 October 2016, the Company granted share awards in respect of 21,927,000, 629,200 and 511,100 new ordinary shares respectively to the eligible executives and eligible employees of the Group and Company as part of the RSU award.

Key features of the RSU are as follows:

- The RSU granted will vest upon the fulfilment of predetermined vesting conditions including company and individual performance targets.
- The Grantees shall be entitled to 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.)

The movement in the number of RSU is as follows:

Financial year ended 31 January 2019

	Group	
	3rd RSU '000	2nd RSU '000
At 1 February	**366**	**419**
Forfeited	**(26)**	**(64)**
Vested	**(76)**	**(355)**
At 31 January	**264**	**-**

	Company
	2nd RSU '000
At 1 February	**7**
Vested	**(7)**
At 31 January	**-**

Financial year ended 31 January 2018

	Group		
	3rd RSU '000	2nd RSU '000	1st RSU '000
At 1 February	417	559	4,479
Forfeited	(9)	(18)	(281)
Vested	(42)	(122)	(4,198)
At 31 January	366	419	-

	Company	
	2nd RSU '000	1st RSU '000
At 1 February	9	180
Vested	(2)	(180)
At 31 January	7	-

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 RSU granted:

Grant date	Vesting Date	Group 2019 Share grants '000	Group 2018 Share grants '000
19 October 2015 ("2nd RSU")	19 October 2016 – 19 October 2018	-	419
19 October 2016 ("3rd RSU")	19 October 2017 – 19 October 2019	**264**	366

Grant date	Vesting Date	Company 2019 Share grants '000	Company 2018 Share grants '000
19 October 2015 ("2nd RSU")	19 October 2016 – 19 October 2018	-	7

2nd RSU

Vesting tranche	Vesting Date	Group 2019 Share grants '000	Group 2018 Share grants '000
2nd Tranche	19 October 2017	-	-
3rd Tranche	19 October 2018	-	419
		-	419

Vesting tranche	Vesting Date	Company 2019 Share grants '000	Company 2018 Share grants '000
2nd Tranche	19 October 2017	-	-
3rd Tranche	19 October 2018	-	7
		-	7

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

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

RSU (Cont'd.)

3rd RSU

		Group	
Vesting tranche	**Vesting Date**	**2019 Share grants '000**	**2018 Share grants '000**
1st Tranche	19 October 2017	**-**	-
2nd Tranche	19 October 2018	**-**	74
3rd Tranche	19 October 2019	**264**	292
		264	366

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

2nd RSU

	Group and Company
	2019/2018
Fair value at grant date	RM2.53 – RM2.81
Share price at grant date	RM2.96
Expected volatility	25.71%
Expected dividends	5.43%
Risk-free interest rate (based on Malaysian Government Securities yield)	3.35%

3rd RSU

	Group and Company
	2019/2018
Fair value at grant date	RM2.43 – RM2.67
Share price at grant date	RM2.80
Expected volatility	26.19%
Expected dividends	4.82%
Risk-free interest rate (based on Malaysian Government Securities yield)	2.99%

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.

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

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

PSU

On 1 August 2013, 1 August 2014 and 7 August 2015, the Company granted share awards in respect of 8,624,000, 7,889,600 and 9,093,900 new ordinary shares respectively to eligible executives and eligible employees of the Group and Company as part of the PSU award.

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 three-year period and individual performance rating.
- The Grantees shall be entitled to receive new ordinary shares in the Company to be issued, on the scheduled vesting dates without further payment.

Details of the PSU granted:

		Group	
Grant date	Vesting Date	2019 Share grants '000	2018 Share grants '000
1 August 2014 ("2nd PSU")	1 August 2017	-	-
7 August 2015 ("3rd PSU")	7 August 2018	-	8,205

		Company	
Grant date	Vesting Date	2019 Share grants '000	2018 Share grants '000
1 August 2014 ("2nd PSU")	1 August 2017	-	-
7 August 2015 ("3rd PSU")	7 August 2018	-	329

The movement in the number of PSU is as follows:

Financial year ended 31 January 2019

	Group 3rd PSU '000
At 1 February	**8,205**
Lapsed	**(8,205)**
At 31 January	**-**

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

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

PSU (Cont'd.)

The movement in the number of PSU is as follows (Cont'd.):

Financial year ended 31 January 2019 (Cont'd.)

	Company
	3rd PSU '000
At 1 February	**329**
Lapsed	**(329)**
At 31 January	**-**

Financial year ended 31 January 2018

	Group	
	3rd PSU '000	2nd PSU '000
At 1 February	8,787	6,362
Forfeited	(582)	-
Lapsed	-	(6,362)
At 31 January	8,205	-

	Company	
	3rd PSU '000	2nd PSU '000
At 1 February	329	283
Lapsed	-	(283)
At 31 January	329	-

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

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

PSU (Cont'd.)

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

2nd PSU

	Group and Company
	2019/2018
Fair value at grant date	RM3.011 – RM3.524
Share price at grant date	RM3.35
Expected volatility	23.28%
Expected dividends	3.63%
Risk-free interest rate (based on Malaysian Government Securities yield)	3.46%

3rd PSU

	Group and Company
	2019/2018
Fair value at grant date	RM2.526 – RM2.598
Share price at grant date	RM3.00
Expected volatility	25.80%
Expected dividends	4.84%
Risk-free interest rate (based on Malaysian Government Securities yield)	3.48%

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 was as follows:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Non-Executive Directors				
Fees and meeting allowances	**2,409**	2,062	**2,399**	2,052
Estimated money value of benefits-in-kind	**30**	35	**30**	35
	2,439	2,097	**2,429**	2,087
Executive Directors*				
Salaries and bonus	**32,229**	31,583	**-**	-
Defined contribution plans	**4,981**	4,554	**-**	-
Estimated money value of benefits-in-kind	**88**	44	**-**	-
Share-based payments (Note 7(a))	**141**	6,138	**-**	-
Separation scheme	**6,252**	-	**-**	-
	43,691	42,319	**-**	-
Total Directors' remuneration	**46,130**	44,416	**2,429**	2,087

* *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		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
(a) Finance income:				
Interest income	**8,064**	7,277	**36,376**	68,429
Dividend income – unit trusts	**29,379**	19,967	**3,885**	1,996
Unrealised foreign exchange gains (net)	**-**	368,842	**19,625**	161,845
Fair value loss on derivatives recycled to income statement arising from foreign exchange risk	**-**	(224,564)	**(19,625)**	(161,845)
Fair value gain on unit trusts (net)	**369**	-	**-**	-
	37,812	171,522	**40,261**	70,425
(b) Finance costs:				
Interest expense:				
- Bank borrowings	**102,984**	82,736	**50,161**	73,229
- Finance lease liabilities	**101,008**	90,805	**-**	-
- Vendor financing	**27,576**	26,979	**-**	-
- Debt service and other finance costs	**8,041**	9,399	**6,900**	6,862
	239,609	209,919	**57,061**	80,091
Realised foreign exchange losses (net)	**3,292**	4,456	**-**	-
Unrealised foreign exchange losses (net)	**40,748**	-	**-**	-
Loss on disposal of unit trusts	**2,589**	-	**39**	-
Fair value loss on unit trusts (net)	**-**	-	**1,602**	-
Fair value loss on derivatives recycled to income statement arising from:				
- Foreign exchange risk	**19,169**	2,248	**-**	-
- Interest rate risk	**11,670**	20,149	**10,307**	16,746
	317,077	236,772	**69,009**	96,837

10 Tax Expense

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Current tax:				
- Malaysian income tax	**214,324**	256,896	**-**	-
- Foreign tax	**4,443**	2,029	**-**	-
- Under accrual in prior year	**4,667**	4,610	**-**	50
	223,434	263,535	**-**	50
Deferred tax (Note 26):				
- Origination and reversal of temporary differences	**(33,113)**	45,640	**(13)**	24
	190,321	309,175	**(13)**	74

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

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Profit before tax	**651,145**	1,073,151	**443,547**	686,561
Tax at the Malaysian corporate tax rate of 24% (2018: 24%)	**156,275**	257,556	**106,451**	164,775
Share of post tax results from investments accounted for using the equity method	**(191)**	386	**-**	-
Expenses not deductible for tax purposes	**27,618**	31,487	**12,999**	13,046
Income not subject to tax	**(7,074)**	(5,585)	**(119,450)**	(177,797)
Effect of tax rates in foreign jurisdictions	**2,159**	1,968	**-**	-
Recognition and utilisation of previously unrecognised temporary differences	**(1,173)**	-	**-**	-
Under accrual in prior year	**4,667**	4,610	**-**	50
Over accrual in prior year deferred tax	**(13,862)**	-	**(13)**	-
Unrecognised deferred tax assets	**21,902**	18,753	**-**	-
Tax expense	**190,321**	309,175	**(13)**	74

11 Earnings per Ordinary Share

The calculation of basic earnings per ordinary share for the financial year ended 31 January 2019 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 shares for the financial year ended 31 January 2019 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment 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	
	2019 **RM'000**	**2018** **RM'000**
Profit for the year attributable to ordinary shareholders used in the computation of basic/diluted earnings per share	**462,921**	770,636

(a) Basic earnings per share

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

	Group	
	2019	**2018**
Weighted average number of ordinary shares for basic earnings per share* ('000)	**5,214,006**	5,210,777
Basic earnings per ordinary share (RM)	**0.09**	0.15

(b) Diluted earnings per share

Weighted average number of ordinary shares for basic earnings per share* ('000)	**5,214,006**	5,210,777
Adjustment for:		
Grant of share award under the management share scheme ('000)	**109**	4,185
Weighted average number of ordinary shares for diluted earnings per share ('000)	**5,214,115**	5,214,962
Diluted earnings per ordinary share (RM)	**0.09**	0.15

* *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:

	2018 RM'000
In respect of the financial year ended 31 January 2017:	
Fourth interim single-tier dividend of RM0.03 per share on 5,209,522,200 ordinary shares, declared on 28 March 2017 and paid on 27 April 2017	156,286
Final single-tier dividend of RM0.005 per share on 5,209,522,200 ordinary shares, approved by shareholders at the Annual General Meeting on 15 June 2017 and paid on 14 July 2017	26,047
	182,333
In respect of the financial year ended 31 January 2018:	
First interim single-tier dividend of RM0.03 per share on 5,209,522,200 ordinary shares, declared on 14 June 2017 and paid on 14 July 2017	156,286
Second interim single-tier dividend of RM0.03 per share on 5,209,522,200 ordinary shares, declared on 14 September 2017 and paid on 13 October 2017	156,286
Third interim single-tier dividend of RM0.03 per share on 5,213,883,600 ordinary shares, declared on 6 December 2017 and paid on 5 January 2018	156,416
	468,988
	651,321

	2019 RM'000
In respect of the financial year ended 31 January 2018:	
Fourth interim single-tier dividend of RM0.03 per share on 5,213,883,600 ordinary shares, declared on 28 March 2018 and paid on 27 April 2018	**156,416**
Final single-tier dividend of RM0.005 per share on 5,213,883,600 ordinary shares, approved by shareholders at the Annual General Meeting on 7 June 2018 and paid on 6 July 2018	**26,070**
	182,486
In respect of the financial year ended 31 January 2019:	
First interim single-tier dividend of RM0.025 per share on 5,213,883,600 ordinary shares, declared on 6 June 2018 and paid on 6 July 2018	**130,347**
Second interim single-tier dividend of RM0.025 per share on 5,213,883,600 ordinary shares, declared on 26 September 2018 and paid on 26 October 2018	**130,347**
Third interim single-tier dividend of RM0.025 per share on 5,214,314,500 ordinary shares, declared on 5 December 2018 and paid on 4 January 2019	**130,358**
	391,052
	573,538

Subsequent to the financial year, on 26 March 2019, the Directors declared a fourth interim single-tier dividend of RM0.015 per share on 5,214,314,500 ordinary shares in respect of the financial year ended 31 January 2019, amounting to RM78,214,718, which will be payable on 25 April 2019.

The Directors do not recommend any final dividend to be paid for the financial year ended 31 January 2019.

13 Property, Plant and Equipment

	[1]Freehold land RM'000	Buildings RM'000	[2]Satellite transponders RM'000	[2]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 2018	10,586	136,978	1,496,419	101,858	609,871	45,134	2,400,846
Additions	-	-	76,594[3]	19,801	180,876[4]	64,216	341,487
Adjustments	-	(488)	-	-	-	-	(488)
Disposal	-	-	-	(260)	(4)	-	(264)
Transfers between classes	-	-	-	2,059	34,801	(36,860)	-
Reclassification to intangible assets (Note 19)	-	-	-	(468)	-	-	(468)
Impairment	-	-	-	(390)	(663)	-	(1,053)
Written off	-	-	-	(12)	(45)	-	(57)
Exchange differences	-	-	-	19	2	-	21
Depreciation charge	-	(5,797)	(169,335)	(31,672)	(300,106)	-	(506,910)
At 31 January 2019	10,586	130,693	1,403,678	90,935	524,732	72,490	2,233,114
At 31 January 2019							
Cost	10,586	170,513	2,367,906	548,064	4,107,807[5]	72,490	7,277,366
Accumulated depreciation and impairment	-	(39,820)	(964,228)	(457,129)	(3,583,075)	-	(5,044,252)
Net book value	10,586	130,693	1,403,678	90,935	524,732[6]	72,490	2,233,114

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

	[1]Freehold land RM'000	Buildings RM'000	[2]Satellite transponders RM'000	[2]Equipment, fixtures and fittings RM'000	Broadcast and transmission equipment RM'000	Assets under construction RM'000	Total RM'000
Group (Cont'd.)							
Net book value							
At 1 February 2017	10,586	142,778	834,636	125,608	643,775	60,481	1,817,864
Additions	-	-	806,191[3]	16,076	233,284[4]	45,832	1,101,383
Disposal	-	-	-	(2)	(11)	-	(13)
Transfers between classes	-	-	-	5,050	55,476	(60,526)	-
Reclassification (to)/ from intangible assets (Note 19)	-	-	-	(254)	6,364	(653)	5,457
Impairment	-	-	-	-	(114)	-	(114)
Written off	-	-	-	(244)	-	-	(244)
Exchange differences	-	-	-	(30)	-	-	(30)
Depreciation charge	-	(5,800)	(144,408)	(44,346)	(328,903)	-	(523,457)
At 31 January 2018	10,586	136,978	1,496,419	101,858	609,871	45,134	2,400,846
At 31 January 2018							
Cost	10,586	171,001	2,291,312	539,369	3,973,980[5]	45,134	7,031,382
Accumulated depreciation and impairment	-	(34,023)	(794,893)	(437,511)	(3,364,109)	-	(4,630,536)
Net book value	10,586	136,978	1,496,419	101,858	609,871[6]	45,134	2,400,846

[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 assets held under a finance lease liability as disclosed in Note 25(a).*
[3] *Includes significant non-cash transactions of RM76,594,000 (2018: RM806,191,000) as disclosed in Note 32.*
[4] *Includes significant non-cash transactions of RM165,514,000 (2018: RM199,947,000) as disclosed in Note 32.*
[5] *Includes fully depreciated HD set-top boxes of RM2,266,674,000 (2018: RM2,012,190,000) that are still in use.*
[6] *Includes net book value of HD set-top boxes of RM236,425,000 (2018: RM278,335,000).*

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

	Equipment, fixtures and fittings	
	2019	**2018**
	RM'000	**RM'000**
Company		
Net book value		
At 1 February	**24**	115
Additions	**22**	13
Disposal	**(3)**	-
Depreciation charge	**(10)**	(104)
At 31 January	**33**	24
At 31 January		
Cost	**786**	769
Accumulated depreciation	**(753)**	(745)
Net book value	**33**	24

14 Investment in Subsidiaries

	Company	
	2019	**2018**
	RM'000	**RM'000**
Unquoted shares, at cost	**6,955,879**	6,804,229
Investment in Redeemable Preference Shares ("RPS")	**214,400**	214,410
	7,170,279	7,018,639
Less: Impairment of investment in RPS	**(982)**	(982)
	7,169,297	7,017,657

14 Investment in Subsidiaries (Cont'd.)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2019 %	Group's effective interest 2018 %	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
Astro Entertainment Sdn. Bhd. ("AESB")	Malaysia	**100**	100	Organising trade related projects, marketing, soliciting and sale of airtime
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. (formerly known as MBNS Multimedia Technologies Malaysia Sdn. Bhd.) ("GTS")	Malaysia	**100**	100	Inactive
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

14 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2019 %	2018 %	Principal activities
Directly held by the Company (Cont'd.)				
Tribe Network Asia Pacific Limited (registered as a foreign company in Malaysia) ("Tribe")	Hong Kong	**100**	100	Creation, aggregation, distribution and monetisation of content
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
Capital FM Sdn. Bhd. ("CFSB")	Malaysia	**100**	100	Operation of commercial radio broadcasting stations

14 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest 2019 %	Group's effective interest 2018 %	Principal activities
Subsidiaries held by MBNS (Cont'd.)				
Yayasan Astro Kasih ("Yayasan")	Malaysia	**-**	-	Advancing and benefitting the community
Subsidiary held by ARSB				
DVR Player.Com Sdn. Bhd. ("DVRSB")	Malaysia	**100**	100	Provision of radio services via internet
Subsidiaries held by AESB				
Astro Arena Sdn. Bhd. ("AASB")	Malaysia	**100**	100	Creation and production of Malaysian sports programming and acquisition and packaging of related sports content
Astro Awani Network Sdn. Bhd. ("AANSB")	Malaysia	**80**	80	Provision of news content
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	Provision of consultancy services
Nusantara Retail Sdn. Bhd. ("NRSB")	Malaysia	**100**	100	Retailing and sales of merchandise

14 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest		Principal activities
		2019 %	2018 %	
Subsidiaries held by ASSB (Cont'd.)				
Tayangan Unggul Sdn. Bhd. ("TUSB")	Malaysia	**100**	100	Film production, acquisition, commissioning and distribution as well as the provision of contact centre services
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, music sound recording, music publishing, film production and related business
Nu Ideaktiv Sdn. Bhd. ("NISB")	Malaysia	**34**	-	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	Development and operation of live streaming platform, production, marketing, sales and distribution of programmes and provision of management consultancy and IT services

14 Investment in Subsidiaries (Cont'd.)

Name of subsidiaries	Country of incorporation and place of business	Group's effective interest		Principal activities
		2019 %	2018 %	
Subsidiary held by ARV				
Astro GS Shop Sdn. Bhd. ("Go Shop")	Malaysia	**60**	60	Home shopping business
Subsidiary held by Go Shop				
Astro GS Shop Singapore Pte. Ltd. ("Go Shop Singapore")	Singapore	**60**	60	Home shopping business

All the subsidiaries are audited by PricewaterhouseCoopers PLT Malaysia, except for Tribe, ASV and Go Shop Singapore 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 and NISB, 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.

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 RM Nil (2018: RM12,000,000) to Yayasan for activities advancing and benefitting the community. The subsidiaries intend to continue providing such support to Yayasan.

During the year, the Company subscribed for the following:

(a) Additional 6,650,000 ordinary share in ASSB for a total cash consideration of RM6,650,000. The subscription of the new share did not result in any change of the Company's equity interest in ASSB.

(b) Additional 50,000,104 ordinary share in ADSB for a total cash consideration of RM50,000,104. Correspondingly, ADSB subscribed for 104 Class A ordinary shares in NISB which carry one vote for each share and 50,000,000 Class B ordinary shares in NISB which carry two votes for each share, representing 51% voting rights. Details on the acquisition are disclosed in Note 40 to the financial statements.

(c) Additional 95,000,000 ordinary share in AESB for RM95,000,000. Details are disclosed in Note 32 to the financial statements.

During the year, a wholly-owned subsidiary of the Company, MBNS, redeemed 10,000 RPS by paying in cash RM10,000 to the Company.

The Company performed impairment assessment on its investment in subsidiaries from the television and radio segments. The impairment assessment involved comparison of its carrying amount against its recoverable amount which was determined based on VIU calculation. No impairment charge was recognised as its recoverable amount exceeded its carrying amount.

Sensitivity analysis has been performed around the base case assumptions with the conclusion that no reasonably possible changes in key assumptions would cause the recoverable amount to be less than the carrying amount. Based on the sensitivity analysis performed, if compound revenue growth rates for television and radio segments are nil respectively, its recoverable amount will continue to be higher than its carrying amount.

14 Investment in Subsidiaries (Cont'd.)

Non-controlling interests ("NCI") in subsidiaries

Group – 2019	NISB RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
NCI percentage of ownership interest	66%		
NCI percentage of voting interest	49%		
Carrying amount of NCI	96,283	(2,643)	93,640
Profit/(loss) allocated to NCI	283	(2,380)	(2,097)

Set out below are summarised financial information for subsidiary that has NCI that are material to the Group:

	NISB RM'000
Summarised balance sheet	
As at 31 January 2019	
Non-current assets	106,826
Current assets	58,369
Non-current liabilities	(9,793)
Current liabilities	(9,022)
Summarised income statement	
Year ended 31 January 2019	
Revenue	18,032
Expenses	(17,653)
Profit/total comprehensive profit for the financial year	379
Summarised cash flow	
Cash flow from operating activities	2,526
Net cash used in investing activities	(50,450)
Net cash flow from financing activity	50,000
Net increase in cash and cash equivalents	2,076

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

15 Investment in Associates

	Group 2019 RM'000	Group 2018 RM'000
Share of net assets and reserves	-	663

The associates are not material to the Group.

	2019 RM'000	2018 RM'000
Income statements		
Revenue	**81,082**	86,142
Expenses	**(99,979)**	(90,059)
Loss/total comprehensive loss for the financial year	**(18,897)**	(3,917)
Share of profit/(loss) for the financial year	**713**	(1,496)

The Group has not recognised losses related to Kristal-Astro Sdn. Bhd. amounting RM10,984,000 in respect of the current financial year (total unrecognised accumulated losses of RM29,373,000) (2018: RM18,389,000), since the Group has no obligation in respect of these losses and the carrying value of the investment is Nil (2018: Nil).

Details of the associates are as follows:

Name of associates	Country of incorporation and place of business	Group's effective interest 2019 %	Group's effective interest 2018 %	Principal activities
Associate held by ABSB				
Kristal-Astro Sdn. Bhd.	Brunei	**48.9**	48.9	Provision of television services
Associate held by AESB				
Turner Astro Limited ("TAL") (Note (a))	Hong Kong	**20**	20	Provision of television services

(a) On 25 April 2018, AESB subscribed for an additional 200,000 ordinary shares in TAL, a 20% owned associate company principally engaged in the provision of television services, for a cash consideration of USD200,000. Following the subscription, the Company's shareholding interest of 20% in TAL remains unchanged.

As at year end, the Group intends to dispose the stake held in TAL for a nominal consideration of HKD 2.00 and to terminate the Joint Venture Agreement dated 14 October 2016. Pursuant to this, an impairment charge of RM2,142,000 was recognised in the Group's income statement.

16 Investment in Joint Ventures

	Group 2019 RM'000	Group 2018 RM'000
Share of net assets and reserves	**2,127**	2,044

The joint ventures are not material to the Group.

	2019 RM'000	2018 RM'000
Income statements		
Revenue	**5,326**	6,913
Expenses	**(5,038)**	(7,299)
Profit/(loss)/ total comprehensive profit/(loss) for the financial year	**288**	(386)
Share of profit/(loss) for the financial year	**83**	(112)

Commitment and contingent liabilities in respect of joint ventures

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

Details of the joint ventures are as follows:

Name of joint ventures	Country of incorporation and place of business	Group's effective interest 2019 %	Group's effective interest 2018 %	Principal activities
Joint Ventures held by AESB				
Spark Asia TV Pte Ltd ("Spark") (Note (a))	Singapore	**-**	-	Production, commissioning and distribution of content for an Asian documentary channel
Red Communications Sdn. Bhd.	Malaysia	**28.9**	28.9	Provision of services in communication and organising media related events

(a) On 20 February 2017, AESB, Spark GmbH and TMV entered into a settlement agreement to make an application to strike off Spark from the Register of Companies in Singapore, for which AESB has agreed to bear all costs and expenses related to such application. AESB has also agreed to reimburse TMV and Spark GmbH their original capital contribution and expenses. On 5 April 2018, Spark was officially struck off from the Register of the Accounting and Corporate Regulatory Authority of Singapore.

17 Other investments

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Non-current				
Financial assets at FVOCI				
(2018: Available-for-sale financial assets)				
- Preference shares in an unquoted company (Note (a))	**4,085**	4,085	-	-
	4,085	4,085	-	-
Current				
Financial assets at FVTPL				
(2018: Available-for-sale financial assets)				
- Investment in unit trusts (Note (b))	**348,680**	728,447	-	170,709
	348,680	728,447	-	170,709
	352,765	732,532	-	170,709

(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.

For non-trading equity securities above, the Group has irrevocably elected at initial recognition to present its fair value changes in OCI. The Group considers this classification to be more relevant as these instruments are strategic investments of the Group and are not held for trading purpose.

In the prior financial year, the Group had designated this investment as AFS. Refer to Note 41 for explanation of changes in accounting policy and reclassification of investment in non-trading equities from AFS to FVOCI.

(b) Investment in unit trusts

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

In the prior financial year, the Group had designated this investment as AFS. Refer to Note 41 for explanation of changes in accounting policy and reclassification of investment in unit trusts from AFS to FVTPL.

These financial assets are neither past due nor impaired.

18 Advances to Subsidiaries

Non-current

Advances to subsidiaries are unsecured, with no fixed terms of repayment. (2018: Advances to subsidiaries are unsecured and repayable on the expiry of a 10-year term effective from the date of disbursement or such later date as may be agreed). The effective interest rate during the financial year ranges from 4.9% to 5.5% (2018: 4.9% to 5.5%) per annum.

Included in advances to subsidiaries is an impairment of RM50,037,000 (2018: RM48,783,000). The impairment amount recognised in the current financial year was RM1,254,000 (2018: RM7,650,000). The impairment amount was recognised pursuant to MFRS 9 impairment assessment (2018 : MFRS 139 impairment assessment).

18 Advances to Subsidiaries (Cont'd.)

Current

Advances to subsidiaries are unsecured, with no fixed terms of repayment and are subject to interest ranging from 4.9% to 5.5% (2018: 4.9% to 5.5%) per annum.

19 Intangible Assets

Group	Goodwill RM'000	Intellecual 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								
As 31 January 2018, as reported	1,075,129	-	368,263	10,722	245,668	272,281	67,240	2,039,303
Effect arising from adoption of MFRS 15 (Note 41)	-	-	-	-	(2,543)	-	-	(2,543)
At 1 February 2018, as adjusted	1,075,129	-	368,263	10,722	243,125	272,281	67,240	2,036,760
Additions	-	-	-	-	386,706	41,528	75,631	503,865
Acquisition of a subsidiary (Note 40)	64,988	40,805	-	-	-	-	-	105,793
Reclassification from/ (to) property, plant and equipment (Note 13)	-	-	-	-	-	845	(377)	468
Transfer between classes	-	-	-	-	-	53,820	(53,820)	-
Impairment	-	-	-	-	(7,448)	(16,725)	-	(24,173)
Exchange differences	-	-	-	57	(7)	(26)	6	30
Amortisation charge	-	-	-	(9,132)	(382,532)	(139,169)	-	(530,833)
At 31 January 2019	1,140,117	40,805	368,263	1,647	239,844	212,554	88,680	2,091,910
At 31 January 2019								
Cost	1,140,117	40,805	368,263	20,597	2,994,203	1,353,850	88,680	6,006,515
Accumulated amortisation and impairment	-	-	-	(18,950)	(2,754,359)	(1,141,296)	-	(3,914,605)
Net book value	1,140,117	40,805	368,263	1,647	239,844	212,554	88,680	2,091,910

19 Intangible Assets (Cont'd.)

Group (Cont'd.)	Goodwill 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 2017	1,075,129	368,263	13,350	232,729	286,325	68,775	2,044,571
Additions	-	-	-	413,917	104,671	39,229	557,817
Reclassification from/ (to) property, plant and equipment (Note 13)	-	-	-	-	1,151	(6,608)	(5,457)
Transfer between classes	-	-	-	-	34,156	(34,156)	-
Impairment	-	-	-	(10,130)	-	-	(10,130)
Exchange differences	-	-	(313)	(62)	2	-	(373)
Amortisation charge	-	-	(2,315)	(390,786)	(154,024)	-	(547,125)
At 31 January 2018	1,075,129	368,263	10,722	245,668	272,281	67,240	2,039,303
At 31 January 2018							
Cost	1,075,129	368,263	20,313	2,834,128	1,263,791	67,240	5,628,864
Accumulated amortisation and impairment	-	-	(9,591)	(2,588,460)	(991,510)	-	(3,589,561)
Net book value	1,075,129	368,263	10,722	245,668	272,281	67,240	2,039,303

Company	Computer software 2019 RM'000	2018 RM'000
Net book value		
At 1 February	**-**	5
Amortisation charge	**-**	(5)
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 3 years (2018: 1 month to 3 years).

The remaining amortisation period of software at the end of the financial year ranged from 1 month to 4 years (2018: 1 month to 4 years).

The remaining amortisation period of event licence rights at the end of the financial year is 9 years (2018: ranged from 5 years to 10 years).

19 Intangible Assets (Cont'd.)

Intellectual properties

Intellectual properties relate to thirty eight (38) titles and trademarks acquired in the business combination exercise as disclosed in Note 40 to the financial statements. 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.

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
- Others

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

	Television RM'000	Radio RM'000	Others RM'000	Total RM'000
As at 31 January 2019				
Goodwill	**539,605**	**600,512**	**-**	**1,140,117**
Intellectual properties	**-**	**-**	**40,805**	**40,805**
Brands	**-**	**328,000**	**-**	**328,000**
Spectrums	**-**	**40,263**	**-**	**40,263**

	Television RM'000	Radio RM'000	Total RM'000
As at 31 January 2018			
Goodwill	474,617	600,512	1,075,129
Brands	-	328,000	328,000
Spectrums	-	40,263	40,263

19 Intangible Assets (Cont'd.)

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

The recoverable amounts of the CGUs have been determined based on value in use ("VIU") calculations using cash flow projections from financial budgets and the strategic plan approved by the Board covering a three-year (2018: five-year) period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flows beyond the three-year (2018: five-year) period are as follows:

	Television %	Radio %	Others %
As at 31 January 2019			
Pre-tax discount rates	**11.0**	**10.0**	**15.8-12.3**
Terminal growth assumption	**1.0**	**1.0**	**1.0**
Compound revenue growth rate in the projection period	**0.7**	**2.3**	**8.5-12.3**

	Television %	Radio %
As at 31 January 2018		
Pre-tax discount rates	8.9	8.3
Terminal growth assumption	2.0	2.0
Compound revenue growth rate in the projection period	4.6	7.5

The projection assumes the renewal of all current 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.

Sensitivity analysis has been performed around the base case assumptions with the conclusion that no reasonably possible changes in key assumptions would cause the recoverable amount to be less than the carrying amount. Based on the sensitivity analysis performed, if compound revenue growth rates for television and radio segments are nil respectively, the recoverable amount will continue to be higher than the carrying amount of the respective CGU.

20 Inventories

	Group	
	2019 RM'000	2018 RM'000
At cost		
Set-top boxes	**8,790**	7,991
Merchandise	**3,868**	3,898
Other materials	**3,621**	7,779
	16,279	19,668
At net realisable value		
Set-top boxes	**5**	10
	16,284	19,678

Included in cost of sales is cost of inventories charged to the income statement amounting to RM309,395,000 (2018: RM236,110,000).

21 Receivables

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Non-current				
Deposits	**56,344**	54,228	**-**	-
Downpayments and prepayments	**121,804**	81,808	**-**	-
Contract cost assets	**1,906**	-	**-**	-
Amount due from a subsidiary	**-**	-	**-**	24,360
	180,054	136,036	**-**	24,360
Current				
Trade receivables	**530,239**	526,737	**-**	-
Impairment of trade receivables (Note 36(a))	**(44,248)**	(57,415)	**-**	-
	485,991	469,322	**-**	-
Other receivables, net of impairment	**33,993**	46,038	**857**	798
Contract cost assets	**29,206**	-	**-**	-
Deposits	**10,976**	10,764	**36**	36
Amounts due from related parties, net of impairment	**9,137**	5,725	**7**	65
Amount due from associate, net of impairment	**-**	-	**-**	-
Amounts due from subsidiaries	**-**	-	**75,614**	298,189
Downpayments and prepayments	**239,127**	479,681	**26**	108
	808,430	1,011,530	**76,540**	299,196

21 Receivables (Cont'd.)

The Group's non-current and current amounts due from related companies and related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The Company's non-current and current amounts due from subsidiaries and related parties are unsecured, non-interest bearing, have no fixed terms of repayment and includes dividend receivable of RM25,950,000 (2018: RM282,902,000).

Included in deposits of the Group are deposits paid to related parties of RM56,343,000 (2018: RM54,228,000) which are neither past due nor impaired.

Included in other receivables of the Group is GST receivables amounting RM32,393,000 (2018: RM6,767,000).

Credit terms of trade receivables range from payment in advance to 60 days (2018: 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 36(a).

Contract cost assets

	Group 2019 RM'000
Sales commission included in selling and distribution expenses	**8,651**
Non-subscription based set-top boxes costs	**22,461**
	31,112

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

22 Deposits, Cash and Bank Balances

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Deposits with licensed banks	**147,373**	79,682	**65,589**	18,060
Cash and bank balances	**136,113**	153,926	**163**	420
Deposits, cash and bank balances	**283,486**	233,608	**65,752**	18,480
Less : Deposits with maturity more than 3 months	**(43,000)**	-	**-**	-
Cash and cash equivalents	**240,486**	233,608	**65,752**	18,480

Deposits of the Group and Company have an average maturity of 116 days and 24 days respectively (2018: 50 days and 77 days) for RM deposits and average maturity of 4 days (2018: 7 days) for USD deposits. Please refer to Note 36(c) for deposits denominated in USD. The deposits are placed in financial institutions for investment purposes.

The effective interest rates on RM deposits for the Group and Company range from 2.50% to 4.20% (2018: 3.05% to 3.66%) per annum, and on USD deposits for the Group is 0.4% (2018: 0.07%) per annum.

23 Payables

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Current				
Trade payables and accruals	**516,355**	814,242	**-**	-
Other payables and accruals	**670,886**	588,067	**4,026**	3,847
Amounts due to related parties	**70,600**	51,590	**173**	145
Amounts due to subsidiaries	**-**	-	**8,006**	20,850
Unearned revenue	**-**	198,591	**-**	-
	1,257,841	1,652,490	**12,205**	24,842
Non-current				
Trade payables and accruals	**411,619**	389,519	**-**	-
	411,619	389,519	**-**	-

Credit terms granted by vendors generally range from 0 to 90 days (2018: 0 to 90 days). Vendors of set-top boxes have granted extended payment terms of 36 months ("vendor financing") on Usance Letter of Credit Payable at Sight ("ULCP") and also Promissory Notes ("PN") basis to the Group as set out below:

(i) Interest is charged for ULCP at the USD LIBOR or Ringgit Cost of Fund + margin of between 0.5% and 1.25% (2018: USD LIBOR or Ringgit Cost of Fund + margin of between 0.7% and 1.25%) per annum calculated at 360 or 365 days respectively from delivery date.

(ii) Interest is charged for PN at the USD LIBOR or Ringgit Cost of Fund + margin of between 0.85% and 1.0% (2018: USD LIBOR or Ringgit Cost of Fund + margin of between 0.85% and 1.0%) per annum calculated at 360 or 365 days respectively from issuance date.

As at 31 January 2019, the Group had a total of RM326,688,000 (2018: RM370,425,000) in undrawn multi-trade facilities to facilitate ULCP issuance.

The effective interest rates at the end of the financial year ranged between 4.5% and 4.9% (2018: 2.2% and 4.9%) per annum.

Included in trade payables is vendor financing of RM552,285,000 (2018: RM710,143,000) comprising current amounts of RM140,666,000 (2018: RM320,624,000) and non-current amounts of RM411,619,000 (2018: RM389,519,000).

Unearned revenue mainly comprised subscription fees billed prior to services being provided. As at 31 January 2019, this has been classified as contract liabilities.

The amounts due to the related parties of the Group are unsecured, non-interest bearing and have no fixed terms of repayment. The amounts due to the related parties and subsidiaries of the Company are unsecured, non-interest bearing and have no fixed terms of repayment.

24 Derivative Financial Instruments

	Group		Company	
	2019 Assets RM'000	2018 Assets RM'000	2019 Assets RM'000	2018 Assets RM'000
Current				
Forward foreign currency exchange contracts – cash flow hedges	**8,712**	26	**-**	-
Cross-currency interest rate swaps – cash flow hedges	**54,618**	45,224	**54,618**	45,224
Interest rate swaps – cash flow hedges	**133**	220	**-**	-
Foreign currency options – cash flow hedges	**1,406**	212	**-**	-
	64,869	45,682	**54,618**	45,224
Non-current				
Forward foreign currency exchange contracts – cash flow hedges	**2,117**	-	**-**	-
Cross-currency interest rate swaps – cash flow hedges	**80,989**	114,318	**80,989**	114,318
Interest rate swaps – cash flow hedges	**20**	1,169	**-**	-
Foreign currency options – cash flow hedges	**45**	1,414	**-**	-
	83,171	116,901	**80,989**	114,318

	Group		Company	
	2019 Liabilities RM'000	2018 Liabilities RM'000	2019 Liabilities RM'000	2018 Liabilities RM'000
Current				
Cross-currency interest rate swaps – cash flow hedges	**-**	173	**-**	-
Interest rate swaps – cash flow hedges	**21**	2,328	**-**	2,019
Forward foreign currency exchange contracts – cash flow hedges	**11,536**	86,117	**-**	-
	11,557	88,618	**-**	2,019
Non-current				
Interest rate swaps – cash flow hedges	**452**	2,737	**-**	2,737
Forward foreign currency exchange contracts – cash flow hedges	**3,593**	-	**-**	-
	4,045	2,737	**-**	2,737

24 Derivative Financial Instruments (Cont'd.)

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 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 2019, the notional principal amounts of the outstanding forward foreign currency exchange contracts were RM1,551,000,000 (2018: RM1,331,000,000) and foreign currency options were USD35,486,000 (2018: USD21,283,000).

Cross-currency interest rate swaps

To mitigate financial risks arising from adverse fluctuations in interest and exchange rates, the Group and the Company have entered into cross-currency interest rate swaps with notional principal amounts of USD123,750,000 (2018: USD173,250,000) for bank loan and USD Nil (2018: USD21,274,000) for vendor financing.

The cross-currency interest rate swap for the term loans was entered into for entire term of the term loans and had an average fixed swap rate and exchange rate of 4.19% p.a. (inclusive of margin of 1%) (2018: 4.19% p.a.(inclusive of margin of 1%)) and USD/RM3.0189 (2018: USD/RM3.0189) respectively.

The cross-currency interest rate swap for vendor financing was entered up to a period of 3 years and had an average fixed swap rate and exchange rate of Nil % p.a. (2018: 4.52% p.a. (inclusive of average margin of 1%)) and USD/RM Nil respectively (2018: USD/RM3.8985).

Interest rate swaps

Interest rate swaps are used to achieve an appropriate interest rate exposure within the Group and the Company. The Group and the Company have entered into interest rate swaps to hedge the cash flow risk in relation to the floating interest rate of a bank loan, as disclosed in Note 25 with notional principal amounts of RM Nil (2018: RM787,500,000) and vendor financing, as disclosed in Note 23 with notional principal amounts of RM496,586,000 (2018: RM475,164,000) and USD Nil (2018: USD14,317,000).

The interest rate swaps for the term loans were entered into for entire term of the term loans with an average fixed swap rate of Nil % p.a. (2018: 4.15% p.a.). The Ringgit and USD interest rate swaps for vendor financing were for a period of up to 3 years with average fixed swap rates of 3.67% and Nil % p.a. (2018: 3.69% and 1.80% p.a) respectively.

The maturity profiles of the derivative financial instruments are disclosed in Note 36(b) to the financial statements.

25 Borrowings

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Current				
Finance lease liabilities (Note (a))	**180,074**	134,354	**-**	-
Synthetic foreign currency loan (Note (b))	**2,498**	1,329	**-**	-
Unrated Medium Term Note (Note (c))	**7,536**	7,580	**-**	-
Term loans (Note (d)):				
- RM Term Loan	**76,913**	310,225	**76,913**	310,225
- USD Term Loan	**205,541**	195,777	**205,541**	195,777
- MBNS Term Loan	**3,721**	-	**-**	-
	286,175	506,002	**282,454**	506,002
Less: Debt issuance costs	**(1,334)**	(3,537)	**(560)**	(3,537)
Term loans, net of debt issuance costs	**284,841**	502,465	**281,894**	502,465
	474,949	645,728	**281,894**	502,465
Non-current				
Finance lease liabilities (Note (a))	**1,389,609**	1,484,346	**-**	-
Synthetic foreign currency loan (Note (b))	**612,750**	306,375	**-**	-
Unrated Medium Term Note (Note (c))	**300,000**	300,000	**-**	-
Term loans (Note (d)):				
- RM Term Loan	**112,500**	750,000	**112,500**	750,000
- USD Term Loan	**303,961**	482,439	**303,961**	482,439
- MBNS Term Loan	**380,000**	-	**-**	-
	796,461	1,232,439	**416,461**	1,232,439
Less: Debt issuance costs	**(3,099)**	(3,706)	**(325)**	(3,706)
Term loans, net of debt issuance costs	**793,362**	1,228,733	**416,136**	1,228,733
	3,095,721	3,319,454	**416,136**	1,228,733
	3,570,670	3,965,182	**698,030**	1,731,198

25 Borrowings (Cont'd.)

(a) Finance lease liabilities

Finance lease liabilities include the lease of transponders on the MEASAT 3 ("M3"), MEASAT 3 T11 ("M3-T11") and MEASAT 3a ("M3a") satellites from MEASAT Satellite Systems Sdn. Bhd. and MEASAT 3b ("M3b") from MEASAT International (South Asia) Ltd ("MISAL"), both related parties of the Group. The liabilities for M3, M3-T11 and M3a are denominated in RM, while M3b is denominated in USD.

The effective interest rate of the finance lease at the end of the financial year is 6.2% (2018: 6.2%), 4.6% (2018: 4.6%), 12.5% (2018: 12.5%) and 5.56% (2018: 5.60%) per annum for M3, M3-T11, M3a and M3b respectively.

MBNS had on 12 April 2018 entered into an agreement with MISAL for the utilisation of further 6 transponder capacity on the M3b satellite for a fee of USD 22.5 million. The Agreement became unconditional upon approval of the Board of Directors of MBNS and the Company which were obtained on 12 April 2018, and approval of the shareholders of AMH on 7 June 2018.

Finance lease liabilities also include hire purchase lease for servers' hardware, software and testing environment hardware.

The following is a summary of the minimum lease payments:

	Group	
	2019 RM'000	**2018 RM'000**
Lease rental obligation		
Minimum lease payments:		
- Not later than 1 year	**271,537**	231,206
- Later than 1 year and not later than 2 years	**247,228**	236,014
- Later than 2 years and not later than 5 years	**612,947**	656,995
- Later than 5 years	**932,372**	1,065,019
	2,064,084	2,189,234
Future finance charges	**(494,401)**	(570,534)
Present value of finance lease obligations	**1,569,683**	1,618,700

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

On 13 December 2017, MBNS had accepted the SFCL amounting to USD150 million (equivalent to RM613 million). On 29 December 2017 and 28 February 2018, MBNS had drawn down the first tranche amounting to RM306.4 million and the second tranche amounting to RM306.4 million in nominal value respectively, maturing on 29 November 2022 at an interest rate of 4.8% per annum. The interest is payable quarterly.

25 Borrowings (Cont'd.)

(b) Synthetic foreign currency loan ("SFCL") (unsecured and interest bearing) (Cont'd.)

The following is a summary of the repayment terms:

	Group	
	2019 RM'000	2018 RM'000
SFCL repayments (including finance charges):		
- Not later than 1 year	**29,412**	14,706
- Later than 1 year and not later than 2 years	**29,493**	14,706
- Later than 2 years and not later than 5 years	**669,157**	349,325
	728,062	378,737
Future finance charges	**(112,814)**	(71,033)
Present value of SFCL	**615,248**	307,704

(c) Unrated Medium Term Note ("MTN") (unsecured and interest bearing)

The Group had established an Unrated Medium Term Note ("MTN") Programme of up to RM3.0 billion in nominal value ("MTN Programme") on 9 June 2017. The MTN Programme has a tenure of 15 years from the date of the first issuance of the MTN.

On 10 August 2017, the Group issued the first series of the MTN amounting to RM300 million in nominal value for a tenure of 5 years at coupon rate of 5.3% per annum. The coupon is payable semi-annually.

The following is a summary of the repayment terms:

	Group	
	2019 RM'000	2018 RM'000
MTN repayments (including finance charges):		
- Not later than 1 year	**16,031**	15,900
- Later than 1 year and not later than 2 years	**15,813**	16,031
- Later than 2 years and not later than 5 years	**331,800**	347,613
	363,644	379,544
Future finance charges	**(56,108)**	(71,964)
Present value of MTN	**307,536**	307,580

25 Borrowings (Cont'd.)

(d) Term Loans (unsecured and interest bearing)

The Group and the Company had on 12 May 2011 obtained financing to facilitate completion of the reorganisation as disclosed in Note 28. The financing comprises the following tranches:

(i) Ringgit term loan of RM2,010 million ("2B") and RM1,000 million ("1B") (collectively "RM Term Loan Facilities"); and

(ii) US Dollar ("USD") term loan of USD330 million ("USD Term Loan Facilities")

The 2B tranche and the USD Term Loan Facilities, both of 10-year tenure that mature on 19 May 2021 and 8 June 2021 respectively, were fully drawn down on 10 June 2011.

On 18 May 2012, RM500,000,000 was drawn down from the 1B tranche. The remaining undrawn amount of RM500,000,000 was voluntarily left to lapse on the last extended availability period. The 1B tranche is maturing on 19 May 2021.

On 20 August 2018 and 19 November 2018, the Company prepaid RM400 million and RM229.2 million respectively of its Ringgit term loan under 2B tranche.

On 9 August 2018, MBNS accepted a term loan facility of RM380 million ("MBNS Term Loan"). On 23 August 2018, MBNS had drawn down RM380 million with RM50 million maturing on 23 February 2023 and RM330 million maturing on 23 August 2023, at an interest rate of 5.18% per annum. The interest is payable quarterly.

The 2B RM and USD Term Loan Facilities had been fully hedged upon drawdown. The hedges for the 2B tranche had been fully unwound following the prepayment on 20 August 2018 and 19 November 2018. The USD Term Loan Facilities had been swapped into RM at an average exchange and fixed interest rate of USD/RM3.0189 (2018: USD/RM3.0189) and 4.19% (inclusive of margin of 1%) (2018: 4.19% (inclusive of margin of 1%)). The 1B RM Term Loan Facilities with notional amount of RM187.5 million remains unhedged, with interest rates ranging from 4.89% to 5.13% (inclusive of margin of 1%) (2018: 4.82% to 5.10% (inclusive of margin of 1%)) per annum. The applicable interest margins under both the RM and USD Term Loan Facilities vary from 1.0% to 1.75% (2018: 1.0% to 1.75%) based on a net debt to adjusted EBITDA ratio (as defined in the facilities agreements) of less than 2.0 times to greater than 4.0 times (2018: less than 2.0 times to greater than 4.0 times).

The following is a summary of the repayment terms:

	Group	
	2019 RM'000	**2018 RM'000**
Term loans repayments (including finance charges):		
- Not later than 1 year	**324,750**	560,460
- Later than 1 year and not later than 2 years	**313,184**	541,569
- Later than 2 years and not later than 5 years	**574,742**	771,900
	1,212,676	1,873,929
Future finance charges	**(130,040)**	(135,488)
Present value of term loans	**1,082,636**	1,738,441

25 Borrowings (Cont'd.)

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

The following is a summary of the repayment terms (Cont'd.):

	Company	
	2019 RM'000	**2018 RM'000**
Term loans repayments (including finance charges):		
- Not later than 1 year	**305,066**	560,460
- Later than 1 year and not later than 2 years	**293,446**	541,569
- Later than 2 years and not later than 5 years	**141,936**	771,900
	740,448	1,873,929
Future finance charges	**(41,533)**	(135,488)
Present value of term loans	**698,915**	1,738,441

Changes in liabilities arising from financing activities

	Finance lease liabilities RM'000	MTN RM'000	SFCL RM'000	Term loan RM'000	Vendor financing** RM'000	Total RM'000
Group						
At 1 February 2018	**1,618,700**	**307,580**	**307,704**	**1,731,198**	**710,143**	**4,675,325**
Cash flow:						
Payment for set-top boxes	**-**	**-**	**-**	**-**	**(325,982)**	**(325,982)**
Repayment of finance lease liabilities	**(187,945)**	**-**	**-**	**-**	**-**	**(187,945)**
Net drawdown/(repayment)	**-**	**-**	**306,375**	**(631,936)**	**-**	**(325,561)**
Interest paid#	**(104,652)**	**(15,900)**	**(27,115)**	**(63,336)**	**-**	**(211,003)**
	(292,597)	**(15,900)**	**279,260**	**(695,272)**	**(325,982)**	**(1,050,491)**
Non-cash changes:						
Acquisition of property, plant and equipment	**76,594**	**-**	**-**	**-**	**-**	**76,594**
Drawn facilities	**-**	**-**	**-**	**-**	**162,766^**	**162,766**
Foreign exchange movement	**59,340**	**-**	**-**	**(19,625)**	**1,033**	**40,748**
Others*	**107,646**	**15,856**	**28,284**	**61,902**	**4,325**	**218,013**
	243,580	**15,856**	**28,284**	**42,277**	**168,124**	**498,121**
At 31 January 2019	**1,569,683**	**307,536**	**615,248**	**1,078,203**	**552,285**	**4,122,955**

25 Borrowings (Cont'd.)

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

	Finance lease liabilities RM'000	MTN RM'000	SFCL RM'000	Term loan RM'000	Vendor financing** RM'000	Total RM'000
Group (Cont'd.)						
At 1 February 2017	**1,066,461**	**-**	**-**	**2,339,186**	**801,091**	**4,206,738**
Cash Flow:						
Payment for set-top boxes	-	-	-	-	(270,485)	(270,485)
Repayment of finance lease liabilities	(118,982)	-	-	-	-	(118,982)
Net drawdown/(repayment)	-	300,000	306,375	(449,436)	-	156,939
Interest paid#	(95,053)	-	-	(76,450)	-	(171,503)
	(214,035)	300,000	306,375	(525,886)	(270,485)	(404,031)
Non-cash changes:						
Acquisition of property, plant and equipment	806,191	-	-	-	-	806,191
Drawn facilities	-	-	-	-	248,853^	248,853
Foreign exchange movement	(134,985)	-	-	(161,845)	(72,012)	(368,842)
Others*	95,068	7,580	1,329	79,743	2,696	186,416
	766,274	7,580	1,329	(82,102)	179,537	872,618
At 31 January 2018	1,618,700	307,580	307,704	1,731,198	710,143	4,675,325

	Term Loan	
	2019 RM'000	2018 RM'000
Company		
At 1 February	**1,731,198**	2,339,186
Cash Flow:		
Repayment	**(1,011,936)**	(449,436)
Interest paid#	**(58,374)**	(76,450)
Non-cash changes:		
Foreign exchange movement	**(19,625)**	(161,845)
Others*	**56,767**	79,743
At 31 January	**698,030**	1,731,198

* *Others comprise unamortised transaction costs, realised foreign exchange and interest expense.*
** *Vendor financing balance is reflected in Note 23 to the financial statements.*
^ *Included in the amount is vendor financing that was drawn during the financial year for acquisition of set-top boxes and inventories in previous financial year.*
# *Interest paid does not include interest in relation to vendor financing and hedging instruments in connection to the financial liabilities.*

26 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	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Subject to income tax:				
Deferred tax assets:				
- Deferred tax assets to be recovered after more than 12 months	**113,333**	105,642	**-**	-
- Deferred tax assets to be recovered within 12 months	**10,177**	1,315	**258**	245
	123,510	106,957	**258**	245
Deferred tax liabilities:				
- Deferred tax liability to be settled after more than 12 months	**(86,239)**	(78,126)	**-**	-
- Deferred tax liability to be settled within 12 months	**(3,202)**	(1,137)	**-**	-
	(89,441)	(79,263)	**-**	-
Net deferred tax assets	**34,069**	27,694	**258**	245
At beginning of financial year	**27,694**	38,082	**245**	269
Effects arising from adoption of MFRS 9 and MFRS 15 (Note 41)	**485**	-	**-**	-
At beginning of financial year, as adjusted	**28,179**	38,082	**245**	269
Credited/(charged) to income statement (Note 10):				
Provisions and accruals	**419**	(12,882)	**13**	(24)
Tax losses	**(3,128)**	(1,326)	**-**	-
Property, plant and equipment	**(3,841)**	(31,224)	**-**	-
Intangible assets	**33,181**	19,308	**-**	-
Receivables	**905**	(3,996)	**-**	-
Contract liabilities	**(1,321)**	(8,295)	**-**	-
Others	**6,898**	(7,225)	**-**	-
	33,113	(45,640)	**13**	(24)
(Charged)/credited to other comprehensive income:				
Cash flow hedge	**(17,430)**	35,252	**-**	-
Acquisition of a subsidiary (Note 40): Intangible assets	**(9,793)**	-	**-**	-
At end of financial year	**34,069**	27,694	**258**	245

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

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Subject to income tax:				
Deferred tax assets (before offsetting):				
Provisions and accruals	**10,572**	10,153	**258**	245
Tax losses	**24,145**	27,273	**-**	-
Property, plant and equipment	**49,963**	55,435	**-**	-
Receivables	**11,596**	10,206	**-**	-
Contract liabilities	**48,656**	49,977	**-**	-
Cash flow hedge	**-**	17,170	**-**	-
Others	**4,233**	3,478	**-**	-
	149,165	173,692	**258**	245
Offsetting	**(25,655)**	(66,735)	**-**	-
Deferred tax assets (after offsetting)	**123,510**	106,957	**258**	245
Deferred tax liabilities (before offsetting):				
Property, plant and equipment	**(5,046)**	(6,677)	**-**	-
Intangible assets	**(109,708)**	(133,096)	**-**	-
Cash flow hedge	**(260)**	-	**-**	-
Others	**(82)**	(6,225)	**-**	-
	(115,096)	(145,998)	**-**	-
Offsetting	**25,655**	66,735	**-**	-
Deferred tax liabilities (after offsetting)	**(89,441)**	(79,263)	**-**	-

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

	Group	
	2019 RM'000	2018 RM'000
Tax losses carried forward	**326,514**	217,931
Capital allowances carried forward	**17,739**	14,705
Other temporary differences carried forward	**4,694**	7,699
Unabsorbed investment tax allowances	**25**	25
	348,972	240,360

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. With effect from the year of assessment ("YA") 2019, unutilised business losses arising from a YA are allowed to only be carried forward from YA 2018 for utilisation up to 7 consecutive YAs from that YA. In addition, any accumulated unabsorbed business losses brought forward from YA 2018 can only be utilised for 7 consecutive YAs (i.e. until YA 2025). The deductible temporary difference in relation to unabsorbed capital allowances does not have any expiry date.

27 Share Capital

	Group			
	Number of shares 2019 '000	Amount 2019 RM'000	Number of shares 2018 '000	Amount 2018 RM'000
Issued and fully paid up:				
Ordinary shares				
At beginning of financial year	**5,213,884**	**6,726,845**	5,209,522	6,715,704
Issued during the financial year:				
- Share grant exercised (Note (a))	**431**	**1,092**	4,362	11,141
At end of financial year	**5,214,315**	**6,727,937**	5,213,884	6,726,845
Others				
At beginning of financial year	**-**	**-**	-	-
Increase during the financial year:				
- Redemption of RPS (Note (b))	**-**	**10**	-	-
At end of financial year	**-**	**10**	-	-
Total	**5,214,315**	**6,727,947**	5,213,884	6,726,845

	Company			
	Number of shares 2019 '000	Amount 2019 RM'000	Number of shares 2018 '000	Amount 2018 RM'000
Issued and fully paid up:				
Ordinary shares				
At beginning of financial year	**5,213,884**	**6,726,845**	5,209,522	6,715,704
Issued during the financial year:				
- Share grant exercised (Note (a))	**431**	**1,092**	4,362	11,141
At end of financial year	**5,214,315**	**6,727,937**	5,213,884	6,726,845

(a) On 19 October 2018, the Company issued and allotted 430,900 ordinary shares in the Company to eligible executives or eligible employees, pursuant to the letters of offer dated 19 October 2015 and 19 October 2016 ("Offer Letter") and in accordance with the By-laws of the Share Scheme of the Company. Subsequent to the above, the total number of issued shares of the Company increased to 5,214,314,500 ordinary shares.

(b) During the year, a wholly-owned subsidiary of the Company, MBNS, redeemed 10,000 RPS by paying in cash RM10,000 to the Company. In accordance with Section 72(5) of Companies Act 2016 ("the Act"), a sum equal to the amount of the shares redeemed, was transferred out of profits, into the share capital account of MBNS.

28 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.

29 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 RM'000	**Intrinsic value of options RM'000**	**Spot component of currency forwards RM'000**	**Interest rate swaps RM'000**	**Spot component of CCIRS RM'000**	**Total hedging reserve RM'000**
Group						
At 31 January 2017	-	8,000	49,261	(9,928)	6,860	54,193
Effect of adoption of MFRS 9 (Note 41)	(14,529)	-	9,956	-	4,573	-
At 31 January 2017, as restated	(14,529)	8,000	59,217	(9,928)	11,433	54,193
Change in fair value of hedging instrument recognised in OCI	-	(8,901)	(198,721)	490	(165,379)	(372,511)
Costs of hedging deferred and recognised in OCI	2,141	-	-	-	-	2,141
Reclassified from OCI to profit or loss	-	-	49,749	6,810	175,184	231,743
Deferred tax	-	2,136	33,116	-	-	35,252
At 31 January 2018	(12,388)	1,235	(56,639)	(2,628)	21,238	(49,182)

29 Hedging Reserve (Cont'd.)

	Cost of hedging reserve RM'000	Cash flow hedge reserve: Intrinsic value of options RM'000	Cash flow hedge reserve: Spot component of currency forwards RM'000	Cash flow hedge reserve: Interest rate swaps RM'000	Cash flow hedge reserve: Spot component of CCIRS RM'000	Total hedging reserve RM'000
Group (Cont'd.)						
At 1 February 2018	-	1,235	(61,601)	(2,628)	13,812	(49,182)
Effect of adoption of MFRS 9 (Note 41)	(12,388)	-	4,962	-	7,426	-
At 1 February 2018, as restated	(12,388)	1,235	(56,639)	(2,628)	21,238	(49,182)
Change in fair value of hedging instrument recognised in OCI	-	(175)	36,866	(3,744)	(43,134)	(10,187)
Costs of hedging deferred and recognised in OCI	13,631	-	-	-	-	13,631
Reclassified from OCI to profit or loss	-	-	33,730	6,052	25,243	65,025
Deferred tax	-	42	(17,472)	-	-	(17,430)
At 31 January 2019	1,243	1,102	(3,515)	(320)	3,347	1,857

	Cost of hedging reserve RM'000	Cash flow hedge reserve: Interest rate swap RM'000	Cash flow hedge reserve: Spot Component of CCIRS RM'000	Total hedging reserves RM'000
Company				
At 31 January 2017	-	(9,545)	7,951	(1,594)
Effect of adoption of MFRS 9 (Note 41)	(4,573)	-	4,573	-
At 31 January 2017, as restated	(4,573)	(9,545)	12,524	(1,594)
Change in fair value of hedging instrument recognised in OCI	-	163	(171,348)	(171,185)
Costs of hedging deferred and recognised in OCI	(2,853)	-	-	(2,853)
Reclassified from OCI to profit or loss	-	5,551	173,040	178,591
At 31 January 2018	(7,426)	(3,831)	14,216	2,959
At 1 February 2018	-	(3,831)	6,790	2,959
Effect of adoption of MFRS 9 (Note 41)	(7,426)	-	7,426	-
At 1 February 2018, as restated	(7,426)	(3,831)	14,216	2,959
Change in fair value of hedging instrument recognised in OCI	-	(2,347)	(34,623)	(36,970)
Costs of hedging deferred and recognised in OCI	5,429	-	-	5,429
Reclassified from OCI to profit or loss	-	6,178	23,754	29,932
At 31 January 2019	(1,997)	-	3,347	1,350

29 Hedging Reserve (Cont'd.)

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 2019 in relation to the interest rate swaps.

30 Fair Value Reserve

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

31 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).

32 Non-Cash Transactions

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

(a) Advertising airtime sales in exchange for consumable items of RM21,896,000 (2018: RM10,350,000) and subsequent settlement of liabilities using these consumable items.

(b) Acquisition of property, plant and equipment by means of finance lease of RM76,594,000 (2018: RM806,191,000).

(c) Acquisition of set-top boxes not settled in cash as at year end of RM165,514,000 (2018: RM199,947,000).

(d) Acquisition of inventories by means of vendor financing of RM Nil (2018: RM6,145,000).

(e) On 28 January 2019, the Company subscribed for 95,000,000 new ordinary shares of AESB for total subscription amount of RM95,000,000. The subscription amount was fully settled by offsetting the advances owed to the Company and amount due to the Company.

33 Capital Commitments

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

	Group	
	2019 RM'000	2018 RM'000
Approved and contracted for	**51,272**	113,663
Approved but not contracted for	**43,043**	60,295
	94,315	173,958

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

	Group	
	2019 RM'000	2018 RM'000
Approved and contracted for	**395,583**	544,234
Approved but not contracted for	**850,973**	883,501
	1,246,556	1,427,735

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

	Group	
	2019 RM'000	2018 RM'000
Approved and contracted for	**99,514**	17,505
Approved but not contracted for	**93,840**	123,589
	193,354	141,094

34 Non-Cancellable Operating Lease Commitments

	Group	
	2019 RM'000	2018 RM'000
Payable within 1 year	**5,516**	5,866
Payable between 1 and 5 years	**6,435**	6,435
Payable after 5 years	**109,389**	109,389
	121,340	121,690

The Group currently has a 99-year agreement to lease the land underlying the All Asia Broadcast Centre which commenced in 1996.

35 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, both of whom are deemed 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.

35 Significant Related Party Disclosures (Conrt'd.)

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

Related Companies	Relationship
AESB	Subsidiary of the Company
AGS	Subsidiary of the Company
APSB	Subsidiary of the Company
ASSB	Subsidiary of the Company
ARV	Subsidiary of the Company
ADSB	Subsidiary of the Company
AD5SB	Subsidiary of ADSB
AASB	Subsidiary of AESB
ASM	Subsidiary of AESB
ASV	Subsidiary of ASM
MBNS	Subsidiary of the Company
MTAM	Subsidiary of AESB
Tribe	Subsidiary of the Company
TUSB	Subsidiary of ASSB
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
Maxis Mobile Sdn. Bhd.	Subsidiary of a joint venture of UTSB
UTSB Management Sdn. Bhd.	Subsidiary of UTSB
MEASAT Satellite Systems Sdn. Bhd. ("MSS")	Subsidiary of a company in which TAK has a 100% direct equity interest
MEASAT International (South Asia) Ltd. ("MISAL")	Subsidiary of a company in which TAK has a 100% direct equity interest

35 Significant Related Party Disclosures (Cont'd.)

(a) Sales of goods and services

	Group	
	2019 RM'000	**2018 RM'000**
Sales of goods and services to related parties:		
Maxis Mobile Sdn. Bhd.		
- Airtime sales	**7,475**	6,885
Sales of goods and services to an associate:		
Kristal-Astro Sdn. Bhd.		
- Programme services and right sales, technical support, smartcard rental and sales of set-top boxes	**27,075**	19,183

	Company	
	2019 RM'000	**2018 RM'000**
Interest income on advances to subsidiaries:		
MBNS	**22,873**	53,109
APSB	**6,479**	8,382
Share-based payments charged to subsidiary:		
MBNS	**1,370**	3,594
Corporate management fees charged to subsidiary:		
MBNS	**2,371**	1,484

35 Significant Related Party Disclosures (Cont'd.)

(b) Purchases of goods and services

	Group 2019 RM'000	Group 2018 RM'000
Purchases of goods and services from related parties:		
UTSB Management Sdn. Bhd.		
- Personnel, strategic and other consultancy and support services	**14,423**	13,401
Maxis Broadband Sdn. Bhd.		
- Telecommunication services	**81,930**	91,651
MSS		
- Expenses related to finance lease	**41,499**	42,936
MISAL		
- Expenses related to finance lease	**84,645**	69,599
Celestial Movie Channel Limited		
- Programme broadcast rights	**21,922**	22,932
Sun TV Network Limited		
- Programme broadcast rights	**41,119**	39,324
Tiger Gate Entertainment Limited		
- Programme broadcast rights	**10,967**	12,955

	Company 2019 RM'000	Company 2018 RM'000
Corporate management fees charged by subsidiary:		
AGS	**6,618**	6,875

(c) Advances to subsidiaries:

	Company 2019 RM'000	Company 2018 RM'000
ASV	**6,500**	-
Tribe	**21,907**	31,292
ASM	**21,448**	8,397
ADSB	**-**	4,085
ASSB	**760**	5,460

35 Significant Related Party Disclosures (Cont'd.)

(d) Repayment of advances by subsidiaries:

	Company	
	2019 RM'000	**2018 RM'000**
MBNS	**804,315**	383,077
APSB	**34,203**	34,203
AASB	**40,882**	1,500
ASV	**6,500**	-
AD5SB	**-**	3,277
TUSB	**-**	1,560
ADSB	**4,085**	-
MTAM	**1,000**	-

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

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Receivable from related parties				
Maxis Broadband Sdn. Bhd.	**-**	931	**-**	-
Maxis Mobile Sdn. Bhd.	**508**	1,572	**-**	-
MSS	**58**	775	**-**	-
Receivable from an associate				
Kristal-Astro Sdn. Bhd.	**39,117**	32,105	**-**	-
Receivable from a subsidiary				
MBNS	**-**	-	**27,430**	229,645
AESB	**-**	-	**26,120**	69,978
Payable to related parties				
UTSB Management Sdn. Bhd.	**3,700**	1,117	**-**	-
Maxis Broadband Sdn. Bhd.	**21,754**	12,162	**-**	-
MSS	**3,560**	1,411	**-**	-
Celestial Movie Channel Limited	**5,476**	2,518	**-**	-
Sun TV Network Limited	**18,762**	11,684	**-**	-
Tiger Gate Entertainment Limited	**2,232**	2,030	**-**	-

35 Significant Related Party Disclosures (Cont'd.)

(f) Year end balances arising from advances to subsidiaries, associates and joint ventures

	Company	
	2019 RM'000	**2018 RM'000**
Advances to subsidiaries		
MBNS	**-**	806,917
APSB	**104,691**	140,796
AASB	**-**	41,088
ASSB	**16,797**	16,064
ASM	**-**	8,499
ARV	**38,988**	38,988
Tribe	**-**	40,567

(g) Key management personnel's remuneration and emoluments

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

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Directors' fees and meeting allowances	**2,409**	2,062	**2,399**	2,052
Salaries and bonus	**40,805**	38,156	**3,961**	3,261
Defined contribution plans	**6,112**	5,798	**601**	656
Estimated money value of benefits-in-kind	**137**	99	**46**	37
Share-based payments (Note 7(a))	**171**	6,857	**-**	400
Staff welfare and allowances	**1,490**	1,555	**127**	1,107
Separation scheme	**6,252**	-	**1,093**	-
	57,376	54,527	**8,227**	7,513

Key management personnel comprise Directors and members of the senior leadership 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.

35 Significant Related Party Disclosures (Cont'd.)

(h) Government-related entities

Khazanah Nasional Berhad ("KNB") is deemed interested in 20.67% of the Company's shares held by its wholly-owned subsidiary, Pantai Cahaya Bulan Ventures Sdn Bhd ("PCBV"). KNB is the strategic investment fund of the Government of Malaysia. Save for 1 share owned by the Federal Lands Commissioner, a body corporate incorporated pursuant to the Federal Lands Commissioner (Incorporation) Act, 1957, all of the ordinary shares of KNB are owned by the Minister of Finance Incorporated, a body corporate incorporated pursuant to the Minister of Finance, (Incorporation) Act, 1957 ("MoF Inc.") and 1,000,000 Redeemable Cumulative Convertible Preference Shares are owned by GovCo Holdings Berhad (wholly-owned by MoF Inc.).

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 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 2019, management estimates that the aggregate amount of the Group's significant transactions with other government-related entities are at 2.74% (2018: 2.29%) of its total administrative expenses.

36 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 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are not adjusted with forward-looking information as no close correlation was being observed.

36 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

Trade receivables and contract assets (Cont'd.)

(ii) Maximum exposure to credit risk

The following table contains an 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:

		Past Due			
	Current RM'000	Between 1 and 60 days RM'000	Between 61 and 90 days RM'000	Over 90 days RM'000	Total RM'000
Group					
At 31 January 2019					
Expected loss rate	0.1-0.4%	0.4-6.9%	2.1-25.7%	3.3-100%	
Gross carrying amount - Trade receivables	331,466	104,333	20,778	73,662	530,239
Gross carrying amount - Contract assets	9,625	-	-	-	9,625
Loss allowance	(3,196)	(5,006)	(3,026)	(33,020)	(44,248)
Carrying amount (net of loss allowance)	337,895	99,327	17,752	40,642	495,616

	Group RM'000
At 31 January 2018	
Customers with no defaults in the past	146,363
Customers with some defaults in the past (all defaults were fully recovered)	209,824
	356,187

36 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

Trade receivables and contract assets (Cont'd.)

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

As at 31 January 2018, the analysis of the age of trade receivables that were past due but not impaired and past due and impaired is as follows:

	Not later than 30 days RM'000	Between 31 and 60 days RM'000	Between 61 and 90 days RM'000	Over 90 days RM'000	Total RM'000
Group					
At 31 January 2018					
Past due but not impaired	60,596	23,002	10,559	18,978	113,135
Past due and impaired	-	-	-	57,415	57,415
	60,596	23,002	10,559	76,393	170,550

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 2019 reconciles to the opening loss allowance as follows:

	Trade receivables	
	2019 RM'000	2018* RM'000
At beginning of financial year	**(57,415)**	(46,107)
Effect arising from adoption of MFRS 9 (Note 41)	**(5,497)**	-
At beginning of financial year, as adjusted	**(62,912)**	(46,107)
Charged for the year	**(32,245)**	(89,548)
Written off	**50,909**	78,240
At end of financial year	**(44,248)**	(57,415)

* *Loss allowance disclosed in comparative period is based on MFRS 139's incurred loss model.*

36 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

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 and amounts due from related parties of the Group as at 31 January 2019 reconciles to the opening loss allowance as follows:

	Other receivables		Amounts due from associate		Amounts due from related parties	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
At beginning of financial year	**(3,520)**	(1,107)	**(31,006)**	(12,172)	**(7,922)**	(5,868)
Effect arising from adoption of MFRS 9 (Note 41)	**(1,126)**	-	**-**	-	**(1,563)**	-
At beginning of financial year, as adjusted	**(4,646)**	(1,107)	**(31,006)**	(12,172)	**(9,485)**	(5,868)
Reversal/(charged) for the year	**4,596**	(4,268)	**(8,527)**	(18,834)	**3,626**	(2,054)
Written off	**-**	1,855	**-**	-	**-**	-
At end of financial year	**(50)**	(3,520)	**(39,533)**	(31,006)	**(5,859)**	(7,922)

Loan 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 loan if demanded at the reporting date, the ECL is likely to be immaterial.
- If the borrower could not repay the loan 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 loan, the ECL would be limited to the effect of the discounting of the amount due on the loan, at the loan's 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 loan 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.

36 Financial Instruments (Cont'd.)

(a) Credit risk (Cont'd.)

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, 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, it will have sufficient liquidity to meet its liabilities when they fall due.

The table below summarises the maturity profile of the Group and Company's financial liabilities (borrowings and payables, excluding contract liabilities) at 31 January 2019 and 31 January 2018 based on contractual undiscounted payments:

	Within 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000	Total RM'000
Group				
At 31 January 2019				
Borrowings	**641,730**	**2,794,364**	**932,372**	**4,368,466**
Payables	**1,280,860**	**428,073**	**-**	**1,708,933**
Derivative financial instruments – financial liabilities	**2,687**	**3,421**	**(1,625)**	**4,483**
	1,925,277	**3,225,858**	**930,747**	**6,081,882**
At 31 January 2018				
Borrowings	822,272	2,934,153	1,065,019	4,821,444
Payables	1,476,542	409,179	-	1,885,721
Derivative financial instruments – financial liabilities	89,223	3,769	-	92,992
	2,388,037	3,347,101	1,065,019	6,800,157

36 Financial Instruments (Cont'd.)

(b) Liquidity risk (Cont'd.)

	Within 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000	Total RM'000
Company				
At 31 January 2019				
Borrowings	**305,066**	**435,382**	**-**	**740,448**
Payables	**12,205**	**-**	**-**	**12,205**
	317,271	**435,382**	**-**	**752,653**
At 31 January 2018				
Borrowings	560,460	1,313,469	-	1,873,929
Payables	24,842	-	-	24,842
Derivative financial instruments – financial liabilities	2,971	2,325	-	5,296
	588,273	1,315,794	-	1,904,067

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that 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, was as follows:

	Denominated in USD	
	2019 RM'000	2018 RM'000
Group		
Deposits with licensed banks	**15,966**	48,536
Receivables	**11,025**	15,975
Payables	**(328,392)**	(632,683)
Borrowings	**(1,728,111)**	(1,864,448)
Company		
Payables	**(79)**	-
Borrowings	**(509,502)**	(677,973)

36 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Foreign exchange risk (Cont'd.)

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 content 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 of each hedge and approval from the Treasury Committee and then, from the Board. For the year ended 31 January 2019, 83% of forecasted USD payables and commitments (mainly content purchases) and 57% of borrowings were hedged in respect of foreign currency risk. At 31 January 2019, 83% of forecasted USD payables and commitments during the financial year 2020 and 57% of borrowings for next up to 6 years qualified as 'highly probable' forecast transactions for hedge accounting purposes.

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

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.

36 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Foreign exchange risk (Cont'd.)

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:

		2019 RM'000
(i)	Foreign currency options	
	Carrying amount (asset)	1,451
	Notional amount USD	145,270
	Maturity date	Current up to 3 years
	Hedge ratio	1:1
	Change in intrinsic of outstanding hedging instruments for the year	(175)
	Change in fair value of hedged item used to determine hedge effectiveness	175
	Weighted average strike rate for the year	USD1:RM3.7289
(ii)	Foreign currency forwards	
	Carrying amount (net liability)	(4,300)
	Notional amount USD	1,551,316
	Maturity date	Current up to 6 years
	Hedge ratio	1:1
	Change in discounted spot value of outstanding hedging instrument for the year	70,596
	Change in fair value of hedged item used to determine hedge effectiveness	(70,596)
	Weighted average hedged rate for the year (including forward points)	USD1:RM4.1433
(iii)	Cross-currency interest rate swaps	
	Carrying amount (asset)	135,607
	Notional amount USD	373,584
	Maturity date	Current up to 3 years
	Hedge ratio	1:1
	Change in fair value of outstanding hedging instruments for the year	(17,891)
	Change in value of hedged item used to determine hedge effectiveness	17,891
	Weighted average hedged rate for the year	USD1:RM3.0189

36 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.)

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 before 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 before tax RM'000	Effect on equity RM'000
Group			
31 January 2019	**+10%**	**(82,573)**	**(252)**
	-10%	**82,573**	**252**
31 January 2018	+10%	(117,718)	(42,706)
	-10%	117,718	42,706
Company			
31 January 2019	**+10%**	**(8)**	**790**
	-10%	**8**	**(790)**
31 January 2018	+10%	-	1,186
	-10%	-	(1,186)

36 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Interest rate risk

The Group and Company'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 and Company adopt a base line 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	2019 Weighted average fixed rate %	2018 Weighted average fixed rate %
Group			
IRS	RM term loan	**-**	4.15
CCIRS	USD term loan	**4.19**	4.19
	USD vendor financing	**-**	4.52
RM IRS	RM vendor financing	**3.67**	3.69
USD IRS	USD vendor financing	**-**	1.80
Company			
IRS	RM term loan	**-**	4.15
CCIRS	USD term loan	**4.19**	4.19

The CCIRS for borrowings will mature on 8 June 2021, while the IRS for vendor financing have an average 3 years maturity date.

The notional principal amount and maturity profiles of both IRS and CCIRS are disclosed in Note 24 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:

	2019 RM'000	2018 RM'000
Group		
Payables	**(552,285)**	(710,143)
Borrowings	**(694,102)**	(1,725,425)
Company		
Advances to subsidiaries	**150,776**	1,084,406
Borrowings	**(694,102)**	(1,725,425)

36 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:

		2019 RM'000
(i)	Interest rate swaps	
	Carrying amount (liability)	**(320)**
	Notional amount	**496,586**
	Maturity date	**Current up to 3 years**
	Hedge ratio	**1:1**
	Change in fair value of outstanding hedging instruments for the year	**2,308**
	Change in fair value of hedged item used to determine hedge effectiveness	**(2,308)**
	Weighted average hedged rate for the year	**3.69%**

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 before 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 before tax RM'000	Effect on equity RM'000
Group			
31 January 2019	**+100**	**(2,432)**	**12,812**
	-100	**2,432**	**(12,812)**
31 January 2018	+100	(4,046)	32,706
	-100	4,046	(32,706)
Company			
31 January 2019	**+100**	**(367)**	**7,174**
	-100	**367**	**(7,174)**
31 January 2018	+100	8,219	36,105
	-100	(8,219)	(36,105)

36 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Price risk

The Group'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 (2018: equity). To manage its price risk arising from the investment in unit trusts, the Group diversifies its portfolio in various financial institutions.

The table below summarises the impact of increases/decreases of the unit price on the Group'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 before tax RM'000	Effect on equity RM'000
Group			
31 January 2019	**+0.5%**	**1,738**	**-**
	-0.5%	**(1,738)**	**-**
31 January 2018	+0.5%	-	3,642
	-0.5%	-	(3,642)
Company			
31 January 2018	+0.5%	-	854
	-0.5%	-	(854)

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 year ended 31 January 2019.

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.

36 Financial Instruments (Cont'd.)

(c) Market risk (Cont'd.)

Capital risk management (Cont'd.)

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

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Total borrowings	**3,570,670**	3,965,182	**698,030**	1,731,198
Less:				
Deposits, cash and bank balances	**(283,486)**	(233,608)	**(65,725)**	(18,480)
Investment in unit trusts	**(348,680)**	(728,447)	**-**	(170,709)
	2,938,504	3,003,127	**632,305**	1,542,009
Total equity	**678,908**	653,329	**6,898,214**	7,027,812
Total capital	**3,617,412**	3,656,456	**7,530,519**	8,569,821

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.

The Group and Company use the following hierarchy for determining and disclosing fair value of financial instruments by valuation technique:

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.

36 Financial Instruments (Cont'd.)

(d) Fair values (Cont'd.)

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:

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
At 31 January 2019				
Borrowings: Finance lease liabilities	**(1,569,683)**	**-**	**(1,625,493)**	**-**
At 31 January 2018				
Borrowings: Finance lease liabilities	(1,618,700)	-	(1,682,738)	-

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 2019				
Other investments:				
- Investment in unit trusts	**348,680**	**348,680**	**-**	**-**
- Preference shares in an unquoted company	**4,085**	**-**	**4,085**	**-**
Forward foreign currency exchange contracts - cash flow hedges	**(4,300)**	**-**	**(4,300)**	**-**
Interest rate swaps - cash flow hedges	**(320)**	**-**	**(320)**	**-**
Cross-currency interest rate swaps - cash flow hedges	**135,607**	**-**	**135,607**	**-**
Foreign currency options - cash flow hedges	**1,451**	**-**	**1,451**	**-**

36 Financial Instruments (Cont'd.)

(d) Fair values (Cont'd.)

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

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group (Cont'd.)				
At 31 January 2018				
Other investments:				
- Investment in unit trusts	728,447	728,447	-	-
- Preference shares in an unquoted company	4,085	-	4,085	-
Forward foreign currency exchange contracts - cash flow hedges	(86,091)	-	(86,091)	-
Interest rate swaps - cash flow hedges	(3,676)	-	(3,676)	-
Cross-currency interest rate swaps - cash flow hedges	159,369	-	159,369	-
Foreign currency options - cash flow hedges	1,626	-	1,626	-
Company				
At 31 January 2019				
Cross-currency interest rate swap - cash flow hedges	**135,607**	**-**	**135,607**	**-**
At 31 January 2018				
Other investments:				
- Investment in unit trusts	170,709	170,709	-	-
Interest rate swap - cash flow hedges	(4,756)	-	(4,756)	-
Cross-currency interest rate swap - cash flow hedges	159,542	-	159,542	-

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

These valuation techniques maximise the use of observable market data where it is available, and rely as little as possible on entity-specific estimate. 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 2 is determined by reference to recent sales price of a comparable transaction with a third party.

During the financial year ended 31 January 2019, 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.

36 Financial Instruments (Cont'd.)

(e) Financial Instruments by Category

	Group RM'000	Company RM'000
31 January 2019		
Financial assets at FVTPL		
Financial assets as per balance sheets		
Other investments	348,680	-
Financial assets at FVOCI		
Financial assets as per balance sheets		
Other investments	4,085	-
Financial assets at amortised cost		
Financial assets as per balance sheets		
Deposits, cash and bank balances	283,486	65,752
Receivables excluding downpayment, prepayments and contract cost assets	587,304	893
Amounts due from related parties	9,137	7
Amounts due from subsidiaries	-	75,614
Advances to subsidiaries	-	160,476
	879,927	302,742
Derivatives used for hedging		
Financial assets as per balance sheets		
Derivative financial instruments	148,040	135,607
Financial liabilities as per balance sheets		
Derivative financial instruments	15,602	-
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Trade and other payables	1,598,860	4,026
Amounts due to related parties	70,600	173
Amounts due to subsidiaries	-	8,006
Borrowings	3,570,670	698,030
	5,240,130	710,235

36 Financial Instruments (Cont'd.)

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

	Group RM'000	Company RM'000
31 January 2018		
Available-for-sale financial asset		
Financial assets as per balance sheets		
Other investments	732,532	170,709
Loans and receivables		
Financial assets as per balance sheets		
Deposits, cash and bank balances	233,608	18,480
Receivables excluding downpayment and prepayments	580,352	834
Amounts due from related parties	5,725	65
Amounts due from subsidiaries	-	322,549
Advances to subsidiaries	-	1,098,034
	819,685	1,439,962
Derivatives used for hedging		
Financial assets as per balance sheets		
Derivative financial instruments	162,583	159,542
Financial liabilities as per balance sheets		
Derivative financial instruments	91,355	4,756
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Trade and other payables excluding unearned revenue	1,791,828	3,847
Amounts due to related parties	51,590	145
Amounts due to subsidiaries	-	20,850
Borrowings	3,965,182	1,731,198
	5,808,600	1,756,040

37 Significant Events During the Financial Year

The significant events during the financial year are disclosed in Note 25 and Note 40 to the financial statements.

38 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	
	2019 RM'000	**2018 RM'000**
Indemnity given to financial institutions in respect of bank guarantees issued – unsecured		
- Programme rights vendors[1]	**37,138**	139,119
- Others[2]	**7,347**	8,154
Other indemnities:		
- Parental guarantee to programme rights vendor[1]	**741,325**	705,968
	785,810	853,241

Note:

[1] *Included as part of the programming commitments for programme rights as set out in Note 33(b).*

[2] *Consists of bank guarantees issued mainly to Royal Malaysian Customs, utility companies and other statutory bodies.*

(b) Contingent assets

There were no significant contingent assets as at 31 January 2019 and 31 January 2018.

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

(i) On 11 March 2005, AOL (a wholly-owned subsidiary of Astro All Asia Networks Limited (formerly known as ASTRO ALL ASIA NETWORKS plc)) ("AAAN") and certain of its affiliate companies ("AOL Companies") and PT Ayunda Prima Mitra ("PT APM"), PT First Media Tbk ("PT FM") and PT Direct Vision ("PT DV") entered into a conditional Subscription and Shareholders Agreement ("SSA") to set up a Direct-To-Home ("DTH") pay-TV business in Indonesia to be launched by PT DV. PT APM was a shareholder of PT DV and PT FM was the holding company of PT APM.

In anticipation of the conclusion of the intended joint venture and upon the request of PT APM and PT FM, the AOL Companies agreed to provide and/or procure the provision to PT DV of funds and services to launch the pay-TV business of PT DV in February 2006, with the support of services and equipment from AAAN, MBNS and All Asia Multimedia Networks FZ-LLC ("AAMN") (following a AHSB group reorganisation, MBNS became part of the AMH Group. AAAN, AAMN and AOL are not part of the AMH Group).

The conditions precedent to the SSA were never completed and the SSA lapsed on 31 July 2006. The parties then commenced negotiations to re-structure the proposed joint venture.

As it became clear that a restructured joint venture could not be concluded, AAAN, AAMN and MBNS decided to terminate the provision of all support and services to PT DV in October 2008.

In September 2008, PT APM filed a claim by way of a civil suit in the South Jakarta District Court ("SJDC") naming as defendants, AAAN, MBNS, AAMN, Augustus Ralph Marshall ("ARM") and nine others.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(i) (Cont'd.)

PT APM alleged that AAAN, MBNS and AAMN (collectively "Astro Defendants") along with the other defendants, had acted unlawfully and sought, among other reliefs, to compel a continuation of the provision of services and equipment to PT DV for an unlimited duration and to prohibit AAAN from ceasing the provision of services to PT DV and/or entering into any cooperation with any other party relating to subscriber pay-TV in Indonesia, and an award of damages of approximately USD1.75 billion plus interest at the rate of 6% per annum. The Astro Defendants filed a challenge stating that the SJDC had no jurisdiction to hear the claim and that the claim falls within the scope of a binding arbitration agreement set out in the SSA.

On 13 May 2009, the SJDC rejected the Astro Defendants' challenge that PT APM's claim fell within the scope of a binding arbitration agreement set out in the SSA and held that it had jurisdiction to hear the dispute and subsequently, the SJDC had on 17 September 2009 dismissed PT APM's claim on grounds that PT APM had no legal standing to bring the action against the Astro Defendants.

PT APM filed an appeal against the SJDC's decision in dismissing its claim. The Astro Defendants also filed an appeal against the SJDC's finding on jurisdiction of the court.

In September 2011, the Jakarta High Court issued a decision upholding the decisions of the SJDC rendered on 13 May 2009 and 17 September 2009, respectively.

Both the Astro Defendants and PT APM have since appealed to the Supreme Court i.e. Astro Defendants filed appeal against the SJDC's interlocutory decision on jurisdiction and PT APM filed appeal against the High Court's decision in respect of the merits of the case. The Supreme Court had in December 2016 rendered its decision and:
(a) annulled the Jakarta High Court decision of September 2011;
(b) declared the SJDC did not have jurisdiction to examine and adjudicate and decide on the claim by PT APM;
(c) rejected the appeal by PT APM in entirety; and
(d) ordered PT APM to pay all court costs.

(ii) Pursuant to the SSA, the parties to the SSA had agreed that any dispute arising out of or in relation to the proposed investment in PT DV shall be resolved by way of arbitration commenced by any party to the SSA through the Singapore International Arbitration Centre ("SIAC"), which award shall be final and binding upon them.

In October 2008, Astro Nusantara International BV ("1st Claimant"), Astro Nusantara Holdings BV ("2nd Claimant"), Astro Multimedia Corporations NV ("3rd Claimant"), Astro Multimedia NV ("4th Claimant"), AOL ("5th Claimant"), AAAN ("6th Claimant"), MBNS ("7th Claimant") and AAMN ("8th Claimant") ("Claimants") commenced arbitration under the Arbitration Rules of the SIAC against PT APM, PT DV and PT FM ("Respondents") claiming injunctive and declaratory reliefs, damages and the recovery of all monies due to the Claimants for the provision of services and/or amount expended on or paid to PT DV, together with interest and costs.

Upon receiving evidence and hearing the counsels for the parties, the arbitration tribunal unanimously decided in favour of the Claimants and made the following awards:

(a) Award on preliminary issues of jurisdiction, interim anti-suit injunction and joinder dated 7 May 2009 ("Preliminary Award") *inter alia*, ordering that PT APM immediately discontinue its suit at the SJDC against among others, AAAN, MBNS, AAMN and ARM (see (i) above);

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(ii) (Cont'd.)

(b) Further Partial Award dated 3 October 2009 whereby the arbitration tribunal declared that the SSA (which was never completed) was the only effective joint venture contract for PT DV and that it constituted the parties' entire agreement for a PT DV joint venture, and that the Claimants themselves or through their affiliates were not bound to continue to provide cash advances or services to PT DV;

(c) Award on costs dated 5 February 2010 for the preliminary hearing held from 20 to 24 April 2009, whereby the arbitration tribunal awarded costs to the Claimants and ordered that the Respondents pay to the Claimants the costs of the preliminary hearing, equivalent to approximately RM2,147,854 with interest at the rate of 5.33% per annum with effect from 6 October 2009;

(d) Interim Final Award dated 16 February 2010, ordering the Respondents to pay approximately the equivalent of USD234.5 million in restitution. Of this amount, PT APM and PT FM were held jointly and severally liable with PT DV for the sum of approximately USD98.3 million. The arbitration tribunal further ordered as a final injunction, that PT APM discontinue its civil suit at the SJDC (see sub-paragraph (i) above), and not bring any proceedings in Indonesia or elsewhere against all the defendants in the said suit (which included the Astro Defendants) in respect of the PT DV joint venture. PT APM and PT FM were also held jointly and severally liable to the 1st Claimant and the 2nd Claimant for the sum of approximately USD695,591.96 for damages arising from the Indonesian proceedings. PT APM and PT FM were further ordered to indemnify the 1st Claimant and 2nd Claimant, for the benefit of AAAN, AAMN and MBNS, against any losses suffered by reason of PT APM's continuance or pursuit of any proceedings in Indonesia or any replacement proceedings against the Claimants in so far as they relate to the joint venture agreement; and

(e) Final Award dated 3 August 2010 on interest and costs, requiring the Respondents to pay to the Claimants interest at the rate of 9% on semi-annual rests, 100% of the costs of arbitration and 80% of the legal costs claimed. The award on costs and interests is approximately USD68.6 million, of which PT FM's liability is approximately USD28.6 million;

(the awards referred to in (b), (c), (d) and (e) are collectively referred to as "Remaining Awards". The Preliminary Award and the Remaining Awards are collectively referred to as "Awards").

Following the Singapore COA's decision in October 2013 (see sub-paragraph (iv) below), PT FM paid the USD608,176.54, GBP22,500, and SGD65,000 awarded to the 1st and 2nd Claimants in the Interim Final Award dated 16 February 2010. The remaining sums in the Awards remain unsatisfied.

The Claimants had taken steps to enforce the Awards in Indonesia and in other appropriate territories that are signatories to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards. To date, the Preliminary Award has been registered in England and Wales, and the Awards have been registered in Malaysia, Singapore, Hong Kong and Indonesia, and the Respondents had challenged the enforcement efforts in Singapore, Hong Kong and Indonesia.

(iii) In Indonesia, the Claimants applied to the Head of the Central Jakarta District Court ("Head of CJDC") for an order to enforce the Preliminary Award. The Claimants' application was dismissed by the Head of CJDC, a decision which was upheld by the Supreme Court of Indonesia. On the advice of counsel, the Claimants filed for judicial review of the Supreme Court of Indonesia's decision on 19 April 2011.

In connection with the above, PT DV and PT APM jointly filed a suit in June 2010 in the Central Jakarta District Court ("CJDC") seeking to annul the Remaining Awards. PT DV also filed a separate suit seeking refusal of enforcement of the Remaining Awards. Both of these challenges were subsequently dismissed by the CJDC.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(iii) (Cont'd.)

PT DV and PT APM jointly appealed against the CJDC's decision not to annul the Remaining Awards. PT DV also appealed to the Supreme Court of Indonesia against the CJDC's decision to dismiss its application for refusal of enforcement of the Remaining Awards. On 28 June 2012, the Supreme Court of Indonesia dismissed PT DV's appeal thereby upholding the CJDC's decision to dismiss PT DV's application for non-enforcement of the awards.

In December 2011, the Claimants filed an application for enforcement of all the monetary awards in Indonesia. On 11 September 2012, the CJDC rejected the Claimants' application, which decision renders all the arbitration awards unenforceable in Indonesia. The Claimants filed an appeal on 25 October 2012 against the CJDC's decision, and in September 2013, the Supreme Court of Indonesia has dismissed the appeal, inter alia, on grounds that the Awards:

(a) are contrary to public order;
(b) amount to interference with Indonesian judicial process; and
(c) violate the principles of the State and legal sovereignty of Indonesia.

Accordingly, the Awards remain unenforceable in Indonesia.

On the advice of its counsel, MBNS and the other Claimants have filed an application at the Supreme Court of Indonesia for judicial review on 28 February 2014. The matter was subsequently transferred to the Supreme Court. The Supreme Court in October 2016, rejected the application for the judicial review. As the application for judicial review has been rejected, no monetary damages are payable and the Company and other Claimants would not be able to enforce the Remaining Awards in Indonesia.

There is no further action filed by PT DV or PT APM in relation to the aforesaid applications.

(iv) In Singapore, leave to enforce the Awards was granted by the Singapore High Court in August and September 2010 ("Enforcement Orders"), and the Claimants entered judgement in terms of the Awards in March 2011 ("2011 Judgements").

In July 2011, the Claimants obtained a worldwide Mareva injunction to restrict PT FM from disposing of its assets and requiring PT FM to declare all its assets. PT FM failed in its application to set aside the Mareva injunction orders.

In May 2011, PT FM applied to set aside the 2011 Judgements. PT FM's application to set aside 2011 Judgements was allowed, and the Claimants filed an appeal against this decision ("Claimants' Appeal").

In September 2011, PT FM applied to set aside the Singapore High Court orders granting leave to enforce the Awards ("PTFM's Setting Aside Application") and the hearing of such application took place over three days from 23 to 25 July 2012.

In a decision issued on 23 October 2012, the High Court of Singapore dismissed PT FM's Setting Aside Application and confirmed the enforceability of the Awards in Singapore. In the same decision, the court also dismissed the Claimants' Appeal, but held that there was no need for the Plaintiffs to effect service of the Enforcement Orders again in Indonesia as PT FM was aware of the Enforcement Orders.

Subsequently, PT FM filed an appeal to the Singapore Court of Appeal ("Singapore COA") against the dismissal of PTFM's Setting Aside Application by the Singapore High Court ("PTFM's Appeal"). PTFM's Appeal was heard by the Singapore COA from 10 to 12 April 2013.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(iv) (Cont'd.)

On 31 October 2013, the Singapore COA had allowed PTFM's Appeal to the extent that enforcement of the Awards is refused in relation to orders made that purport to apply as between PT FM and AAAN ("6th Claimant"), MBNS ("7th Claimant") and AAMN ("8th Claimant"). For ease of reference, the eight claimants in the SIAC arbitration were Astro Nusantara International BV ("1st Claimant"), Astro Nusantara Holdings BV ("2nd Claimant"), Astro Multimedia Corporations NV ("3rd Claimant"), Astro Multimedia NV ("4th Claimant"), AOL ("5th Claimant"), AAAN ("6th Claimant"), MBNS ("7th Claimant") and AAMN ("8th Claimant") (the 1st to 8th Claimants collectively known as "Astro").

On 9 September 2014, parties attended a further hearing before the Singapore COA to clarify the Singapore COA's decision on 31 October 2013. The Singapore COA delivered its decision on 11 September 2014.

The judgement of the Singapore COA means that MBNS as well as the 6th and 8th Claimants are not able to enforce the monetary compensations in their favour against PT FM pursuant to the Awards in Singapore. However, the Awards remain valid as they have not been (and cannot be) set aside. Further, the Awards are still enforceable against PT FM in so far as the 1st to 5th Claimants are concerned. The Awards are also final, binding and conclusive in terms of their existence and legal effect against PT APM and PT DV as these two companies did not apply to set aside or challenge the enforceability of the awards in Singapore.

It should be noted that the judgement of the Singapore COA does not in any way affect the arbitral tribunal's favourable and binding findings in relation to Astro's conduct in the failed proposed joint venture to set up a DTH pay-TV business in Indonesia. The judgements entered in favour of Astro in each of these respects remains and have also been entered in the Courts of England, Malaysia and Hong Kong.

In particular, the following declarations made by the arbitral tribunal in the Further Partial Award dated 3 October 2009 remain valid, binding and enforceable against PT APM, PT FM and PT DV:

(a) there was no continuing binding joint venture agreement for PT DV either on the terms of the SSA or on amended or restructured terms or on terms either by way of addition or substitution of the parties;
(b) the SSA was the only effective joint venture contract for PT DV and that it constituted the parties' entire agreement for a PT DV joint venture and superseded any alleged prior oral joint venture agreement;
(c) the 1st to 5th Claimants themselves or through their affiliates were not bound to continue to provide cash advances or services to PT DV; and
(d) there was no closing of the SSA.

Further, the order in the Interim Final Award dated 16 February 2010 that PT APM shall not by itself or through any company or person commence or pursue further or other proceedings in Indonesia or elsewhere against the Claimants in relation to or in connection with the existence or otherwise of a binding joint venture agreement for PT DV or any financial relief thereto remains valid, binding and enforceable as against PT APM. In that regard, insofar as proceedings before the SJDC with regards the Case 533 (refer sub-paragraph (vi) below) have been brought by PT APM through PT DV, such proceedings remain in breach of the order in the Interim Final Award dated 16 February 2010 which remains valid, binding and enforceable as against PT APM. Further, the proceedings in Case 533 are also contrary to the declarations made by the arbitral tribunal in the Further Partial Award dated 3 October 2009 as set out above.

PT FM has paid the USD608,176.54, GBP22,500, and SGD65,000 awarded to the 1st and 2nd Claimants in the Interim Final Award dated 16 February 2010. The Claimants have paid PT FM's costs of PT FM's Setting Aside Application and PT FM's Appeal.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(iv) (Cont'd.)

No provision needs to be made resulting from the judgement of the Singapore COA as the underlying losses from the failed joint venture have already been fully provided for in the accounts of the Company.

Following the decision of the Singapore COA, the worldwide Mareva injunctions obtained by the Claimants in July 2011, had ceased to be operative. PT FM had filed an application in court to determine whether it can claim any damages consequent on the Mareva injunctions. This application was opposed by the Claimants.

PT FM's application was dismissed by the Singapore High Court on 11 March 2016, and PT FM's appeal therefrom was dismissed by the Singapore COA on 10 February 2017. The Singapore COA has ordered PT FM to pay to the Claimants costs of the appeals. The costs had been paid.

(v) In Hong Kong, leave to enforce the Awards in Hong Kong was granted by the Hong Kong High Court in August and September 2010, and the Claimants entered judgement in terms of the Awards in December 2010 ("Hong Kong Orders and Judgement").

In July 2011 the Claimants obtained a garnishee order *nisi* in respect of the money loaned by PT FM to its shareholder (namely AcrossAsia Limited) in Hong Kong ("Garnishee"), which would, when made into an absolute order, require the Garnishee to pay the Claimants the relevant sums in part satisfaction of the amounts outstanding from PT FM under the Awards.

In January 2012, PT FM applied to set aside the Hong Kong orders of August and September 2010 and the December 2010 judgement enforcing the Awards ("HK Setting Aside Application"). PT FM and the Garnishee challenged the garnishee proceedings on various grounds including jurisdiction. The hearing for HK Setting Aside Application was stayed pending the determination of the Singapore setting aside application (as described in sub-paragraph (iv) above).

Pending the final determination of the Singapore setting aside application, on 21 March 2012, the Hong Kong High Court ordered the Garnishee to pay into court all sums due and payable to PT FM under the loan ("Payment-in Order"). The Garnishee appealed against the Payment in Order, but its appeal was dismissed by the Court of Appeal.

On 14 September 2012, the Garnishee disclosed the existence of an Indonesian arbitration award ordering that the Garnishee repays the loan amount to PT FM. On 24 September 2012, the Garnishee filed its application to discharge the Payment-in Order and to discharge the garnishee order *nisi* (collectively, the "Discharge Applications").

The substantive garnishee proceedings and the Discharge Applications had been fixed to be heard from 9 to 13 September 2013.

In December 2012, by reference to the Indonesian arbitration award, PT FM commenced proceedings against the Garnishee in Indonesia under bankruptcy laws.

To preserve the proceedings above, in hearings held on 24 January, 4 and 6 February 2013 the Claimants applied for and obtained injunctions against the Garnishee and PT FM to restrain them, individually or jointly, until further order by the Hong Kong High Court, from taking steps in Indonesia or otherwise which have the effect of discharging (in whole or in part, including any set-off or compromise), disposing of, dealing with or diminishing the value of the garnisheed debt; and from taking further steps in the Indonesian proceedings before the Indonesian Courts except with the consent of the Hong Kong High Court. These injunctions were granted with the Claimants giving a qualified undertaking as to damages on 6 February 2013.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(v) (Cont'd.)

As the Payment in Order was still outstanding on 4 February 2013, the Hong Kong High Court also ordered the Garnishee to pay in to Court the sum of USD46,774,403 by 18 February 2013. However, in light of the proceedings in Indonesia, the payment in deadline was further extended until 7 March 2013.

The Garnishee also filed an appeal against the orders made by the Hong Kong High Court on 4 and 6 February 2013.

The hearing for the Garnishee's application for leave to appeal against the Hong Kong High Court orders dated 4 and 6 February 2013 was adjourned on 11 March 2013 for an indefinite period with liberty for the parties to restore and a directions hearing is to be fixed no later than 14 June 2013.

In an announcement dated 5 March 2013 to the Hong Kong Stock Exchange, the Garnishee disclosed that the Indonesian court had made an order of bankruptcy against it. By 7 March 2013 the Garnishee had not complied with the Payment-in Order. In an announcement dated 11 March 2013, the Garnishee announced that they remain presently unable to comply with the Payment-in Order in view of the bankruptcy order issued against them in Indonesia on 5 March 2013 and that they will be filing an appeal in Indonesia. The Garnishee had filed its appeal, and the dismissal of the appeal was announced on 31 July 2013 on the Supreme Court's website. The Garnishee announced on 28 November 2013 that it "still awaits the official notice of dismissal by the Indonesian Supreme Court on the Garnishee's appeal against the Indonesian Bankruptcy Order".

Subsequent to the issuance of the bankruptcy order on 5 March 2013, the Claimants applied for injunctions in order to safeguard the Claimant's interests in respect of the Payment-in Order. The Claimants' application was however dismissed by the Hong Kong High Court, and the Payment-in Order remains outstanding.

The Hong Kong High Court had on 31 October 2013 delivered its judgement in favour of the Claimants wherein:

(a) the garnishee order *nisi* dated 22 July 2011 issued by the Hong Kong High Court be made absolute;
(b) the Garnishee's application to set aside the garnishee order *nisi* and to discharge the Payment in Order (as amended on 19 April 2012) issued by the Hong Kong High Court be dismissed; and
(c) an order *nisi* be made for costs to the Claimants, (i.e. Claimants are to be paid for their costs of the garnishee proceedings subject only to the Court being asked within 14 days to vary such order).

The garnishee proceedings formed part of the Claimants' enforcement efforts for the Awards issued in favour of the Claimants by the arbitral tribunal constituted under the auspices of SIAC against PT FM and others. PT FM and the Garnishee sought to resist the garnishee proceedings by reference to a series of actions they had undertaken in Indonesia themselves. The Hong Kong High Court rejected the challenge by PT FM and the Garnishee in the garnishee proceedings and proceeded to make the garnishee order absolute.

The Hong Kong High Court found that it has jurisdiction to grant the garnishee order absolute and should do so on the facts. In particular, the Hong Kong High Court found that "there has been collusion on the part of the Lippo group of companies" whose actions amounted to a "charade". Finally, the Hong Kong High Court also noted that there is no reason to believe that any question of double jeopardy arises and even if it did it would have been "self-inflicted".

Subsequent to the Hong Kong High Court judgement on 31 October 2013 and following the decision of the Singapore COA, the Garnishee and PT FM have proceeded to file an appeal against the said decision ("Garnishee Appeals") and obtained an unconditional stay of the execution of the garnishee order absolute from the Hong Kong High Court. The stay order is granted pending the setting aside application by PT FM.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(v) (Cont'd.)

The Claimants had subsequently filed an application to the Hong Kong High Court for leave to appeal to the Hong Kong Court of Appeal against the unconditional stay of execution of the garnishee order absolute granted by the Hong Kong High Court to the Garnishee and PT FM. This application has since been refused by the Hong Kong High Court. On 4 April 2014, the Claimants renewed this application for leave to appeal, this time before the Hong Kong Court of Appeal.

The Court of Appeal had on 25 June 2014 dismissed the Claimants' application for leave to appeal against the unconditional stay of execution of the garnishee order. The Hong Kong High Court has on 17 February 2015 ruled on the HK Setting Aside Application by PT FM in favour of the Claimants. The Hong Kong High Court found, amongst others, that:

(a) PT FM is not permitted to resist enforcement of the Awards as it has acted in breach of the good faith principle in its conduct in the arbitration;
(b) PT FM had taken a deliberate decision not to take action within the time limited to challenge enforcement of the Awards in Hong Kong; and
(c) the Awards remain valid and binding even though PT FM has successfully resisted enforcement of the Awards in Singapore.

The Hong Kong High Court declined to exercise its discretion to grant an extension of time to PT FM to apply to set aside the Awards.

PT FM applied and was granted leave to appeal the Hong Kong High Court's decision ("Setting Aside Appeal"). The Court of Appeal in December 2016 handed down a judgement dismissing the Setting Aside Appeal.

Both PT FM and the Garnishee filed summonses, seeking amongst others, directions and/or leave to appeal the aforesaid Hong Kong High Court's decision and to extend the Stay of Execution of the Garnishee Order Absolute until determination of the Garnishee Appeals.

There was an interim stay of execution of the Garnishee Order Absolute dated 31 October 2013 whilst PT FM brought appeals seeking to set aside the various orders and judgements made against PT FM in the Hong Kong High Court and the Court of Appeal, to oppose MBNS' and various claimants' attempts to enforce the Hong Kong Orders and Judgements.

PT FM subsequently in a series of applications to the Court of Appeal and Court of Final Appeal ("CFA"), applied for leave to appeal.

The CFA has handed down its judgement, allowed PT FM's appeal against the decision of the High Court and the Court of Appeal.

The CFA also subsequently heard PT FM's appeal and granted an extension of time for PT FM to apply to set aside the Orders and Judgements.

On 27 June 2018, the parties agreed, by consent, to (i) set aside the Hong Kong Orders and Judgement, to the same extent as allowed by the Singapore COA on 31 October 2013, and (ii) discharge the garnishee orders *nisi* and garnishee order absolute ("Garnishee Orders"). There is accordingly no further action in Hong Kong to enforce the Garnishee Orders.

Save for matters relating to costs including applications for taxation of costs in respect of the various proceedings set out above, there is no other substantive matters arising in Hong Kong relating to the Garnishee Orders.

38 Indemnity, Guarantees, Contingent Assets and Material Litigation (Cont'd)

(c) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation, claims or arbitration either as plaintiff or defendant (Cont'd.)

(vi) On 14 November 2012, MBNS received a letter from the Indonesian Embassy in Kuala Lumpur enclosing a purported court summons with respect to a claim made by PT DV in the SJDC against AAAN and others as defendants ("Case 533"). MBNS is named as Defendant II. The claim brought by PT DV is allegedly for an unlawful act or tort. The letter states that the Defendants are summoned to attend before the SJDC on 10 January 2013. There are no further details given in the said summons.

The hearing on 10 January 2013 was adjourned to 10 April 2013 to allow for various legal formalities to be dealt with. On 10 April 2013, the court being satisfied that all Defendants were properly summoned adjourned the matter for a further week to 17 April 2013 for parties to go through the mandated mediation process. On 24 April 2013, MBNS was officially served with the statement of claim and the mediation process was said to have formally commenced.

The suit is brought by PT DV for damages for an unlawful act (i.e. a tort) alleged to have been committed by AAAN, AOL, AAMN, ARM, certain individuals as well as MBNS (collectively, "Defendants"), arising from a dispute that arose in 2008 over a proposed DTH pay-TV business in Indonesia ("Proposed Indonesian Joint Venture"). PT DV claims on a joint and several basis from MBNS and the other Defendants for, amongst others, immaterial loss of USD20 billion and interest.

MBNS is of the opinion, following counsels' advice, that PT DV's claim against MBNS is not supported with valid grounds and the quantum of damages sought is unjustifiable. The Company wishes to further clarify that the PT DV's claim is in relation to and stems from an on-going dispute in relation to the Proposed Indonesian Joint Venture which has been the subject of past litigation and arbitration proceedings since 2008 (as disclosed in sub-paragraph (i) to (v) above).

On the advice of counsels, MBNS along with other defendants, had filed an application challenging the jurisdiction of the SJDC to hear the case.

The challenge was made on the legal basis that the subject matter of this civil suit must be determined by way of arbitration under the SIAC rules as prescribed under the SSA. This had already been heard and determined by way of the SIAC arbitration and awards in favour of MBNS and other Astro entities on this very issue. Judgement has been entered in the terms of the Awards in Singapore, Malaysia, Hong Kong and England.

SJDC has on 28 August 2013 rejected MBNS' challenge and decided that it has jurisdiction over the dispute. This ruling is only in relation to the challenge to jurisdiction and the SJDC will proceed to hear the merits of the case in full.

MBNS had filed an appeal against the SJDC's decision on 9 September 2013.

On 5 June 2014 the SJDC dismissed the claim filed by PT DV.

After an examination of the evidence presented to the court, the SJDC ruled that the claim originated from the SSA which contained an arbitration clause for dispute resolution. The SJDC ruled that the arbitration clause in the SSA was binding and applicable and thus the case must be determined by way of arbitration under the auspices of the SIAC. Based on the laws of Indonesia, the SJDC determined that it did not have the jurisdiction to hear the case and accordingly dismissed the claim. By way of background, this dispute has already been heard and finally determined by way of arbitration under the auspices of the SIAC and several awards were made by the arbitration tribunal in favour of MBNS and the other Astro entities in 2009 and 2010 ("SIAC Awards") (Please see sub-paragraph (ii) above). These SIAC Awards have been registered in Malaysia.

PT DV subsequently appealed to the Jakarta High Court ("JHC") on the decision of the SJDC. The JHC upheld the decision of the SJDC in MBNS' favour. PT DV has appealed to the Supreme Court against JHC's decision.

39 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;
III. Home-shopping business; and
IV. Others

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 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 the 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 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 of inter-company receivables and payables.

39 Segment Information

	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 2019							
Revenue							
Total revenue	4,855,621	298,573	377,763	2,899	82,818	-	5,617,674
Inter-segment revenue[1]	(44,111)	(5,708)	(3,798)	(2,898)	(82,111)	-	(138,626)
External revenue	4,811,510	292,865	373,965	1	707	-	5,479,048
Results							
Interest income	25,755	5,858	1,094	353	44,230	(39,847)	37,443
Interest expense	(220,286)	(44)	(221)	(1,844)	(57,061)	39,847	(239,609)
Depreciation and amortisation	(1,070,546)	(4,699)	(3,614)	(44)	(2,997)	44,157	(1,037,743)
Share of results of associates/joint ventures	796	-	-	-	-	-	796
Impairment of investments accounted for using the equity method	(2,142)	-	-	-	-	-	(2,142)
Segment profit/(loss) – Profit/(loss) before tax	539,380	157,508	(7,417)	(10,674)	(49,045)	21,393	651,145
Assets/Liabilities							
Investment in associates/joint ventures	2,127	-	-	-	-	-	2,127
Additions to non-current assets[2]	931,922	12,660	1,476	-	5,087	-	951,145
Segment assets	5,231,622	1,302,139	48,215	53,273	312,311	(811,512)	6,136,048
Unallocated assets							123,510
Total assets							6,259,558
Segment liabilities	5,051,509	215,633	84,740	10,273	748,267	(645,970)	5,464,452
Unallocated liabilities							116,198
Total liabilities							5,580,650

39 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 2018							
Revenue							
Total revenue	4,956,623	327,594	290,021	15,201	89,781	-	5,679,220
Inter-segment revenue[1]	(40,602)	(4,430)	-	(15,201)	(88,234)	-	(148,467)
External revenue	4,916,021	323,164	290,021	-	1,547	-	5,530,753
Results							
Interest income	18,896	3,918	809	968	72,562	(69,909)	27,244
Interest expense	(197,611)	(97)	(106)	(1,934)	(80,080)	69,909	(209,919)
Depreciation and amortisation	(1,086,753)	(5,305)	(7,147)	(62)	(4,644)	33,329	(1,070,582)
Share of results of associates/joint ventures	(1,608)	-	-	-	-	-	(1,608)
Segment profit/(loss) – Profit/(loss) before tax	940,746	175,398	(15,330)	(424)	(47,627)	20,388	1,073,151
Assets/Liabilities							
Investment in associates/ joint ventures	2,707	-	-	-	-	-	2,707
Additions to non-current assets[2]	1,648,406	10,299	282	63	150	-	1,659,200
Segment assets	5,533,110	1,258,563	54,232	24,754	461,115	(590,784)	6,740,990
Unallocated assets							106,957
Total assets							6,847,947
Segment liabilities	4,695,158	184,910	83,106	12,678	1,793,025	(670,331)	6,098,546
Unallocated liabilities							96,072
Total liabilities							6,194,618

Note:
[1] *Inter-segment revenues are eliminated on consolidation.*
[2] *Additions to non-current assets consist of additions to property, plant and equipment and intangible assets (including acquisition of subsidiaries).*

40 Business Combinations

On 8 February 2018, a wholly-owned subsidiary of the Company, ADSB entered into a conditional joint venture agreement ("JVA") with Grup Majalah Karangkraf Sdn Bhd ("GMK") and GMK's wholly-owned subsidiary Nu Ideaktiv Sdn Bhd (formerly known as Karangkraf Digital 360 Sdn Bhd) ("NISB"), in respect of a joint venture for the creation and monetisation of content verticals in Malaysia and the Nusantara region. Based on the terms of the JVA, ADSB's total subscription consideration for its 51% interest in NISB is RM100,000,104 ("Investment Amount") to be paid in tranches.

The Investment Amount of RM100,000,104 will be satisfied in full by cash in the manner set out below:

- Upon completion date of the JVA, ADSB will invest RM50,000,104 out of the Investment Amount in the following manner:

  (a) ADSB will subscribe for 104 Class A ordinary shares in NISB for cash consideration of RM104, while GMK's existing 100 shares in NISB will be reclassified as Class A ordinary shares. As such, the equity interest of ADSB and GMK in Class A ordinary shares and total voting rights in NISB is 51:49 respectively. Each Class A ordinary share shall carry one vote for each share; and

  (b) ADSB will subscribe for 50,000,000 Class B ordinary shares in NISB, representing 100% of the total Class B ordinary shares, for a cash consideration of RM50,000,000 paid to NISB. Each Class B ordinary share shall (i) carry two votes for each share (ii) have one time liquidation rights (subject to (ii) below) and (iii) one time dividend entitlement (subject to (ii) below).

  The JVA was completed on 2 May 2018 ("JVA Closing"), resulting in NISB being a 51% owned subsidiary of ADSB.

- Following the completion of the above, ADSB will invest the remaining RM50,000,000 within a span of five years in five equal tranches of RM10,000,000 each on the anniversary of the JVA Closing through the subscription of fully paid Class D non-voting ordinary shares in NISB. Each Class D non-voting ordinary shares shall (i) not carry any voting rights (ii) have one time dividend entitlement (subject to (ii) below) and (iii) have one time liquidation right (subject to (ii) below).

  (i) If any of the fifteen active IPs are not able to be registered in NISB's favour at the Intellectual Property Corporation of Malaysia ("MyIPO") in certain mutually agreed identified classes, or if there is an infringement claim in any one of the IPs, ADSB has the right to reduce its Investment Amount in any one of the above tranches in accordance with a mechanism to be agreed mutually by the Parties in JVA. ADSB, in its sole discretion, may accelerate its investment in one or more tranches.

  (ii) ADSB is entitled to (a) 51% of cash surplus if NISB is wound-up or (b) 51% dividend entitlement, at any time after 5th JVA Closing anniversary in the event there is no reduction of investment. ADSB's cash surplus entitlement or dividend entitlement is lower than 51% if NISB is wound-up or the dividend is distributed prior to 5th JVA Closing anniversary (regardless whether there is a reduction of investment or otherwise), as ADSB has not invested the total Investment Amount. In the event of a reduction of investment, ADBS's entitlement in relation (i) surplus cash distribution on winding-up and (ii) dividend entitlement, shall be mutually agreed between GMK and ADSB in the JVA.

In conjunction with the JVA, on 1 March 2018, NISB entered into a Sale of Business Agreement ("SBA") with Grup Majalah Karangkraf Sdn Bhd ("GMK") to purchase the business of publishing and printing of magazines and periodicals in relation to general entertainments (including lifestyle, fashion, food travel), education, sports and Islamic related contents, in the form of print or digital content, in Malay language. In addition, via SBA, NISB had also purchase business assets in form of past and present rights, title and interest in and in relation to the titles and trademarks along with goodwill associated therewith and interest in all the past and present materials, contents and all copy rights and other intellectual properties in relations to the titles and trademarks, including domain names, mobile applications and social media accounts as defined under the SBA at the consideration of RM96 million. The RM96 million was satisfied through the issuance of Class C ordinary shares to GMK by NISB. The Class C ordinary share shall (i) carry one vote for each share (ii) have one time liquidation rights (subject to (ii) above) and (iii) one time dividend entitlement (subject to (ii) above).

Upon completion of the SBA on 2 May 2018, the acquisition of the business and business assets was accounted for in accordance with MFRS 3 "Business Combination" by NISB. In accordance with the requirements of MFRS 3, the Group has finalised the purchase price allocation in respect of the business combination as follows:

40 Business Combinations (Cont'd.)

Final purchase price allocation

	RM'000
Intangible assets (Note 19)	40,805
Deferred tax liabilities (Note 26)	(9,793)
Total identifiable net assets	31,012
Add: Goodwill (Note 19)	64,988
Less: Non-controlling interest	(96,000)
Cash outflow on acquisition	-

The results of the subsidiary for the whole reporting period as though the acquisition date for the business combination had occurred on 1 February 2018 is not materially different from the amount consolidated from the date of acquisition.

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers

MFRS 9 Financial Instruments

As disclosed in Note 3A(a), the Group and the Company have adopted MFRS 9, which resulted in changes in accounting policies and adjustments to the financial position. The main changes are as follows:

(a) Classification and measurement of financial assets

Until 31 January 2018, financial assets were classified in the following categories: financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, and available-for-sale ("AFS") financial assets. Note 3(S) set out the details of accounting policies for classification and measurement of financial instruments under MFRS 139.

From 1 February 2018, the Group and the Company applied the following MFRS 9's classification approach to all types of financial assets, including those that contain embedded derivative features:

- *Investments in debt instruments:* There are 3 subsequent measurement categories: amortised cost, fair value with changes either recognised through other comprehensive income ("FVOCI") or through profit or loss ("FVTPL").
- *Investments in equity instruments:* These instruments are always measured at fair value with changes in fair value presented in profit or loss unless the Group and the Company has made an irrevocable choice to present changes in fair value in other comprehensive income ("OCI") for investments that are not held for trading.

The new accounting policies for classification and measurement of financial instruments under MFRS 9 are set out in Note 3(S).

To reflect this change in accounting policies, the Group and the Company have made the following reclassification of financial assets upon adoption of MFRS 9:

(i) Reclassification of investment in unit trusts from AFS to FVTPL

Investment in unit trusts were reclassified from AFS to financial assets at FVTPL because their contractual cash flows do not represent SPPI. Related fair value gains were transferred from AFS reserve, along with the related deferred tax expense impact, to retained earnings on 1 February 2018.

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

MFRS 9 Financial Instruments (Cont'd.)

(a) Classification and measurement of financial assets (Cont'd.)

(ii) Reclassification of investment in non-trading equity securities from AFS to FVOCI

The Group and the Company elected to present in OCI changes in the fair value of its investments in preference shares in an unquoted company previously classified as AFS, because these investments are not held for trading or arise from contingent consideration recognised by acquirer in business combination. As a result, investments in these equity securities were reclassified from AFS financial assets to financial assets at FVOCI. There was no balance as at 1 February 2018 in related AFS reserves, hence no amount was reclassified to FVOCI reserve on 1 February 2018.

(b) Impairment

Until 31 January 2018, the Group and the Company assessed the impairment of loan and receivables and AFS financial assets based on the incurred impairment loss model. Note 3S(c) set out the details of accounting policies for impairment of financial assets under MFRS 139.

From 1 February 2018, the Group and the Company applied expected credit loss ("ECL") model to determine impairment on investment in debt instruments that are measured at amortised cost and at FVOCI and financial guarantee contracts. The new accounting policies for impairment under MFRS 9 are set out in Note 3(S).

(i) Trade receivables, contract assets and amounts due from related parties that do not contain significant financing components

For all trade receivables, contract assets and amounts due from related parties that do not contain significant financing components, the Group and the Company apply the MFRS 9 simplified approach which is to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life. This resulted in the recognition of additional loss allowances for trade receivables and amounts due from related parties on 1 February 2018.

(ii) Other receivables

For other receivables, an ECL model is made applicable which involves a 3-stage approach whereby financial assets move through the 3-stages as their credit quality changes. The stages dictate how an entity measures impairment losses and applies the effective interest rate method. This resulted in the recognition of additional loss allowance for other receivables on 1 February 2018.

(iii) Loans to subsidiaries

Loans to subsidiaries that are repayable on demand and interest-bearing are classified as amortised cost in the Company's financial statements because the Company's business model is to hold and collect the contractual cash flows and those cash flows represent SPPI. The Company applied the general 3-stage approach when determining ECL for these loans to subsidiaries.

No additional loss allowance is recognised on these loans to subsidiaries upon adoption of MFRS 9 as all strategies indicate that the Company could fully recover the outstanding balance of the loans to subsidiaries.

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

MFRS 9 Financial Instruments (Cont'd.)

(c) Hedging reserve

The cross currency interest rate swaps ("CCIRS") and forward contracts in place as at 31 January 2018 qualified as cash flow hedges under MFRS 9. The Group and Company's risk management strategies and hedge documentation are aligned with the requirements of MFRS 9 and these relationships are therefore treated as continuing hedges.

Since adoption of MFRS 9, gains or losses relating to the effective portion of the change in fair value of the CCIRS (excluding foreign currency basis spread) and the change in the spot component of the forward contracts are recognised in other comprehensive income and accumulated in cash flow hedge reserve within equity. The change in the foreign currency basis spread of the derivative and the forward element of the contract that relates to the hedged item ("aligned forward element") are recognised in other comprehensive income and accumulated in costs of hedging reserve within equity. This change has been applied retrospectively as permitted by MFRS 9. The detailed impact of the reclassification is disclosed in Note 29.

The deferred hedging gains and losses and the deferred cost of hedging are reclassified to income statement in the same period that the hedged cash flows affect income statement.

The measurement category and the carrying amount of financial assets and financial liabilities in accordance with MFRS 139 and MFRS 9 at 1 February 2018 are compared as follows:

		Measurement category		Carrying amount			
		Original (MFRS 139)	New (MFRS 9)	Original (MFRS 139) RM'000	Reclassifications RM'000	Remeasurements RM'000	New (MFRS 9) RM'000
Group							
Non-current financial asset							
Preference shares in an unquoted company	(a)(ii)	AFS	-	4,085	(4,085)	-	-
Preference shares in an unquoted company	(a)(ii)	-	FVOCI	-	4,085	-	4,085
Current financial asset							
Trade receivables, net of impairment	(b)(i)	Amortised Cost	Amortised Cost	469,322	-	(5,497)	463,825
Other receivables, net of impairment	(b)(ii)	Amortised Cost	Amortised Cost	46,038	-	(1,126)	44,912
Amounts due from related parties, net of impairment	(b)(i)	Amortised Cost	Amortised Cost	5,725	-	(1,563)	4,162

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

MFRS 9 Financial Instruments (Cont'd.)

The measurement category and the carrying amount of financial assets and financial liabilities in accordance with MFRS 139 and MFRS 9 at 1 February 2018 are compared as follows (Cont'd.):

		Measurement category		Carrying amount			
		Original (MFRS 139)	New (MFRS 9)	Original (MFRS 139) RM'000	Reclassifications RM'000	Remeasurements RM'000	New (MFRS 9) RM'000
Current financial asset (Cont'd.)							
Investment in unit trusts	(a)(i)	AFS	-	728,447	(728,447)	-	-
Investment in unit trusts	(a)(i)	-	FVTPL	-	728,447	-	728,447
Deposits, cash and bank balances	(*)	Amortised Cost	Amortised Cost	233,608	-	-	233,608
Current liabilities							
Trade payables	(*)	Amortised Cost	Amortised Cost	814,242	-	-	814,242
Other payables	(*)	Amortised Cost	Amortised Cost	588,067	-	-	588,067
Amounts due to related parties	(*)	Amortised Cost	Amortised Cost	51,590	-	-	51,590
Borrowings	(*)	Amortised Cost	Amortised Cost	645,728	-	-	645,728
Non-current liabilities							
Trade payables	(*)	Amortised Cost	Amortised Cost	389,519	-	-	389,519
Borrowings	(*)	Amortised Cost	Amortised Cost	3,319,454	-	-	3,319,454

(*) There was no impact on the classification and measurement recognised in relation to these financial assets and financial liabilities from the adoption of MFRS 9.

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

MFRS 15 Revenue from Contracts with Customers

As disclosed in Note 3A(a), the Group has adopted MFRS 15, which resulted in changes in accounting policies and adjustments to the financial position at 1 February 2018. The main changes are as follows:

(d) Accounting for costs to obtain contracts

Under MFRS 15, the Group capitalises sales commissions (for newly-acquired customers) as costs to obtain or fulfil a contract with a customer when they are incremental and expected to be recovered over service period. These costs are included within receivables and are amortised consistently with the transfer of the service to the customer, over an estimated period of 12-24 months. Previously, these costs were recognised in the income statement.

A "contract cost asset" with carrying amount of RM7,753,000 and related deferred tax liability of RM1,861,000 was recognised on 1 February 2018. The net adjustment to accumulated losses on 1 February 2018 was RM5,892,000.

(e) Accounting for non-subscription based set-top boxes

Upon adoption of MFRS 15, sales of non-subscription based set top boxes is not considered a distinct performance obligation as consumers can only benefit from the usage of the set top boxes by viewing the channels transmitted by the Group over the life of the set top boxes. Consequently, the revenue and cost attributed by sale of non-subscription based set top boxes will be recognised over an estimated period of 12 months instead of it being recognised upon delivery.

As a consequence, a contract liabilities for the revenue deferred of RM23,519,000 and a contract cost asset for the cost deferred of RM21,927,000, with a corresponding deferred tax assets of RM382,000 and a net adjustment to accumulated losses as at 1 February 2018 of RM1,210,000 was recognised.

(f) Accounting for revenue from distribution and licensing of film library

For the financial year ended 31 January 2018, the Group recognised revenue over the period the rights are made available. However, upon adoption of MFRS 15, revenue from distribution and licensing of film library is recognised at a point in time, which is when the film library content is delivered.

To reflect this change in accounting policy, the Group accelerate amortisation of film library and programme rights as presented under intangible assets of RM2,543,000 and a reversal of unearned revenue of RM3,031,000 and a net adjustment to accumulated losses as at 1 February 2018 with net amount of RM488,000.

(g) Contract Assets

Upon adoption of MFRS15, the satisfied performance obligation by the Group which billings have not been raised are recorded as contract assets. In previous years, these are being presented within receivables of the balance sheets.

(h) Contract liabilities

Upon adoption of MFRS 15, the unsatisfied obligation by the Group to transfer goods or services to customer for which the Group has received the consideration in advance or has billed the customer as contract liabilities. In previous years, any consideration received in advance is presented within payables of the balance sheet.

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

The impact of MFRS 9 and MFRS 15 on the Group's and Company's financial position as at 1 February 2018 is as follows:

Consolidated statement of financial position (extract)

	Note	31 January 2018 RM'000	MFRS 9 adjustment RM'000	MFRS 9 1 February 2018 RM'000	MFRS 15 adjustment RM'000	MFRS 9 and MFRS 15 1 February 2018 RM'000
Non-current assets						
Receivables		136,036	-	136,036	3,892	139,928
Intangible assets	19	2,039,303	-	2,039,303	(2,543)	2,036,760
Deferred tax assets	26	106,957	1,964	108,921	(1,479)	107,442
Current assets						
Receivables		1,011,530	(8,186)	1,003,344	20,681	1,024,025
Contract assets	5	-	-	-	5,107	5,107
Current liabilities						
Payables		1,652,490	-	1,652,490	(201,622)	1,450,868
Contract liabilities	5	-	-	-	222,110	222,110
Capital and reserves attributable to equity holders of the Company						
Fair value reserve		(369)	369	-	-	-
Accumulated losses		(576,918)	(6,591)	(583,509)	5,170	(578,339)

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

The impact of MFRS 9 and MFRS 15 on the Group's and Company's financial position as at 1 February 2018 is as follows (Cont'd.):

Company statement of financial position (extract)

	31 January 2018 RM'000	MFRS 9 adjustment RM'000	MFRS 9 1 February 2018 RM'000
Capital and reserves attributable to equity holders of the Company			
Fair value reserve	39	(39)	-
Retained earnings	287,607	39	287,646

The efffects from adoption of MFRS 9 and MFRS 15 to the Group's accumulated losses and Company's retained earnings as at 1 February 2018 are as follows:

		Group RM'000	Company RM'000
Opening (accumulated losses)/retained earnings as at 1 February 2018		**(576,918)**	**287,607**
Effect arising from adoption of MFRS 9 (net of tax effects):			
Reclassification of investment in unit trust from AFS to FVTPL	(a)(i)	(369)	39
Increase in impairment of receivables	(b)(i)	(6,222)	-
Adjustment to accumulated losses from adoption of MFRS 9		(6,591)	39
Effect arising from adoption of MFRS 15 (net of tax effects):			
Accounting for costs to obtain contracts	(d)	5,892	-
Recognition of contract liabilities from allocation of non-subscription based set-top boxes revenue over obligated period	(e)	(17,874)	-
Recognition of contract cost assets from allocation of non-subscription based set-top boxes costs over obligated period	(e)	16,664	-
Accounting for revenue from distribution and licensing of film library	(f)	488	-
Adjustment to accumulated losses from adoption of MFRS 15		5,170	-
Restated (accumulated losses)/retained earnings as at 1 February 2018		(578,339)	287,646

Impact on financial statements if MFRS 15 is applied retrospectively

As disclosed above, the adoption of MFRS 15 in financial year 2019 resulted in changes in the following accounting policies:
(a) accounting for costs to obtain contracts
(b) accounting for non-subscription based set-top boxes
(c) accounting for revenue from distribution and licensing of film library

41 Effects Arising from Adoption of MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers (Cont'd.)

Impact on financial statements if MFRS 15 is applied retrospectively (Cont'd.)

Had the Group continue to apply the previous accounting policies in accordance with MFRS 118 and MFRS 111 on these transactions, the impact on each financial statement line items in 2018 would be as follows:

Statement of financial position (extract)

	Note	31 January 2019 As reported RM'000	Adjustment RM'000	31 January 2019 balances without the adoption of MFRS 15 RM'000
Non-current assets				
Receivables	(a)	180,054	(3,892)	176,172
Intangible assets	(c)	2,091,910	6,689	2,098,599
Deferred tax assets	(a),(b)	123,510	2,273	125,783
Current assets				
Receivables	(a),(b)	808,430	(17,584)	790,846
Contract assets		9,625	(9,625)	-
Current liabilities				
Payables	(b),(c)	1,257,841	194,685	1,452,526
Contract liabilities		208,720	(208,720)	-
Capital and reserves attributable to equity holders of the Company				
Accumulated losses		(678,019)	(8,104)	(686,123)

Income statement (extract)

	Note	31 January 2019 As reported RM'000	Adjustment RM'000	31 January 2019 balances without the adoption of MFRS 15 RM'000
Revenue	(b),(c)	5,479,048	(1,659)	5,477,389
Cost of sales	(a),(b),(c)	(3,534,266)	(1,172)	(3,535,438)
Gross profit		1,944,782	(2,831)	1,941,951
Marketing and distribution costs	(a)	(491,098)	(898)	(491,996)
Profit before tax		651,145	(3,729)	647,416
Tax expense	(a),(b)	(190,321)	795	(189,526)
Profit for the financial year		460,824	(2,934)	457,890

42 Significant Post Balance Sheet Events

(a) On 28 December 2018, MBNS accepted a term loan facility of RM300 million from AmBank (M) Berhad. On 28 March 2019, MBNS had drawn down the first tranche amounting to RM50 million at a floating interest rate of 5.2975% per annum with final maturity on 28 March 2024. The interest is payable quarterly.

(b) The Company had on 18 April 2019 subscribed for 39,000,000 ordinary shares at an issue price of RM1.00 per ordinary share in ARV, to be effected by way of full settlement of outstanding advances owing to the Company amounting to RM38,987,725 and cash consideration of RM12,275.

(c) MBNS had on 18 April 2019 entered into the following agreements:

(i) an agreement with MEASAT Communication Systems Sdn Bhd ("MCSSB"), a wholly-owned subsidiary of MGB, for the utilisation of transponder capacity on the MEASAT-3d ("M3d") satellite for a fee of USD360.0 million ("Fees"), subject to such discounts as set out in the agreement, to be satisfied in cash ("M3d Agreement"); and

(ii) an agreement with MISAL, a wholly-owned subsidiary of MGB, for the early termination of the agreement entered into between MISAL and MBNS dated 12 April 2018 for the utilisation of transponder capacity on the MEASAT-3b ("M3b") satellite ("M3b 2018 Agreement") ("Termination Agreement").

The M3d Agreement is conditional upon the satisfaction of the following conditions precedent on or before 30 June 2019 or such other dates as the Parties may mutually agree:

(a) approval of the Board of Directors of MBNS and the Company which have been obtained;
(b) approval of the shareholders of AMH at the forthcoming AGM;
(c) approval of the Board of Directors of MCSSB and MGB;
(d) MCSSB delivering a guarantee from MGB, in favour of MBNS, to guarantee MCSSB's obligation to refund the deposit in accordance with the terms of M3d Agreement; and
(e) execution and delivery of the Termination Agreement.

43 Approval of Financial Statements

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 19 April 2019.

ANALYSIS OF SHAREHOLDINGS

as at 16 April 2019

SHARE CAPITAL

Issued shares	:	5,214,314,500 ordinary shares
Voting Right	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

(Based on Record of Depositors of the Company)

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares	% of issued shares
1 to 99	589	4.06	5,729	0.00
100 to 1,000	3,420	23.56	2,470,445	0.05
1,001 to 10,000	8,350	57.54	33,538,908	0.65
10,001 to 100,000	1,686	11.62	50,309,085	0.96
100,001 to 260,715,724*	463	3.19	2,222,004,445	42.61
260,715,725 and above**	4	0.03	2,905,985,888	55.73
TOTAL	14,512	100.00	5,214,314,500	100.00

Notes:

* *less than 5% of the issued shares*

** *5% and above of the issued shares*

Category of shareholders	No. of shareholders	% of shareholders	No.of shares	% of issued shares
Individuals	12,455	85.83	86,219,964	1.65
Banks/Finance Companies	18	0.12	363,974,700	6.98
Investment Trusts/Foundations/Charities	3	0.02	194,800	0.01
Other Types of Companies	126	0.87	3,695,012,001	70.86
Government Agencies/Institutions	3	0.02	1,330,000	0.03
Nominees	1,907	13.14	1,067,583,035	20.47
Others	0	0	0	0
TOTAL	14,512	100.00	5,214,314,500	100.00

LIST OF 30 LARGEST SHAREHOLDERS

as at 16 April 2019 (Based on Record of Depositors of the Company)

No.	Name	No. of ordinary shares	% of issued shares
1.	Pantai Cahaya Bulan Ventures Sdn Bhd	1,077,735,927	20.67
2.	All Asia Media Equities Ltd	1,013,297,290	19.43
3.	East Asia Broadcast Network Systems N.V.	421,939,707	8.09
4.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board	393,012,964	7.54
5.	Usaha Tegas Entertainment Systems Sdn Bhd	235,778,182	4.52
6.	Amanahraya Trustees Berhad – Amanah Saham Bumiputera	160,737,400	3.08
7.	Pacific Broadcast Systems N.V.	140,646,620	2.70
8.	Berkat Nusantara Sdn Bhd	140,646,568	2.70
9.	Home View Limited N.V.	140,646,568	2.70
10.	Nusantara Cempaka Sdn Bhd	140,646,568	2.70
11.	Nusantara Delima Sdn Bhd	140,646,568	2.70
12.	Southpac Investments Limited N.V.	140,646,568	2.70
13.	Amanahraya Trustees Berhad – Amanah Saham Malaysia	51,511,800	0.99
14.	Amanahraya Trustees Berhad – Amanah Saham Malaysia 2 – Wawasan	50,703,900	0.97
15.	Citigroup Nominees (Tempatan) Sdn Bhd-Employees Provident Fund Board (Affin-Hwang)	38,204,100	0.73
16.	Citigroup Nominees (Asing) Sdn Bhd-Exempt An for Citibank New York (Norges Bank 14)	26,678,600	0.51
17.	HSBC Nominees (Asing) Sdn Bhd-JPMCB NA for Vanguard Emerging Markets Stock Index Fund	24,775,573	0.48
18.	HSBC Nominees (Asing) Sdn Bhd-JPMCB NA for Vanguard Total International Stock Index Fund	24,153,699	0.46
19.	Citigroup Nominees (Asing) Sdn Bhd-Exempt An for Citibank New York (Norges Bank 1)	23,148,100	0.44
20.	Kumpulan Wang Persaraan (Diperbadankan)	22,353,400	0.43
21.	Mujur Sanjung Sdn Bhd	20,931,848	0.40
22.	Amanahraya Trustees Berhad – Amanah Saham Malaysia 3	19,541,000	0.37
23.	Cartaban Nominees (Asing) Sdn Bhd – BBH And Co Boston for WGI Emerging Markets Smaller CompaniesFund, LLC	17,924,700	0.34
24.	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Affin Hwang Select Opportunity Fund (3969)	17,570,400	0.34
25.	Permodalan Nasional Berhad	17,008,200	0.33
26.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Penny Stockfund	16,911,500	0.32
27.	RHB Nominees (Tempatan) Sdn Bhd-OSK Capital Sdn Bhd for Yayasan Islam Terengganu	16,130,000	0.31
28.	Mujur Nusantara Sdn Bhd	16,073,887	0.31
29.	Sanjung Nusantara Sdn Bhd	14,734,417	0.28
30.	Amanahraya Trustees Berhad – Amanah Saham Bumiputera 2	14,728,000	0.28
	TOTAL	4,579,464,054	87.82

SUBSTANTIAL SHAREHOLDERS

as at 16 April 2019 (Based on the Register of Substantial Shareholders of the Company)

		Direct		Indirect	
Name	Notes	No. of AMH Shares	%	No. of AMH Shares	%
Pantai Cahaya Bulan Ventures Sdn Bhd ("PCBV")		1,077,735,927	20.67	-	-
Khazanah Nasional Berhad ("Khazanah")	(1)	-	-	1,077,735,927	20.67
All Asia Media Equities Ltd ("AAME")		1,013,297,290	19.43	-	-
Usaha Tegas Entertainment Systems Sdn Bhd ("UTES")	(2)	235,778,182	4.52	1,013,297,290	19.43
Usaha Tegas Sdn Bhd ("UTSB")	(3)	-	-	1,249,075,472	23.95
Pacific States Investment Limited ("PSIL")	(4)	-	-	1,249,075,472	23.95
Excorp Holdings N.V. ("Excorp")	(5)	-	-	1,249,075,472	23.95
PanOcean Management Limited ("PanOcean")	(5)	-	-	1,249,075,472	23.95
East Asia Broadcast Network Systems N.V. ("EABNS")		421,939,707	8.09	-	-
East Asia Broadcast Systems Holdings N.V. ("EABSH")	(6)	-	-	421,939,707	8.09
Tucson N.V. ("Tucson")	(7)	-	-	421,939,707	8.09
Ananda Krishnan Tatparanandam ("TAK")	(8)	-	-	2,152,868,226	41.29
Harapan Terus Sdn Bhd ("HTSB")	(9)	-	-	462,124,447	8.86
Dato' Haji Badri bin Haji Masri ("DHB")	(10)	-	-	462,124,447	8.86
Tun Haji Mohammed Hanif bin Omar ("THO")	(10)	-	-	462,124,447	8.86
Mohamad Shahrin bin Merican ("MSM")	(10)	200,000	0.00*	462,124,447	8.86
Employees Provident Fund Board ("EPF")	(11)	435,224,964	8.35	-	-

* *negligible*

Notes:

(1) *Khazanah is deemed to have an interest in the ordinary shares in Astro Malaysia Holdings Berhad ("AMH Shares") by virtue of PCBV being a wholly-owned subsidiary of Khazanah.*

(2) *UTES is deemed to have an interest in all of the AMH Shares in which AAME has an interest, by virtue of UTES holding 100% equity interest in AAME. In addition to the deemed interest held via AAME in AMH, UTES holds directly 235,778,182 AMH Shares representing 4.52% equity interest in AMH.*

(3) *UTSB is deemed to have an interest in the AMH Shares by virtue of UTSB holding 100% equity interest in UTES. Please refer to Note (2) above for UTES' direct and deemed interests in the AMH Shares.*

(4) *PSIL is deemed to have an interest in the AMH Shares by virtue of PSIL holding 99.999% equity interest in UTSB. Please refer to Note (3) above for UTSB's deemed interest in the AMH Shares.*

(5) *PanOcean holds 100% equity interest in Excorp which in turn holds 100% equity interest in PSIL. Please refer to Note (4) above for PSIL's deemed interest in the AMH Shares. 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 is deemed to have an interest in the AMH Shares, it does not have any economic or beneficial interest in such AMH Shares, as such interest is held subject to the terms of such discretionary trust.*

(6) *EABSH is deemed to have an interest in all of the AMH Shares in which EABNS has an interest, by virtue of EABSH holding 100% equity interest in EABNS.*

(7) *Tucson is deemed to have an interest in all of the AMH Shares in which EABSH has an interest, by virtue of Tucson holding 100% equity interest in EABSH. Please refer to Note (6) above for EABSH's deemed interest in AMH Shares.*

(8) TAK is deemed to have an interest in the AMH Shares, by virtue of the following:

(i) PanOcean's deemed interest of 1,249,075,472 AMH Shares representing 23.95% equity interest in AMH are held directly by UTES and AAME.

Although TAK is deemed to have an interest in the AMH Shares, he does not have any economic or beneficial interest in such AMH Shares, as such interest is held subject to the terms of a discretionary trust referred to in Note (5) above; and

(ii) the interests of EABNS, Pacific Broadcast Systems N.V. ("PBS"), Home View Limited N.V. ("HVL"), Southpac Investments Limited N.V. ("SIL"), Ujud Cergas Sdn Bhd ("UCSB"), Metro Ujud Sdn Bhd ("MUSB"), Mujur Sanjung Sdn Bhd ("MSSB"), Prisma Gergasi Sdn Bhd ("PGSB") and Ujud Murni Sdn Bhd ("UMSB") which collectively hold directly 903,792,754 AMH Shares representing 17.33% equity interest in AMH. TAK is deemed to have an interest in the 903,792,754 AMH Shares collectively held by EABNS, PBS, HVL, SIL, UCSB, MUSB, MSSB, PGSB and UMSB by virtue of him holding 100% equity interest in their respective ultimate holding companies viz. Tucson, Orient Systems Limited N.V., Home View Holdings N.V., Southpac Holdings N.V., All Asia Radio Broadcast N.V., Global Radio Systems N.V., Maestra International Broadcast N.V., Maestra Global Radio N.V. and Global Broadcast Systems N.V.

(9) HTSB is deemed to have an interest in all of the AMH Shares through its wholly-owned subsidiaries, namely, Berkat Nusantara Sdn Bhd, Nusantara Cempaka Sdn Bhd, Nusantara Delima Sdn Bhd, Mujur Nusantara Sdn Bhd, Gerak Nusantara Sdn Bhd and Sanjung Nusantara Sdn Bhd. (collectively, "HTSB Subsidiaries").

The HTSB Subsidiaries hold such AMH Shares under discretionary trusts for Bumiputera objects. As such, HTSB does not have any economic interest in such AMH Shares as such interest is held subject to the terms of such discretionary trusts.

(10) He is deemed to have an interest in the AMH Shares by virtue of his 25% direct equity interest in HTSB. However, he does not have any economic interest in such AMH Shares as such interest is held subject to the terms of the discretionary trusts referred to in Note (9) above.

(11) Held through nominee companies managed by portfolio managers.

DIRECTORS' INTERESTS IN SHARES

as at 16 April 2019 (Based on the Register of Directors' Shareholdings of the Company)

The interests of the Directors in the shares of the Company are as follows:

Name	No. of shares held		% of issued shares	
	Direct	Indirect	Direct	Indirect
Tun Dato' Seri Zaki bin Tun Azmi	1,050,000	-	0.02	-
Datuk Yvonne Chia	100,000	-	0.00*	-
Renzo Christopher Viegas	50,000	-	0.00*	-
Richard John Freudenstein	-	-	-	-
Lim Ghee Keong	1,000,000	-	0.02	-
Simon Cathcart	-	-	-	-
Shahin Farouque bin Jammal Ahmad	-	-	-	-
Tunku Alizakri bin Raja Muhammad Alias	-	-	-	-
Mazita binti Mokty	-	-	-	-
Vernon Das (Alternate Director to Lim Ghee Keong)	-	-	-	-

* *negligible*

LIST OF PROPERTIES HELD

No	Land Title/Location	Description of Property	Approximate Age of building	Tenure/ Date of Acquisition	Remaining Lease Period (Expiry of Lease)	Current Use	Land Area (square metre)	Built-up Area (square metre)	NBV as at 31 January 2019 RM'000
1.	HSD 34194 (previously held under HSD 7038), PT 12002, Mukim Dengkil, District of Sepang, State of Selangor	Land and building	4 years	Freehold 31 March 2004	Not applicable	Television, data media centre and office	18,267	8,105	63,351
2.	Unit Nos. 165-1-1, 165-1-2, 165-1-3 and 165-2-1, Wisma Mutiara (Block B), No. 165, Jalan Sungai Besi, 57100 Kuala Lumpur	Shops/ Office lots	18 years	Freehold 31 March 2005	Not applicable	Vacant	Not applicable	753.8	907
3.	HSD 116030 PT13820 (formerly identified as Lot Nos. 11301, 17778, 5800 and part of Lots 7966, 8093 and 14985) in Mukim of Petaling, District of Kuala Lumpur, State of Wilayah Persekutuan Administration Building All Asia Broadcast Centre Technology Park Malaysia Lebuhraya Puchong-Sungai Besi, Bukit Jalil, 57000 Kuala Lumpur	Land and building	22 years	Sublease land and building (60+39 years) 1 September 1996	76 years (31 August 2095)	Television, radio and data media centre and office	128,100	32,533	77,021
4.	GRN 50043 Lot 54268 (previously held under HSD 80870, PT 4043 and HSD 80871, PT 4044 respectively), Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan	Vacant land	Not applicable	Sublease 1 April 1997	38 years (31 March 2057)	Vacant	412,780	Not applicable	Operating lease

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

At the Fifth AGM and Sixth AGM held on 15 June 2017 ("2017 Mandate") and 7 June 2018 ("2018 Mandate") respectively, our Company obtained its shareholders' mandate to allow our Group to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature ("Shareholders' Mandate").

In compliance with Paragraph 10.09(2)(b) and Paragraph 3.1.5 of the Practice Note 12 of the MMLR of Bursa Securities, the details of RRPTs conducted during FY19 pursuant to Shareholders' Mandate where the aggregate value of such RRPTs are equal to or have exceeded RM1.0 million or 1% of the relevant percentage ratio for such transactions, whichever is the higher, are as follows:

				2017 Mandate	2018 Mandate		Interested Related Party	
No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Name	Nature and extent of interest
(A)	**UTSB Group**							
1.	AMH and/or its subsidiaries	UTP and/or its affiliates	Provision of project and construction management and consultancy services to AMH and/or its subsidiaries	52	104	156	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
2.	AMH and/or its subsidiaries	UTSBM and/or its affiliates	Provision of consultancy and support services to AMH and/or its subsidiaries	4,925	9,146	14,071	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
3.	AMH and/or its subsidiaries	Tanjong plc and/or its subsidiaries	Usage of resource centres and data centre at Menara Maxis as part of AMH Group's business continuity plans	70	142	212	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
4.	Tayangan Unggul and/or its affiliates	TGV and/or its affliates	Rental of cinema hall by Tayangan Unggul and/or its affiliates	53	142	195	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate: Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate: Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party: Name	Interested Related Party: Nature and extent of interest
5.	Astro Radio and/or its affiliates	TGV and/or its affiliates	Sale of airtime, sponsorship and online web branding by Astro Radio and/or its affiliates	5	498	503	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
6.	Astro Shaw and/or its affiliates	TGV and/or its affiliates	Distribution and licensing of films to/by Astro Shaw and/or its affiliates	972	-	972	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
7.	Astro Shaw and/or its affiliates	TGV and/or its affiliates	Distribution and licensing of content rights to/by Astro Shaw and/or its affiliates	-	18	18	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
8	Astro Shaw and/or its affiliates	TGV and/or its affiliates	Share of ticket collection proceeds from movies screened at TGV cinemas and any costs relating thereto	1,244	5,747	6,991	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
9.	MBNS and/or its affiliates	TGV and/or its affiliates	Rental of cinema hall and purchase of concessions or in-season passes and ancillary services at TGV Cinemas by MBNS and/or its affiliates	3	-	3	<u>Major Shareholders</u> UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, MM and VD	Please refer to Note 1
Aggregate Value of Transactions with UTSB Group				**7,324**	**15,797**	**23,121**		

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party Name	Interested Related Party Nature and extent of interest
(B)	**Maxis Group**							
10.	MBNS and/or its affiliates	Maxis Broadband and/ or its affiliates	Provision of managed communications services to MBNS and/ or its affiliates	3,895	9,823	13,718	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
11.	Astro Radio and/or its affiliates	Maxis Broadband and/or its affiliates	Sale of airtime, sponsorship and online web branding by Astro Radio and/or its affiliates	3,974	17,683	21,657	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
12.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of content by MBNS and/or its affiliates including among others, the caller ringtones and viewing rights	500	233	733	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
13.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	Collaboration in respect of IPTV, content, broadband, voice and ancillary services	23,902	46,256	70,158	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party Name	Nature and extent of interest
14.	Astro Awani and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of "Live" Digital News Gathering (DNG) via Very Small Aperture Terminal (VSAT) Broadcast Service to Astro Awani and/or its affiliates	15	-	15	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
15.	AMH and/or its subsidiaries	Maxis and/or its affiliates	Provision of short code rental, Short Messaging Services (SMS), Multimedia Messaging Services (MMS), Wireless Application Protocol (WAP) service revenue share	61	86	147	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
16.	Astro Radio and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of leased line services to Astro Radio and/or its affiliates	90	180	270	**Major Shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, VD and DHB	Please refer to Note 2
Aggregate Value of Transactions with Maxis Group				**32,437**	**74,261**	**106,698**		

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate: Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate: Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party: Name	Interested Related Party: Nature and extent of interest
(C)	**MGB Group**							
17.	MBNS and/or its affiliates	MSS and/or its affiliates	Provision of broadcast, transponder capacity, uplink services and ancillary services to MBNS and/or its affiliates	1,038	1,770	2,808	**Major Shareholder** TAK **Directors** LGK, MM, SC and VD	Please refer to Note 3
18.	Astro Productions and/or its affiliates	MSS and/or its affiliates	Provision of office/ storage space by Astro Productions and/or its affiliates payable on a monthly basis	68	150	218	**Major Shareholder** TAK **Directors** LGK, MM, SC and VD	Please refer to Note 3
Aggregate Value of Transactions with MGB Group				**1,106**	**1,920**	**3,026**		
(D)	**AHSB Group**							
19.	MBNS and/or its affiliates	CTE and/or its affiliates	Provision of exclusive rights for carriage of Kix HD and Celestial (SD and HD) channels to MBNS and/or its affiliates	11,304	22,053	33,357	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SFJ, MM, VD and DHB	Please refer to Note 4
20.	AMH and/or its subsidiaries	AHSB and/or its subsidiaries	Provision of corporate management services and other services by AMH and/or its subsidiaries	442	314	756	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SFJ, MM, VD and DHB	Please refer to Note 4

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party Name	Interested Related Party Nature and extent of interest
21.	AMH and/or its subsidiaries	IMSB and/or its affiliates	Provision of management services to IMSB and/or its affiliates	9	-	9	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SFJ, MM, VD and DHB	Please refer to Note 4
22.	MBNS and/or its affiliates	CMCL and/or its affiliates	Provision of rights and licence for films to MBNS and/or its affiliates	15	24	39	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SFJ, MM, VD and DHB	Please refer to Note 4
23.	MBNS and/or its affiliates	FetchTV and/or its affiliates	Distribution, licensing and/or provision of channel and content rights by MBNS and/or its affiliates	129	235	364	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SC, SFJ, MM, VD, DHB and HT	Please refer to Note 4
24.	MBNS and/or its affiliates	CMCL and/or its affiliates	Distribution, licensing and provision of rights for films and content by/to MBNS and/or its affiliates	*Transaction approved under 2018 Mandate only*	353	353	**Major Shareholders** PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Directors** LGK, SFJ, MM, VD and DHB	Please refer to Note 4
Aggregate Value of Transactions with AHSB Group				11,899	22,979	34,878		

No	Company within our Group involved	Transacting Related Party	Nature of transaction	2017 Mandate Actual value incurred from 1 February 2018 up to 6 June 2018 (RM'000)	2018 Mandate Actual value incurred from 7 June 2018 up to 31 January 2019 (RM'000)	Aggregate value of transactions during the financial year (RM'000)	Interested Related Party Name	Interested Related Party Nature and extent of interest
(E) Sun TV Group								
25.	AMH and/or its subsidiaries	Sun TV and/or its affiliates	Provision of channel and content rights to AMH and/or its subsidiaries	13,073	27,911	40,984	<u>Major Shareholders</u> PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK <u>Directors</u> LGK, SFJ, MM, VD and DHB	Please refer to Note 5
Aggregate Value of Transactions with Sun TV Group				**13,073**	**27,911**	**40,984**		
(F) GSHS Group								
26.	Astro GS Shop	GSHS and/or its affiliates	Provision of support and expertise in merchandising and retail operations of the home shopping business to Astro GS Shop	760	3,690	4,450	<u>Major Shareholder</u> GSHS <u>Directors</u> JHB and DHL	Please refer to Note 6
27.	Astro GS Shop	GSHS and/or its affiliates	Provision of services for the development or customisation or maintenance of the developed software system for the purpose of operating the home shopping business to Astro GS Shop	127	126	253	<u>Major Shareholder</u> GSHS <u>Directors</u> JHB and DHL	Please refer to Note 6
Aggregate Value of Transactions with GSHS Group				**887**	**3,816**	**4,703**		

Notes (as at 16 April 2019)

1. UTSB Group

MBNS, Tayangan Unggul, Astro Shaw, Astro Radio and Astro Productions are wholly-owned subsidiaries of AMH, whilst Astro Awani is a 80%-owned subsidiary of AMH.

UTP and UTSBM are wholly-owned subsidiaries of UTSB while Tanjong plc and TGV are wholly-owned subsidiaries of Tanjong Capital Sdn Bhd ("TCSB"). UTP, UTSBM, Tanjong plc and TGV are Persons Connected to UTSB, PSIL, Excorp, PanOcean and TAK.

Each of UTSB, PSIL, Excorp and PanOcean is a Major Shareholder, with a deemed interest over 1,249,075,472 AMH Shares representing 23.95% equity interest in AMH through the wholly-owned subsidiaries of UTSB namely, UTES and AAME with each holding 235,778,182 AMH Shares and 1,013,297,290 AMH Shares directly representing 4.52% and 19.43% equity interest in AMH respectively.

TAK has a deemed interest in the AMH Shares in which UTSB has an interest by virtue of the deemed interest of PanOcean in the AMH Shares. 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. PanOcean holds 100% equity interest in Excorp which in turn holds 100% equity interest in PSIL. PSIL holds 99.999% equity interest in UTSB. TAK is also a director of PanOcean, Excorp, PSIL and UTSB.

Although TAK and PanOcean are deemed to have an interest in the AMH Shares as described in the foregoing, they do not have any economic or beneficial interest over such shares as such interest is held subject to the terms of such discretionary trust referred to in the paragraph above.

TAK is also deemed to have an interest in the AMH Shares by virtue of the interests of East Asia Broadcast Network Systems N.V. ("EABNS"), Pacific Broadcast Systems N.V. ("PBS"), Home View Limited N.V. ("HVL"), Southpac Investments Limited N.V. ("SIL"), Ujud Cergas Sdn Bhd ("UCSB"), Metro Ujud Sdn Bhd ("MUSB"), Mujur Sanjung Sdn Bhd ("MSSB"), Prisma Gergasi Sdn Bhd ("PGSB") and Ujud Murni Sdn Bhd ("UMSB") which collectively hold directly 903,792,754 AMH Shares representing 17.33% equity interest in AMH. TAK is deemed to have an interest in the 903,792,754 AMH Shares collectively held by EABNS, PBS, HVL, SIL, UCSB, MUSB, MSSB, PGSB and UMSB by virtue of him holding 100% equity interest in their respective ultimate holding companies viz. Tucson N.V. ("Tucson"), Orient Systems Limited N.V. ("OSL"), Home View Holdings N.V. ("HVH"), Southpac Holdings N.V. ("SHNV"), All Asia Radio Broadcast N.V. ("AARB"), Global Radio Systems N.V. ("GRS"), Maestra International Broadcast N.V. ("MIB"), Maestra Global Radio N.V.("MGR") and Global Broadcast Systems N.V. ("GBS").

Each of PSIL, Excorp, PanOcean and TAK has a deemed interest over 124,688,000 ordinary shares in TCSB ("TCSB Shares") representing 65.84% equity interest in TCSB through UTSB. UTSB holds an aggregate of 124,688,000 TCSB Shares representing 65.84% equity interest in TCSB, of which 71,000,000 TCSB Shares representing 37.49% equity interest in TCSB is held directly by UTSB, while 53,688,000 TCSB Shares representing 28.35% equity interest in TCSB is held indirectly, via its wholly-owned subsidiary, Usaha Tegas Resources Sdn Bhd.

Although TAK and PanOcean are deemed to have an interest in the TCSB Shares as described in the foregoing, they do not have any economic or beneficial interest over such TCSB Shares, as such interest is held subject to the terms of such discretionary trust referred to above.

In addition, TAK is deemed to have an interest over 47,792,803 TCSB Shares representing 25.23% equity interest in TCSB through the wholly-owned subsidiaries of MAI Sdn Berhad ("MAI"), by virtue of his 100% direct equity interest in MAI.

LGK, who is a Director of AMH and MBNS, is also a director of UTSB, PSIL, Excorp, PanOcean, UTSBM and TCSB. He has a direct equity interest over 1,000,000 AMH Shares representing 0.02% equity interest in AMH. He does not have any equity interest in Tanjong plc, TGV, UTSB Group and AMH subsidiaries.

VD, who is an Alternate Director to LGK in AMH would be deemed interested in the transactions which LGK is interested. He does not have any equity interest in AMH Group and UTSB Group.

MM, who is a Director of AMH, is also a director of TCSB, Tanjong plc and an alternate director on the Board of UTSB. She does not have any equity interest in AMH Group, UTSB Group and TCSB Group.

2. Maxis Group

Maxis Broadband is a wholly-owned subsidiary of Maxis which is in turn a 62.37%-owned indirect subsidiary of Binariang GSM Sdn Bhd ("BGSM").

Each of UTSB, PSIL, Excorp, PanOcean and TAK is a Major Shareholder, is also a major shareholder of Maxis with a deemed interest over 4,875,000,000 ordinary shares ("Maxis Shares") representing 62.37% equity interest in Maxis, by virtue of its/his deemed interest in BGSM which holds 100% equity interest in BGSM Management Sdn Bhd ("BGSM Management"). BGSM Management holds 100% equity interest in BGSM Equity Holdings Sdn Bhd ("BGSM Equity") which in turn holds 62.37% equity interest in Maxis. UTSB's deemed interest in the Maxis Shares arises through its wholly-owned subsidiaries, namely, Wilayah Resources Sdn Bhd, Tegas Puri Sdn Bhd, Besitang Barat Sdn Bhd and Besitang Selatan Sdn Bhd, which hold in aggregate 37% equity interest in BGSM.

PanOcean holds 100% equity interest in Excorp which in turn holds 100% equity interest in PSIL. PSIL holds 99.999% equity interest in UTSB. 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 TAK and PanOcean are deemed to have an interest in the Maxis Shares as described in the foregoing, they do not have any economic or beneficial interest over such Maxis Shares as such interest is held subject to the terms of the discretionary trust. Please refer to Note 1 above for interests of UTSB, PSIL, Excorp, PanOcean and TAK in AMH.

LGK, who is a Director of AMH and MBNS, is also a director of UTSB, PSIL, Excorp, PanOcean, Maxis and several subsidiaries of Maxis (including Maxis Broadband). LGK does not have any equity interest in Maxis Group and AMH subsidiaries. Please refer to Note 1 above for LGK's interest in AMH.

VD, who is an Alternate Director to LGK in AMH would be deemed interested in the transactions which LGK is interested. He does not have any equity interest in AMH Group and Maxis Group.

DHB is a director of MBNS and he is deemed to have an interest over 462,124,447 AMH Shares representing 8.86% equity interest in AMH in which Harapan Terus Sdn Bhd ("HTSB") has an interest, by virtue of his 25% direct equity interest in HTSB. HTSB's deemed interest in such AMH Shares arises through its wholly-owned subsidiaries namely, Berkat Nusantara Sdn Bhd, Nusantara Cempaka Sdn Bhd, Nusantara Delima Sdn Bhd, Mujur Nusantara Sdn Bhd, Gerak Nusantara Sdn Bhd and Sanjung Nusantara Sdn Bhd (collectively "HTSB Subsidiaries"). The HTSB Subsidiaries hold such AMH Shares under discretionary trusts for Bumiputera objects. As such, he does not have any economic interests over such AMH Shares as such interest is held subject to the terms of such discretionary trusts.

DHB is a major shareholder of Maxis with a deemed interest over 4,875,000,000 Maxis Shares representing 62.37% equity interest in Maxis in which Harapan Nusantra Sdn Bhd ("HNSB") has an interest by virtue of his 25% direct equity interest in HNSB. HNSB's deemed interest in such Maxis Shares arises through its wholly-owned subsidiaries namely, Mujur Anggun Sdn Bhd, Cabaran Mujur Sdn Bhd, Anak Samudra Sdn Bhd, Dumai Maju Sdn Bhd, Nusantara Makmur Sdn Bhd, Usaha Kenanga Sdn Bhd and Tegas Sari Sdn Bhd (collectively, "HNSB Subsidiaries"), which hold in aggregate 30% equity interest in BGSM. The HNSB Subsidiaries hold their deemed interest in such Maxis Shares under discretionary trusts for Bumiputera objects. As such, DHB does not have any economic interest over such Maxis Shares as such interest is held subject to the terms of such discretionary trusts.

3. MGB Group

MSS is a wholly-owned subsidiary of MGB.

TAK is a major shareholder of MGB with a deemed interest over 272,953,208 ordinary shares ("MGB Shares") representing 70% equity interest in MGB held via MEASAT Global Network Systems Sdn Bhd ("MGNS"), a wholly-owned subsidiary of MAI Holdings Sdn Bhd in which he has 100% direct equity interest. Hence, TAK also has deemed interest over MSS. Please refer to Note 1 above for TAK's deemed interest in AMH.

LGK, who is a Director of AMH and MBNS, is also a director of MGNS. He does not have any equity interest in the shares of MGB and MSS. Please refer to Note 1 above for LGK's interests in AMH.

VD, who is an Alternate Director to LGK in AMH would be deemed interested in the transactions which LGK is interested. He does not have any equity interest in AMH Group and MGB Group.

SC, who is a Director of AMH, is also a director of MGB and MSS. He does not have any equity interest in the shares of MGB and MSS.

MM, who is a Director of AMH, is also a major shareholder of MGB with a deemed interest over 116,979,947 MGB Shares representing 30% equity interest in MGB in which Harapan Kota Sdn Bhd ("HKSB") has an interest, by virtue of her 50% direct equity interest in HKSB, the holding company of Tujuan Bidari Sdn Bhd ("TBSB"), which in turn holds shares in Tujuan Wira Suria Sdn Bhd ("TWSSB"). TBSB holds such MGB Shares through TWSSB, under a discretionary trust for Bumiputera objects. As such, MM does not have any economic interest in such MGB Shares as such interest is held subject to the terms of such discretionary trusts. She does not have any equity interest in AMH Group.

4. AHSB Group

FetchTV is a wholly-owned subsidiary of Media Innovations Pte Ltd ("MIPL"), a 83.84%-owned indirect subsidiary of AOL which in turn is wholly-owned by AHSB via Astro All Asia Networks Limited. CTE and its subsidiary, CMCL are associate companies of AOL. IMSB is a jointly controlled company between AOL and Khazanah via their respective subsidiaries.

Khazanah is a Major Shareholder with a deemed interest over 1,077,735,927 AMH Shares representing 20.67% equity interest in AMH through its wholly-owned subsidiary, PCBV. PCBV and Khazanah are also major shareholders of AHSB by virtue of PCBV's 29.34% direct equity interest in AHSB.

Each of UTSB, PSIL, Excorp and PanOcean is a major shareholder of AHSB, with a deemed interest over 479,619,973 ordinary shares ("AHSB Shares") representing 34.01% equity interest in AHSB held through the wholly-owned subsidiaries of UTSB, namely, UTES and AAME. Please refer to Note 1 above for the interests of AAME, UTES, UTSB, PSIL, Excorp, and PanOcean in AMH.

TAK who is a Major Shareholder, is also a major shareholder of AHSB with a deemed interest over 819,082,908 AHSB Shares representing 58.08% equity interest in AHSB. Please refer to Note 1 above for TAK's deemed interest in AMH.

DHB, who is a director of MBNS, is also a director of AHSB and AOL. DHB is deemed to have an interest over 177,446,535 AHSB Shares representing 12.58% equity interest in AHSB in which HTSB has an interest, by virtue of his 25% direct equity interest in HTSB. HTSB's deemed interest in such AHSB Shares arises through the HTSB Subsidiaries. The HTSB Subsidiaries hold such AHSB Shares under discretionary trusts for Bumiputera objects. As such, he does not have any economic interests over such AHSB Shares as such interest is held subject to the terms of such discretionary trusts. Please refer to Note 2 above for DHB's interest in AMH.

LGK, who is a Director of AMH and MBNS, is also a director of AHSB. He does not have any equity interest in AHSB Group. Please refer to Note 1 above for LGK's interests in AMH.

SC, who is a Director of AMH, is also a director of MIPL and FetchTV. SC is deemed to have an interest over 13.83% equity interest in MIPL in which Media Capital Pty Ltd has an interest, by virtue of him and his spouse controlling 100% equity interest in Media Capital Pty Ltd.

VD, who is an Alternate Director to LGK in AMH, is also a director of AHSB, AOL, MIPL and some of AOL's subsidiaries. He does not have any equity interest in AMH Group and AHSB Group.

MM, who is a Director of AMH, is also a director of AHSB. She does not have any equity interest in AMH Group and AHSB Group.

SFJ, who is a Director of AMH, is also a director of AHSB and PCBV. He does not have any equity interest in AMH Group, AHSB Group and PCBV.

HT, who is a Chief Executive Officer ("CEO") of AMH and a Director of several other subsidiaries of AMH, is also a director of MIPL and FetchTV Pty Ltd, both of which are holding companies of FetchTV. He has a direct equity interest over 1,863,500 AMH Shares representing 0.036% equity interest in AMH. He does not have any equity interest in AHSB Group.

5. Sun TV Group

Sun TV is regarded as a Person Connected to AOL through a joint venture arrangement between a wholly-owned subsidiary of AOL and Sun TV. AOL is in turn a wholly-owned subsidiary of AHSB.

Each of PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK is a Major Shareholder, is also a major shareholder of AHSB. Please refer to Notes 1 and 4 above for the interests of PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK in AMH. They do not have any equity interest in Sun TV.

DHB, who is a director of MBNS, is also a director of AHSB and AOL. He does not have any interest in Sun TV Group. Please refer to Notes 2 and 4 above for DHB's interests in AMH Group and AHSB Group.

LGK, who is a Director of AMH and MBNS, is also a director of AHSB. He does not have any equity interest in AHSB Group and Sun TV Group. Please refer to Note 1 above for LGK's interest in AMH.

VD, who is an Alternate Director to LGK in AMH, is also a director of AHSB, AOL and some of AOL's subsidiaries. He does not have any equity interest in AMH Group, AHSB Group and Sun TV Group.

MM, who is a Director of AMH, is also a director of AHSB. She does not have any equity interest in AMH Group, AHSB Group and Sun TV Group.

SFJ, who is a Director of AMH, is also a director of AHSB and PCBV. He does not have any equity interest in AHSB Group. PCBV and Sun TV Group.

6. GSHS Group

GSHS is a Major Shareholder of Astro GS Shop with a direct equity interest of 40% in the share capital of Astro GS Shop. The remaining 60% equity interest in Astro GS Shop is held by a wholly-owned subsidiary of AMH.

JHB and DHL, who are directors of Astro GS Shop, are representatives of GSHS. JHB and DHL do not have any equity interest in AMH, GSHS and Astro GS Shop.

ADDITIONAL DISCLOSURES

Material Contracts involving the interests of Directors and Major Shareholders

The particulars of material contracts entered into by our Group involving Directors' and Major Shareholders' interests which are either still subsisting as at 31 January 2019 or if not then subsisting, entered into since the end of the financial year ended 31 January 2019 are as follows[1]:

	Parties		General Nature	Consideration passing to or from the AMH Group	Date of Agreement/ Effective Date	Mode of Satisfaction of Consideration	Relationship
	AMH Group	Transacting Party					
1.	MBNS	MSS	Supply of capacity on 13 transponders on the MEASAT-3 satellite	Fee payable by MBNS to MSS	18 June 2007	Cash	Please refer to Note 1 below.
2.	MBNS	MSS	Supply of capacity on 6 transponders on the MEASAT-3a satellite	Fee payable by MBNS to MSS	18 May 2009	Cash	Please refer to Note 1 below.
3.	MBNS	MISAL	Supply of capacity on 24 transponders on the MEASAT-3b satellite	Fee payable by MBNS to MISAL	11 May 2012 and 12 April 2018	Cash	Please refer to Note 1 below.

Notes (as at 16 April 2019)

1. MGB GROUP

MSS and MISAL are wholly-owned subsidiaries of MGB. MBNS is a wholly-owned subsidiary of AMH.

TAK, who is a Major Shareholder of AMH, is also a major shareholder of MGB. Please refer to Notes 1 and 3 of pages 310 and 311 for TAK's interests in AMH and MGB Group.

LGK, who is a Director of AMH and MBNS, is also a director of MEASAT Global Network Systems Sdn Bhd (the holding company of MGB). Please refer to Notes 1 to 3 of pages 310 and 312 for LGK's interests in AMH and MGB Group.

VD, who is an Alternate Director to LGK in AMH would be deemed interested in the transactions which LGK is interested. He does not have any equity interest in AMH Group and MGB Group.

SC, who is a Director of AMH, is also a director of MGB and MSS. He does not have any equity interest in the shares of AMH Group and MGB Group.

MM, who is a Director of AMH, is also a major shareholder of MGB with a deemed interest over 116,979,947 ordinary shares in MGB ("MGB Shares") representing 30% equity interest in MGB in which Harapan Kota Sdn Bhd ("HKSB") has an interest, by virtue of her 50% direct equity interest in HKSB, the holding company of Tujuan Bidari Sdn Bhd ("TBSB"), which in turn holds shares in Tujuan Wira Suria Sdn Bhd ("TWSSB"). TBSB holds such MGB Shares through TWSSB, under the discretionary trust for Bumiputera objects. As such, MM does not have any economic interest in such MGB Shares as such interest is held subject to the terms of such discretionary trust. She does not have any equity interest in AMH Group.

[1] *Please note that transactions of a recurrent nature entered into by the AMH Group between 1 February 2018 and 31 January 2019 involving the interest of our Directors or Major Shareholders have been disclosed on pages 303 to 313 of this Annual Report.*

Management Share Scheme

Detailed Information on the Share Scheme of our Company is set out in Note 7(a) of the Audited Financial Statements for FY19 on pages 207 to 213 of this Annual Report.

In accordance with Appendix 9C Part A Section 27(a) of the MMLR, the total number of shares granted, vested and outstanding pursuant to our Company's Share Scheme since its commencement until FY19 are as follows:

Total number of shares granted	:	48,674,800
Total number of shares vested	:	17,033,500
Total number of shares outstanding	:	264,100[1]

[1] *Excludes grants that were not accepted by employees, grants to employees who have resigned or were terminated, and grants to employees who did not meet the required performance rating and who are under disciplinary action in accordance with the By-Laws governing the Share Scheme.*

Save as disclosed below, none of the Directors of our Company have been granted share awards pursuant to the Share Scheme:

Name	Granted	Vested	Outstanding
Dato' Rohana Rozhan	6,576,900	3,200,000	-

The details of shares granted under the Share Scheme to our then ED/GCEO and Senior Leadership since the commencement of the Share Scheme and during FY19 are as follows:

- There is no maximum allocation applicable to our Directors and Senior Leadership. However, Section 4.1 of the By-Laws governing the Share Scheme stipulates that not more than 10% of the shares available under the Share Scheme shall be allocated to any individual eligible employee who, either singly or collectively with his Persons Connected, holds 20% or more of the total number of issued shares of our Company.

- The actual percentage granted to our then ED/GCEO and Senior Leadership since the commencement of the Share Scheme and during FY19 is 37% and Nil respectively.

GLOSSARY

AAAN	Astro All Asia Networks Limited
AABC	All Asia Broadcast Centre, Bukit Jalil
AAME	All Asia Media Equities Limited
AAPG	Audit and Assurance Practice Guide
AARB	All Asia Radio Broadcast N.V.
ACBC	Astro Cyberjaya Broadcast Centre, Cyberjaya
Act	Companies Act 2016
Adex	Advertising revenue. Generally used to refer to the total advertising revenue in the market as a whole
ADSB	Astro Digital Sdn Bhd
AD5SB	Astro Digital 5 Sdn Bhd
AESB	Astro Entertainment Sdn Bhd
AFS	Available-for-sale
AGM	Annual General Meeting
AGS	Astro Group Services Sdn Bhd
AHSB	Astro Holdings Sdn Bhd
AI	Artificial Intelligence
AMH Shares	Astro Malaysia Holdings Berhad's ordinary shares
AOL	ASTRO Overseas Limited
App	Applications, used in reference to digital applications on PCs and smart devices
Astro Productions/ APSB	Astro Productions Sdn Bhd
APSSB	Astro Production Services Sdn Bhd
ARC	Audit and Risk Committee
ARPU	Average Revenue Per User. ARPU is the monthly average revenue per residential Pay-TV subscriber (excluding NJOI, our non-subscription satellite TV subscribers). ARPU is calculated by dividing the monthly average revenue derived from active Pay-TV residential subscribers over the financial year/ period with the monthly average number of active Pay-TV residential subscribers during the financial year/period
ARV	Astro Retail Ventures Sdn Bhd
ASEAN	Association of Southeast Asian Nations
Astro/AMH/ Company	Astro Malaysia Holdings Berhad
Astro Arena/ AASB	Astro Arena Sdn Bhd
Astro AWANI/ AANSB	Astro Awani Network Sdn Bhd
Astro GS Shop/ Go Shop	Astro GS Shop Sdn Bhd
Astro Radio/ ARSB	Astro Radio Sdn Bhd
Astro Shaw/ ASSB	Astro Shaw Sdn Bhd
ASM	Astro Sports Marketing Sdn Bhd
ASV	Asia Sports Ventures Pte Ltd
AWS	Amazon Web Services, Inc.
b	billion
BEE	Board Effectiveness Evaluation
BGSM	Binariang GSM Sdn Bhd
BGSM Equity	BGSM Equity Holdings Sdn Bhd
BGSM Management	BGSM Management Sdn Bhd
Board	Board of Directors of AMH
BSCC	Bangsar South Contact Centre
Bursa Malaysia/ Bursa Securities	Bursa Malaysia Securities Berhad
CA	Corporate Assurance
CAGR	Compound annual growth rate
Capex	Capital expenditure
Capital FM/ CFSB	Capital FM Sdn Bhd
CCIRS	Cross-currency interest rate swap
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CG	Corporate governance
CIP	Certified Innovator Programme
CMCL	Celestial Movie Channel Limited
COBE	Code of Business Ethics
COE	Centre of Excellence
Company Scorecard	KPIs underpinning Senior Leadership performance evaluation
COSO	Committee of Sponsoring Organisation

CTE	Celestial Tiger Entertainment Limited
CTP	Certified Technology Professional
DFC	Digital-first content
DHB	Dato' Haji Badri bin Haji Masri
DHL	Dong Hyun, Lee
Digidex	Digital adex
Disclosures	Employee concerns raised under the Ethics Line Procedures
DRR	Dato' Rohana binti Tan Sri Datuk Haji Rozhan
DTH	Direct-to-Home
DTH satellite	A satellite capable of transmitting services directly to the reception equipment at the end-user's premises. Such satellites are commonly located in geostationary orbit and use frequencies in the Ku-band at high power, permitting direct reception using small, fixed satellite dishes
DTAM	Dynamic Television Audience Measurement
DYC	Datuk Yvonne Chia
EABNS	East Asia Broadcast Network Systems N.V.
EABSH	East Asia Broadcast Systems Holdings N.V.
EBIT	Earnings before interest and taxation
EBITDA	Earnings before interest, taxation, depreciation and amortisation (but excluding amortisation of film library and programme rights which are expensed as part of cost of sales) and share of post-tax results from investments accounted for using the equity method
ECL	Expected credit losses
E-commerce	Electronic commerce is a term describing a business or commercial transaction involving the transfer of information across the Internet
EES	Economic, Environmental and Social
eGG Network	Astro's eSport Pay-TV Channel, "Every good game"
EPF	Employees Provident Fund
EPS	Earnings per share
eSports	A multiplayer video game played competitively for spectators, typically by professional gamers
ESS	Employee separation scheme
Excorp	Excorp Holdings N.V.
FAM	Football Association of Malaysia
FCF	Free cash flow
FetchTV	FetchTV Content Pty Ltd
FIFA	Fédération Internationale de Football Association/International Federation of Association Football
FM	Frequency modulation, commonly refers to the delivery of music and speech via terrestrial radio broadcast
FTSE4Good Bursa Malaysia Index	Designed to highlight companies that demonstrate a leading approach to addressing environmental, social and governance (ESG) risks. It comprises eligible companies from the universe of the top 200 companies in the FTSE Bursa Malaysia EMAS Index
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FY15	Financial year ended 31st January 2015
FY16	Financial year ended 31st January 2016
FY17	Financial year ended 31st January 2017
FY18	Financial year ended 31st January 2018
FY19	Financial year ended 31st January 2019
FY20	Financial year ended 31st January 2020
GBO	Gross box office
GBS	Global Broadcast Systems N.V.
GCEO	Group Chief Executive Officer
GDP	Gross domestic product
GE14	14th General Election in Malaysia
GHG	Greenhouse gas
GMK	Grup Majalah Karangkraf Sdn Bhd
Go Shop Singapore	Astro GS Shop Singapore Pte Ltd
GRI	Global Reporting Initiative
GRM	Group Risk Management
GRMF	Group Risk Management Framework
GRMP	Group Risk Management Policy

GLOSSARY

Group	Astro Malaysia Holdings Berhad and its subsidiaries
GRS	Global Radio Systems N.V.
GSHS	GS Home Shopping Inc
GST	Goods and Services Tax
HD	High-definition, commonly refers to TV or video at a resolution of either 720p, 1080i or 1080p
HKD	Hong Kong Dollar
HKSB	Harapan Kota Sdn Bhd
HNSB	Harapan Nusantra Sdn Bhd
HT	Henry Tan Poh Hock
HTM	Held-to-maturity
HTSB	Harapan Terus Sdn Bhd
HVH	Home View Holdings N.V.
HVL	Home View Limited N.V.
IDC	International Data Corporation
IEC	International Electrotechnical Commission
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IMSB	Ideate Media Sdn Bhd
INED	Independent Non-Executive Director
IP	Intellectual property
IPO	Initial public offering of up to 1,518,300,000 ordinary shares in AMH, comprising a public issue and offer for sale
IPTV	Internet Protocol Television, generally referring to multichannel digital TV distributed over a managed IP network with a managed quality of service and dedicated bandwidth
IR	Investor Relations
IRS	Interest Rate Swaps
ISMS	Information Security Management System
ISO	The International Organization for Standardization, a non-governmental organization that is the world's largest developer of voluntary international standards and facilitates world trade by providing common standards between nations
IT	Information technology
JHB	Jung Hee, Baik
JV	Joint venture
k	Thousand(s)
KASB	Karya Anggun Sdn Bhd
KCC	Key Control Checklists
Khazanah/KNB	Khazanah Nasional Berhad
KPDNHEP	Ministry of Domestic Trade and Consumer Affairs
KPI	Key performance indicator
LGK	Lim Ghee Keong
LHDN	Inland Revenue Board of Malaysia
LOA	Limits of authority
m	Million(s)
MAI	MAI Sdn Berhad
Major Shareholder	A person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares is: (i) 10% or more of the voting share in our Company; or (ii) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company
Maxis	Maxis Berhad
Maxis Broadband	Maxis Broadband Sdn Bhd
MBNS	MEASAT Broadcast Network Systems Sdn Bhd
MCCG	Malaysian Code on Corporate Governance 2017
MCMC	Malaysian Communications and Multimedia Commission
MCMM	Ministry of Communications and Multimedia Malaysia
MCSSB	MEASAT Communication Systems Sdn Bhd
MDEC	Malaysia Digital Economic Corporation
MDIG	MEASAT Digicast Sdn Bhd
MFRS	Malaysian Financial Reporting Standards
MGB	MEASAT Global Berhad
MGNS	MEASAT Global Network Systems Sdn Bhd
MGR	Maestra Global Radio N.V.
MIB	Maestra International Broadcast N.V.
MIPL	Media Innovations Pte Ltd
MIRA	Malaysian Invester Relations Association
MISAL	MEASAT International (South Asia) Ltd

ML	Machine Learning
MM	Mazita binti Mokty
MMLR	Bursa Malaysia Securities Berhad's Main Market Listing Requirements
MRC	MEASAT Radio Communications Sdn Bhd
MSAP	Mandatory Standard Access Pricing
MSS	MEASAT Satellite Systems Sdn Bhd
MSSB	Mujur Sanjung Sdn Bhd
MSWG	Minority Shareholder Watchdog Group
MTAM	Maestro Talent and Management Sdn Bhd
MTBC	MEASAT Broadcast Centre, Cyberjaya
MTN	Medium Term Note
MUSB	Metro Ujud Sdn Bhd
MyAstro	Astro's TV companion app
NCGC	Nomination and Corporate Governance Committee
NED	Non-Executive Director
NFCP	National Fiberisation and Connectivity Plan
NISB	Nu Ideaktiv Sdn Bhd
NINED	Non-Independent Non-Executive Director
NJOI	Astro's subscription-free DTH satellite TV service
NLP	Natural Language Processing
OCI	Other comprehensive income
OD	On Demand, a personalised TV viewing service. There are three types of On Demand services. OD Free is a free service which allows the user to catch-up on a selection of aired programmes based on subscribed packages. OD Plus is a monthly subscription which contains a library of movies, complete box-sets of TV series as well as kids' content. OD Store is a pay-per-view service where users may purchase the latest and library movies at their own convenience
OSH	Occupational Safety and Health
OSL	Orient Systems Limited N.V.
OTT	Over-the-Top, refers to the ability to deliver a service to an end user over a third party's network or the open internet, usually in reference to video services
PanOcean	PanOcean Management Limited
PAT	Profit after taxation
PATAMI	Profit after taxation and minority interests
PBS	Pacific Broadcast Systems N.V.
PBT	Profit before taxation
PCBV	Pantai Cahaya Bulan Ventures Sdn Bhd
Person(s) Connected	This shall have the same meaning as in Paragraph 1.01, Chapter 1 of the MMLR
PEW	Perfect Excellence Waves Sdn Bhd
PGSB	Prisma Gergasi Sdn Bhd
PPV	Pay Per View
PSIL	Pacific States Investment Limited
PSU	Performance Share Units
PVR	Personal Video Recorder refers to a STB with a pre-installed hard disk drive, enabling recordings of broadcast programmes for viewing at a later time
PwC	PricewaterhouseCoopers PLT, Astro's external auditors
RA	Revenue Assurance
Radex	Radio advertising expenditure. Generally used to refer to the total advertising expenditure in the radio market as a whole
RC	Remuneration Committee
RCV	Renzo Christopher Viegas
RJF	Richard John Freudenstein
RLSB	Radio Lebuhraya Sdn Bhd
RM	Ringgit Malaysia
RPA	Robotic Process Automation
RPS	Redeemable Preference Shares
RPT	Related Party Transaction
RRPT	Recurrent Related Party Transaction
RSU	Restricted Share Units
SC	Simon Cathcart
SD	Standard definition, commonly refers to TV or video at a resolution of 625 interlaced lines of resolution, derived from the European-developed Phase Alternating Line ("PAL") and Sequential Color with Memory systems and 525 interlaced lines based on the American National Television System Committee system. PAL 625 lines has been adopted as the SD standard in Malaysia

GLOSSARY

SDGs	Sustainable Development Goals by the United Nations
SFJ	Shahin Farouque bin Jammal Ahmad
Share Scheme	The Management Share Scheme
SHNV	Southpac Holdings N.V.
SIL	Southpac Investments Limited N.V.
SME	Small and medium-sized enterprise
SMS	Short messaging service; a service whereby mobile telephone users may send and receive text messages
SORMIC	Statement on Risk Management and Internal Control
SST	Sales and Service Tax
STB	Set-top box
Sun TV	Sun TV Network Limited
TAK	Ananda Krishnan Tatparanandam
TAZ	Tunku Alizakri bin Raja Muhammad Alias
Tanjong plc	Tanjong Public Limited Company
Tayangan Unggul/TUSB	Tayangan Unggul Sdn Bhd
TBSB	Tujuan Bidari Sdn Bhd
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of carbon dioxide equivalent, a unit to measure GHG emissions relative to one unit of CO_2
TCSB	Tanjong Capital Sdn Bhd
TGV	TGV Cinemas Sdn Bhd
TIME	Time dotCom Berhad
TNB	Tenaga Nasional Berhad
Total Borrowings	Term loans and finance leases, excluding vendor financing
Transponder(s)	A device mounted on a satellite that receives, converts and retransmits radio frequency signals
Tucson	Tucson N.V.
TV	Television
TV Households	Households with at least one TV set
TWSSB	Tujuan Wira Suria Sdn Bhd
TZA	Tun Dato' Seri Zaki bin Tun Azmi
UCSB	Ujud Cergas Sdn Bhd
UHD	Ultra High Definition; refers to the display resolution of 3,840 x 2,160
UI	User interface
UMSB	Ujud Murni Sdn Bhd
UPS	Uninterrupted Power Supply
UPSR	Ujian Penilaian Sekolah Rendah, Malaysia's primary school national exam
USD	United States Dollar
UTES	Usaha Tegas Entertainment Systems Sdn Bhd
UTP	UT Projects Sdn Bhd
UTSB	Usaha Tegas Sdn Bhd
UTSBM	UTSB Management Sdn Bhd
UX	User experience
VD	Vernon Das
VIU	Value in use
VOD	Video-on-Demand, the common phrase for a service where the user can choose a programme from a menu or list, and instantly begin watching it from the start. The delivery of VOD is usually a unicast – a one-to-one delivery method, versus a broadcast, which is a one-to-many delivery method
VR	Virtual Reality
WAB	Wisma Ali Bawal, Petaling Jaya
WiFi	Wireless networking technology that uses radio waves to provide high-speed network and internet connections
Yayasan	Yayasan Astro Kasih
24/7	24 hours a day, seven days a week
4K	Refers to a horizontal display resolution of approximately 4,000 pixels

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventh Annual General Meeting of ASTRO MALAYSIA HOLDINGS BERHAD ("Company") will be held on Thursday, 27 June 2019 at 9.30 a.m. at the Grand Ballroom, Level 3A, Connexion Conference & Event Centre at Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur for the following purposes:

AS ORDINARY BUSINESS

(1) To consider the Audited Financial Statements of the Company for the financial year ended 31 January 2019 and the Reports of the Directors and Auditors thereon.
(Please refer to Explanatory Note 1)

(2) To re-elect the following Directors who retire by rotation pursuant to Rule 126 of the Company's Constitution and who being eligible, have offered themselves for re-election:
- (i) Lim Ghee Keong — **Resolution 1**
- (ii) Simon Cathcart — **Resolution 2**

(Please refer to Explanatory Note 2)

(3) To re-elect the following Directors who retire pursuant to Rule 115 of the Company's Constitution and being eligible, have offered themselves for re-election:
- (i) Tunku Alizakri bin Raja Muhammad Alias — **Resolution 3**
- (ii) Mazita binti Mokty — **Resolution 4**

(Please refer to Explanatory Note 2)

(4) To approve the payment of Directors' fees and benefits for the period from 28 June 2019 until the next Annual General Meeting of the Company to be held in 2020. **Resolution 5**
(Please refer to Explanatory Note 3)

(5) To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **Resolution 6**
(Please refer to Explanatory Note 4)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

(6) **Authority for Directors to Issue Ordinary Shares pursuant to Sections 75 and 76 of the Companies Act 2016** **Resolution 7**

"THAT, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company, at any time, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit including in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements or options in respect of shares in the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof, provided that the aggregate number of shares to be issued pursuant to this approval does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of all relevant regulatory bodies being obtained (if required)."
(Please refer to Explanatory Note 5)

(7) **Renewal of Authority for the Company to Purchase its Own Shares** **Resolution 8**

"THAT, subject to compliance with all applicable laws (as may be amended, modified or re-enacted from time to time), the Constitution of the Company, and the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad and/or any other relevant regulatory authority:

(a) approval be and is hereby given to the Company to purchase such number of ordinary shares in the Company's issued and paid-up ordinary share capital ("Shares") listed on Bursa Malaysia Securities Berhad (as may be determined by the Directors of the Company) ("Proposed Share Buy-Back") upon such terms and conditions as the Directors of the Company may deem fit and expedient in the interest of the Company provided that:

(i) the aggregate number of Shares purchased and/or held by the Company pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company for the time being; and
(ii) the maximum amount of funds to be utilised for the purposes of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits;

(b) the approval conferred by this resolution shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting of the Company;
(ii) expiry of the period within which the next Annual General Meeting of the Company is required by law to be held; or
(iii) the same is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earliest;

(c) authority be and is hereby given to the Directors of the Company in their absolute discretion to deal with the Shares so purchased by the Company in the following manner:

(i) to cancel all or part of such Shares;
(ii) to retain all or part of such Shares as treasury shares;
(iii) to retain all or part of such Shares as treasury shares and subsequently cancel, resell on Bursa Malaysia Securities Berhad or distribute as dividends all or part of such treasury shares; and/or
(iv) to deal with in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad and/or any other relevant authority for the time being in force; and

(d) authority be and is hereby given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and, in connection therewith:

(i) to enter into and execute, sign and deliver on behalf of the Company, any documents, agreement and/or arrangement with any person, and in all cases with full power to assent to any conditions, modifications, variations and/or amendments thereto as the Directors may deem fit and expedient in the best interest of the Company; and
(ii) to do all such acts and things as the Directors of the Company may deem fit and expedient in the best interest of the Company."
(Please refer to Explanatory Note 6)

(8) **Proposed Utilisation of Transponder Capacity on the MEASAT-3d satellite by MEASAT Broadcast Network Systems Sdn Bhd, a wholly-owned subsidiary of the Company and the Proposed Early Termination of the Agreement for the Utilisation of Transponder Capacity on the MEASAT-3b satellite** **Resolution 9**

"THAT approval be and is hereby given to the Company, through MEASAT Broadcast Network Systems Sdn Bhd ("MBNS"), its wholly-owned subsidiary, and/or subsidiaries or nominees of the Company, to utilise transponder capacity on the MEASAT-3d satellite in accordance with the terms and conditions of the conditional agreement entered into between MBNS and MEASAT Communication Systems Sdn Bhd (formerly known as MEASAT Management Sdn Bhd), a wholly-owned subsidiary of MEASAT Global Berhad ("MGB") on 18 April 2019, the salient terms of which are set out in Part A of the Company's Circular to Shareholders dated 15 May 2019; and to terminate the agreement entered into between MBNS and MEASAT International (South Asia) Ltd ("MISAL") dated 12 April 2018 for the utilisation of transponder capacity on the MEASAT-3b satellite via the execution of a termination agreement between MBNS and MISAL, a wholly-owned subsidiary of MGB, the salient terms of which are set out in Part A of the Company's Circular to Shareholders dated 15 May 2019;

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."
(Please refer to Explanatory Note 7)

(9) **Proposed Shareholders' Mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with the following related parties:**

Usaha Tegas Sdn Bhd and/or its affiliates	**Resolution 10**
Maxis Berhad and/or its affiliates	**Resolution 11**
MEASAT Global Berhad and/or its affiliates	**Resolution 12**
Astro Holdings Sdn Bhd and/or its affiliates	**Resolution 13**
Sun TV Network Limited and/or its affiliates	**Resolution 14**
GS Home Shopping Inc. and/or its affiliates	**Resolution 15**
SRG Asia Pacific Sdn Bhd and/or its affiliates	**Resolution 16**
Grup Majalah Karangkraf Sdn Bhd and/or its affiliates	**Resolution 17**
Ultimate Print Sdn Bhd and/or its affiliates	**Resolution 18**

"THAT approval be and is hereby given pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with each of the abovementioned parties, respectively pursuant to Resolutions 10 to 18, the details of which are set out in Part B of the Company's Circular to Shareholders dated 15 May 2019;

Provided that such transactions are necessary for the day-to-day operations of the Company and/or its subsidiaries and are carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the parties with which such recurrent transactions are to be entered into than those generally available to the public and which are not detrimental to the minority shareholders of the Company;

AND THAT the mandate conferred by the respective resolutions shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;

(b) the expiration of the period within which such Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) the resolution is revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever is the earliest;

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the resolution being passed.
(Please refer to Explanatory Note 8)

(10) **Proposed Dividend Reinvestment Plan and the Proposed Issuance of Shares** **Resolution 19**

"THAT, subject to compliance with all applicable laws (as may be amended, modified or re-enacted from time to time), the Constitution of the Company, and the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad and/or any other relevant regulatory authority:

(a) approval be and is hereby given for the establishment of a dividend reinvestment plan that provides the shareholders of the Company an option to reinvest their cash dividend declared by the Company in new ordinary shares in the Company ("Proposed DRP");

(b) the Directors of the Company be and are hereby authorised:

(i) to establish and implement the Proposed DRP and the terms and conditions of the Proposed DRP;
(ii) to determine, in their sole and absolute discretion, whether the Proposed DRP will apply to any cash dividend (whether interim, final, special or any other types of cash dividend) declared;
(iii) to allot and issue such number of new ordinary shares in the Company ("Shares") from time to time as may be required to be allotted and issued pursuant to the Proposed DRP until the conclusion of the Company's next Annual General Meeting, upon the terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company ("Proposed Issuance of New Shares");
(iv) to do all such acts and enter into all such transactions, arrangements, agreements, deeds and undertakings and to execute, sign and deliver, for and on behalf of the Company, all such documents and impose such terms and conditions or delegate any part of their powers as may be necessary or expedient in order to implement, finalise and give full effect to the Proposed DRP and the Proposed Issuance of New Shares, with full power to assent to any conditions, modifications, variations, and/or amendments including suspension and termination of the Proposed DRP as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities;

THAT the new Shares shall, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that the holders of the new Shares shall not be entitled to any dividend, rights, allotments and/or distributions in respect of which the entitlement date is before the allotment date of the new Shares issued pursuant to the Proposed DRP;

AND THAT the issue price of the said new Shares, which will be determined by the Directors on the price-fixing date to be determined and announced relating to the relevant dividend, shall be at an issue price of not more than 10% discount to the five-day volume weighted average market price ("VWAMP") of the Shares immediately prior to the price-fixing date, where upon, the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount."
(Please refer to Explanatory Note 9)

BY ORDER OF THE BOARD

LIEW WEI YEE SHARON (LS0007908)
Company Secretary

15 May 2019
Kuala Lumpur

EXPLANATORY NOTES:

1) **Audited Financial Statements and the Reports of the Directors and Auditors thereon**

The audited financial statements are laid at the annual general meeting ("AGM") in accordance with Section 340(1)(a) of the Companies Act 2016 ("Act"). There is no requirement for the shareholders to approve and hence, this agenda item is meant for discussion only and will not be put forward for voting.

2) **Re-election and Re-appointment of Directors**

(a) Resolutions 1 and 2 – Rule 126 of our Constitution provides that at each AGM, one-third (1/3) of our Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third (1/3), shall retire from office, provided that all Directors shall retire from office once at least on each three years, but shall be eligible for re-election.

Based on the number of Directors who are subject to retirement by rotation, two out of seven Directors (excluding Directors who are retiring under Rule 115) shall retire at this AGM. Lim Ghee Keong ("LGK") and Simon Cathcart ("SC") shall retire by rotation at this AGM and being eligible, have offered themselves for re-election as Directors of our Company.

(b) Resolutions 3 and 4 – Rule 115 of our Constitution provides that any Director appointed, either to fill a casual vacancy or as an addition to the existing Board of Directors ("Board"), shall hold office only until the conclusion of the next AGM and shall be eligible for re-election. A Director retiring under this Rule shall not be taken into account in determining the Directors or the number of Directors to retire by rotation at such meeting.

Accordingly, Tunku Alizakri bin Raja Muhammad Alias ("TAZ") and Mazita binti Mokty ("MM") who were appointed to the Board on 15 February 2019 are standing for re-election at this AGM and being eligible, have offered themselves for re-election as Directors of our Company.

Based on the annual Board Effectiveness Evaluation, our Board is of the collective view that the said Directors who are retiring in accordance with Rule 126 have satisfactorily discharged their roles and responsibilities to act in the best interest of our Company while the Directors who are seeking re-election in accordance with Rule 115 were appointed on 15 February 2019 after a rigorous process and assessment by our Board and our Nomination and Corporate Governance Committee based on the established Board Selection Criteria to determine their suitability.

Our Board has thereby recommended that LGK, SC, TAZ and MM be re-elected as Directors of our Company.

Please refer to Part A of the Statement Accompanying Notice of AGM.

3) **Director's Fees and Benefits**

Pursuant to Section 230 of the Act, any fees and benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

At our AGM held on 7 June 2018, the fees and benefits to our Non-Executive Directors ("NEDs") for the period commencing 8 June 2018 until the forthcoming AGM in June 2019 were approved based on the remuneration rates set out in Explanatory Note 4, Resolution 6 of the 2018 Notice of AGM for an estimated amount of up to RM3.54 million. The utilisation as at 31 January 2019 (approximately eight months) is RM1.71 million. Based on the current Board size and estimated number of meetings until the forthcoming AGM, the total utilisation is expected to be approximately 86% of the approved amount.

Our Company is seeking our shareholders' approval for the payment of our NEDs' fees and benefits for the period commencing 28 June 2019 up till the next AGM to be held in 2020 ("Relevant Period") in accordance with the remuneration rates set out below, payable on a monthly basis and/or as and when incurred. The remuneration rates are unchanged from the rates approved by our shareholders in 2018 as our Board is of the view that the rates remain competitive and reasonable having regard to the role complexities and responsibilities of our NEDs:

Type of Fees/Benefits	Amount (RM)
Board Chairman	520,000 per annum
Non-Executive Director	280,000 per annum
Audit and Risk Committee • Chairman • Member	 50,000 per annum 25,000 per annum
Remuneration Committee • Chairman • Member	 40,000 per annum 20,000 per annum
Nomination and Corporate Governance Committee • Chairman • Member	 40,000 per annum 20,000 per annum
Meeting Allowances	1,000 per day
Benefits	Company car, petrol and driver for the Board Chairman

The estimated Directors' fees and benefits for the Relevant Period are expected to remain unchanged from the previous year at approximately RM3.54 million. In determining the estimated total Directors' fees and benefits for the Relevant Period, the size of our Board and Board Committees as well as the number of meetings estimated to be held during the Relevant Period were taken into consideration.

If Resolution 5 is passed, Directors' fees and benefits will be paid by the Company on a monthly basis and/or as and when incurred.

4) Re-appointment of Auditors

Our Board, through our Audit and Risk Committee, had reviewed and was satisfied with the performance and independence of PricewaterhouseCoopers PLT ("PwC") during the financial year ended 31 January 2019. The Board has thereby recommended the re-appointment of PwC as Auditors of the Company to hold office until the conclusion of the next AGM in 2020 in accordance with Section 271 of the Act, under Resolution 6.

5) Authority for Directors to Issue Ordinary Shares

Resolution 7, if passed, will provide the authority and empower our Directors, pursuant to Sections 75 and 76 of Act, to issue and allot new ordinary shares in our Company up to 10% of the total number of issued shares of our Company ("Proposed General Mandate"). This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM in 2020.

Please refer to Part B of the Statement Accompanying Notice of AGM for further details of the Proposed General Mandate.

6) Renewal of Authority for the Company to Purchase its Own Shares

Resolution 8, if passed, will renew the authority granted by our shareholders at our AGM held on 7 June 2018 to continue to empower our Directors to purchase shares of our Company through Bursa Malaysia Securities Berhad up to 10% of the total number of issued shares of our Company ("Proposed Share Buy-Back"). This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM in 2020.

Please refer to Part C of the Statement Accompanying the Notice of AGM for further details of the Proposed Share Buy-Back.

7) Proposed Utilisation of Transponder Capacity on the MEASAT-3d Satellite and the Proposed Early Termination of the Agreement for the Utilisation of Transponder Capacity on the MEASAT-3b Satellite

Detailed information regarding the proposed utilisation of transponder capacity on the MEASAT-3d satellite and the proposed early termination of the agreement for the utilisation of transponder capacity on the MEASAT-3b satellite is set out in Part A of the Circular to Shareholders dated 15 May 2019. Resolution 9, if passed, will enable our Company's wholly-owned subsidiary, MEASAT Broadcast Network Systems Sdn Bhd to utilise additional transponder capacity on the MEASAT-3d satellite to facilitate its business operations.

8) Proposed Shareholders' Mandate for Recurrent Related Party Transactions

Detailed information regarding recurrent related party transactions is set out in Part B of the Circular to Shareholders dated 15 May 2019. Resolutions 10 to 18, if passed, will enable our Company and/or subsidiaries to enter into recurrent related party transactions in the ordinary course of business of a revenue or trading nature, which are necessary for our Group's day-to-day operations, based on terms not more favourable to the related parties than those generally available to the public. Such mandate shall lapse at the conclusion of the next AGM in 2020 unless authority for its renewal is obtained from our shareholders at such general meeting.

9) Proposed Dividend Reinvestment Plan and the Proposed Issuance of Shares

Detailed information regarding the proposed dividend reinvestment plan ("Proposed DRP") is set out in Part C of the Circular to Shareholders dated 15 May 2019. Resolution 19, if passed, will enable our Company to establish and implement the Proposed DRP, which will provide our shareholders with the opportunity to reinvest the whole or part of their cash dividends in new ordinary shares in our Company. The resolution will also provide the authority and empower our Directors to issue new ordinary shares in our Company pursuant to the Proposed DRP. Such authority to issue new shares shall lapse at the conclusion of the next AGM in 2020 unless authority for its renewal is obtained from our shareholders at such general meeting.

NOTICE OF ANNUAL GENERAL MEETING

NOTES ON ABSTENTION FROM VOTING

Our Directors who are referred to in Resolutions 1 to 4 are interested in the relevant resolutions and will therefore abstain from voting on the said resolutions in respect of his/her direct shareholdings in our Company at the forthcoming AGM. The said Directors will also ensure that persons connected to him/her will also abstain from voting on the relevant resolutions at the forthcoming AGM.

NOTES ON PROXY

(1) In accordance with Rule 106.5 of our Constitution, a member of our Company ("Member") entitled to attend and vote at a meeting of our Company is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, participate, speak and vote for him/her subject to the following provisions:
   (i) save as provided for Note (2) below, the Act and any applicable law, each Member shall not be permitted to appoint more than two proxies to attend the same meeting; and
   (ii) where a Member appoints more than one proxy, the appointment shall be invalid provided that he/she specifies the proportion of his/her holdings to be represented by each proxy.

(2) For the avoidance of doubt and subject always to Note (1)(ii) above, the Act and any applicable law:
   (i) where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which an exempt authorised nominee may appoint in respect of each omnibus account it holds, and
   (ii) where a Member is an authorised nominee, he/she may appoint at least one proxy in respect of each securities account it holds to which ordinary shares in our Company are credited. Each appointment of proxy by an authorised nominee may be made separately or in one instrument of proxy and specify the securities account number and the name of the beneficial owner for whom the authorised nominee is acting.

(3) There shall be no restriction as to the qualification of the proxy. Hence, a proxy may but need not be a Member.

(4) The instrument appointing a proxy shall be in writing and:
   (i) in the case of an individual, be signed by the appointor or by his/her attorney; and
   (ii) in the case of a corporation, be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

(5) The original instrument appointing a proxy must be deposited at the office of **our Company's share registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia, no later than Wednesday, 26 June 2019 at 9.30 a.m.;** otherwise the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof. Fax copies of the duly executed form of proxy are not acceptable.

(6) If the form of proxy is returned without an indication as to how the proxy shall vote on any particular resolution, the proxy may exercise his discretion as to whether to vote on such matter and if so, how.

(7) A proxy appointed to attend and vote at the meeting shall have the same rights as the Member to attend, participate, speak and vote at the meeting.

(8) The lodging of a completed form of proxy does not preclude a Member from attending and voting in person at the meeting should the Member subsequently decide to do so. Should you subsequently decide to attend the AGM, you are requested to rescind your earlier appointment of proxy, and notify our share registrar as soon as practicable.

NOTES ON VOTING RIGHTS AND PROCEDURES

(1) In accordance with Rule 106 of our Constitution, each Member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

(2) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions as set out in this Notice of Seventh AGM will be conducted by way of a poll. Every Member present in person or by proxy or by attorney or other duly authorised representative shall have one vote for every share held by him. A person entitled to more than one vote need not use all his votes or cast all the votes he uses on a poll in the same way.

(3) Our Company has appointed its share registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registars Sdn Bhd) ("Boardroom") as Poll Administrator to conduct the poll by way of electronic voting ("e-voting") and Boardroom Corporate Services Sdn Bhd (formerly known as Boardroom Corporate Services (KL) Sdn Bhd) as independent scrutineers to verify the poll results. E-voting for each of the resolutions as set out in this Notice of Seventh AGM will take place only upon conclusion of deliberations of all business to be transacted at the Seventh AGM or in such manner as directed by our Chairman. The registration for attendance will be closed at a time declared by our Chairman, to facilitate the commencement of the poll.

(4) E-Polling Stations will be set up for the purpose of conducting the poll using Boardroom's e-polling system at the adjacent polling room. Each e-Polling Station will be equipped with a terminal and a barcode reader. Each Member/proxy will be directed to the e-Polling Station with his/her personalised barcode slip which is issued during registration for the Seventh AGM.

(5) Voting can also be done using your own smartphone/tablet device via Boardroom Mobile e-Polling Application, as described below:

Voting Using Your Own Smartphone Device

- Members and proxy holders ("Voter") are advised to download the Boardroom Mobile e-Polling Application onto their device before attending the meeting.
- The Boardroom Mobile e-Polling Application download is available at no cost from Google Play Store or Apple App Store.
- Please refer to the information below on how to download the Boardroom Mobile e-Polling Application.
- You are encouraged to approach Boardroom's personnel at the Device Counter to check your devices' readiness to participate in the poll voting.

Voters Who Do Not Have Devices

- Voters will be ushered by Boardroom's personnel to the e-Polling Station that will be set up in the meeting room to cast their vote.
- Boardroom's personnel will be present at each polling station to assist Voters with the voting process

Access to Boardroom Mobile e-Polling Application

- You will be required to use the camera function of your device to capture the QR code to access the Boardroom Mobile e-Polling Application.
- Detailed instruction on how to vote will provided in the meeting before the start of the voting session.

(6) Please cast your vote for the relevant resolutions at the desired terminals provided in the adjacent polling room as directed by Boardroom. Upon completion of the poll verification, the Seventh AGM will resume for the declaration of the poll results by our Chairman.

MEMBERS ENTITLED TO ATTEND

For purpose of determining a Member who is entitled to attend this AGM, our Company will request Bursa Malaysia Depository Sdn Bhd, in accordance with Rule 89.1(b) of our Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a Record of Depositors ("ROD") as at 20 June 2019. Only a depositor whose name appears on the ROD as at 20 June 2019 shall be entitled to attend the meeting or appoint a proxy(ies) to attend and/or vote on his/her behalf.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) And 12.06(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities")

PART A (Resolutions 1 to 4)

RE-ELECTION OF DIRECTORS PURSUANT TO OUR CONSTITUTION OF THE COMPANY

The profiles of our Directors who are standing for re-election under Resolutions 1 to 4 as stated in the Notice of the Seventh Annual General Meeting ("AGM") are stated on pages 62 to 63 of the Integrated Annual Report 2019.

PART B (Resolution 7)

RENEWAL OF AUTHORITY FOR DIRECTORS TO ISSUE ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("ACT")

Our shareholders of the Company had approved a resolution to authorise our Directors to issue new ordinary shares in our Company pursuant to Sections 75 and 76 of the Act ("General Mandate") at the Sixth AGM held on 7 June 2018.

Our Company has not issued any new shares pursuant to the General Mandate which will lapse upon the conclusion of this AGM.

Resolution 7, if passed, will provide the authority and empower our Directors, pursuant to Sections 75 and 76 of the Act, to issue new ordinary shares in our Company up to an aggregate number not exceeding 10% of the total number of issued shares of the Company for the time being, and to make or grant offers, agreements or option in respect of such shares, from the date of this AGM until the next AGM of our Company for such purposes as our Directors deem necessary. The proposed General Mandate will provide flexibility to our Company for any possible fund raising activities, including but not limited to placement of shares for the purpose of funding future investments, working capital, and/or acquisitions. In any event, our Board will exercise its authority to issue shares only if it considers it to be in the best interests of our Company.

PART C (Resolution 8)

RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK")

1. INTRODUCTION

On 7 June 2018, our Company had obtained shareholders' approval for the authority to be granted to our Company to purchase its own shares of up to 10% of the total number of issued shares of our Company. The said approval shall, in accordance to the MMLR of Bursa Securities, expire at the conclusion of the forthcoming Seventh AGM of our Company scheduled to be held on 27 June 2019.

On 26 March 2019, our Board announced the intention to seek shareholders' approval for the Proposed Renewal of Authority for Share Buy-Back at the forthcoming AGM.

The purpose of this Statement is to provide you with the relevant information pertaining to the Proposed Renewal of Authority for Share Buy-Back and to seek your approval for Resolution 8 as set out in the Notice of AGM.

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You are advised to read the contents of this Statement carefully before voting on the resolution pertaining to the Proposed Renewal of Authority for Share Buy-Back to be tabled at our forthcoming AGM. If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Securities takes no responsibility for the contents of this Statement and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or due to your reliance upon the whole or any part of the contents of this Statement. Bursa Securities has not perused the contents of this Statement. You should rely on your own evaluation to assess the merits and risks of the Proposed Renewal of Authority for Share Buy-Back (as set out in this Statement).

2. DETAILS OF THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

2.1 Proposed Renewal of Authority for Share Buy-Back

Our Company proposes to seek its shareholders' approval for renewal of the authority granted to our Company for the purchase of our Company's ordinary shares ("AMH Shares") of up to 10% of the total number of issued shares of our Company ("Proposed Share Buy-Back"), which will be subject to compliance with Section 127 of the Act, the Constitution of our Company, the MMLR of Bursa Securities and any other prevailing laws and rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

The Proposed Renewal of Authority for Share Buy-Back, if granted by our shareholders, shall be effective upon the passing of the ordinary resolution at our forthcoming AGM until:

(a) the conclusion of the next AGM;
(b) the expiration of the period within which the next AGM is required by law to be held; or
(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever is the earliest ("Authority Period").

2.2 Quantum

For illustrative purposes, based on our Company's total number of issued shares as at the latest practical date comprising 5,214,314,500 AMH Shares, the maximum number of AMH Shares that can be purchased pursuant to the Proposed Share Buy-Back is 521,431,450 AMH Shares representing 10% of the total number of our Company's issued shares.

However, the maximum number of AMH Shares that our Company can purchase may change and would depend on our Company's total number of issued shares at the time of such purchase. For example, any issuance of AMH Shares pursuant to our Management Share Scheme would increase our Company's total number of issued shares and hence, increase the maximum number of AMH Shares that can be purchased.

The Proposed Share Buy-Back will allow our Board to exercise its power to purchase AMH Shares at any time during the Authority Period. However, having this authority does not imply that our Board is obliged to exercise the same.

2.3 Funding

It is our Company's intention to use internally-generated funds to finance the purchase of AMH Shares and any decision by the Board to purchase will depend on, amongst others, the availability of funds as well as market conditions and sentiments.

Notwithstanding the above, the maximum amount of funds to be used for the purchase of AMH Shares pursuant to the Proposed Share Buy-Back will not exceed the aggregate of our Company's retained earnings. Based on the latest audited financial statements as at 31 January 2019, our Company's retained earnings were RM168.6 million.

2.4 Treatment of Purchased Shares

In accordance with Section 127 of the Act, our Board may, at its discretion, deal with the purchased AMH Shares in the following manner:

(a) cancel all or part of the AMH Shares so purchased;
(b) retain all or part of the AMH Shares so purchased as treasury shares, which may subsequently be cancelled, distributed as share dividends to the shareholders and/or resold on Bursa Securities in accordance with the MMLR;
(c) transfer all or part of the AMH Shares so purchased as purchase consideration or for the purpose of or under an employees' share scheme;
(d) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
(e) dealt with in any other manner as may be prescribed by the prevailing laws and rules, regulations, orders guidelines and requirements issued by the relevant authorities at that time.

In the event our Company ceases to hold the purchased AMH Shares as a result of the above, our Company may purchase additional AMH Shares pursuant to the Proposed Share Buy-Back provided that the total number of AMH Shares purchased (including the treasury shares existing at that time) does not exceed 10% of our Company's total number of issued shares at the time of the purchase.

While the purchased AMH Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in AMH for any purpose including substantial shareholdings, take-overs, notices and the requisition, quorum and the result of a vote on a resolution at a general meeting of our Company.

Pursuant to the MMLR, a listed company (i) may only purchase its own shares on Bursa Securities at a price which is not more than 15% above the weighted average market price of the shares for the five market days immediately before the date of the purchase; and (ii) may only resell or transfer the treasury shares at a price which is:

(a) not less than the weighted average market price for the shares for the five market days immediately before the resale or transfer; or
(b) a discounted price of not more than 5% to the weighted average market price for the shares for the five market days immediately before the resale or transfer provided that –

    (i) the resale or transfer takes place not earlier than 30 days from the date of purchase; and
    (ii) the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The authority for the Proposed Share Buy-Back will provide our Company with additional flexibility in respect of its capital management initiatives, whereby our Company has the option, if so implemented, to use any surplus funds in an efficient manner to purchase AMH Shares from the open market. The Proposed Share Buy-Back, if implemented, may also assist in stabilising the supply and demand as well as the market price of AMH Shares.

Further, the purchase by our Company of its own shares is expected to result in an improvement to its EPS (given the decrease in the share base used for the computation of the same), which in turn would benefit the shareholders. Alternatively, any purchased AMH Shares which are retained as treasury shares may be resold on the Bursa Securities at a potentially higher price and/or distributed as share dividends to the shareholders.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

4.1 The Proposed Share Buy-Back, if implemented, may help stabilise the supply and demand of AMH Shares traded on the Main Market of Bursa Securities, which may in turn mitigate short-term volatility of the market price of AMH Shares and support our Company's intrinsic value from our Company's perspective.

Our Board may retain the AMH Shares purchased as treasury shares and subsequently distribute them as share dividends to the shareholders or cancel the treasury shares.

In addition, Our Company may have the opportunity to realise potential capital gains if the AMH Shares purchased are resold at prices higher than the purchase prices and such proceeds may be subsequently used for investment opportunities arising in the future, working capital and/or to be distributed as dividends to our shareholders.

4.2 However, the Proposed Share Buy-Back, if implemented, will reduce the amount of financial resources available for distribution to shareholders and may result in our Group having to forego other investment opportunities that may emerge in the future, or deprive our Group of interest income that can be derived from the funds utilised for any purchase of AMH Shares. In addition, any purchase of AMH Shares will reduce our Group's cashflow by the value of the AMH Shares purchased.

Such decrease in our Group's financial resources may be mitigated as the AMH Shares purchased and retained as treasury shares may be subsequently resold.

4.3 Our Board does not expect the Proposed Share Buy-Back to have any material disadvantage to our Company and our shareholders as it will be implemented only after due consideration of the financial resources of our Group and of the resultant impact on our Company and our shareholders. Our Board, in exercising any decision to purchase any AMH Shares, will take into consideration our Company's and shareholders' best interests.

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Share capital

The Proposed Share Buy-Back will not have any effect on the total number of issued shares of our Company unless the AMH Shares purchased are cancelled.

For illustrative purposes, based on our Company's total number of issued shares as at 31 January 2019 amounting to 5,214,314,500 ordinary shares and assuming the maximum permissible number of AMH Shares that may be purchased by our Company pursuant to the Proposed Share Buy-Back amounts to 521,431,450 ordinary shares ("Maximum Purchase") and the subsequent cancellation of all shares purchased, our Company's total number of issued shares would decrease from 5,214,314,500 to 4,692,883,050.

5.2 EPS

The effects of the Proposed Share Buy-Back on the earnings and EPS of our Group will depend on various factors including the number of AMH Shares purchased as well as any income foregone in connection with funding such purchases. Nonetheless, as highlighted in Section 3 above, the purchase of AMH Shares will result in a lower number of shares being taken into account for purposes of EPS computation, which is expected to improve the EPS of our Group.

5.3 Net Assets and Net Assets per share

If the Proposed Share Buy-Back is implemented, the net assets attributable to equity shareholders ("NA") of our Group will decrease by the purchase value of AMH Shares upon purchase. If the treasury shares are cancelled and/or distributed as share dividends, there will be no additional effect on the NA of our Group. If the treasury shares are resold, the NA of our Group will increase by the sale value of AMH Shares. When the purchase and resale of AMH Shares are taken as a whole, there will be a net increase in the NA of our Group if the resale value is higher than the purchase value and a net decrease if the resale value is lower than the purchase value.

Further, the NA per share of our Group will increase if the purchase price of AMH Shares is less than the NA per share at the time of purchase, and will decrease if the purchase price of AMH Shares is more than the NA per share at the time of purchase. The converse effect will also apply if the treasury shares are subsequently resold.

5.4 Working Capital

The Proposed Share Buy-Back is not expected to have a material effect to our Group's working capital in view that our Company will only purchase its own shares if our Company has surplus funds, after taking into consideration the capital expenditure and working capital requirements of our Group.

5.5 Proforma Effects on Our Substantial Shareholders' and Directors' shareholdings

Based on the Register of Substantial Shareholders, Register of Directors' Shareholdings and the total number of issued shares of our Company as at 16 April 2019, the proforma effects of the Proposed Share Buy-Back on the substantial shareholders' and Directors' shareholdings in our Company (assuming Maximum Purchase from shareholders of our Company other than from the said substantial shareholders and Directors) are as follows:

		As at 16 April 2019				After Maximum Purchase pursuant to the Proposed Share Buy-Back			
		Direct		Indirect		Direct		Indirect	
Name	Notes	No. of AMH Shares	%	No. of AMH Shares	%	No. of AMH Shares	%	No. of AMH Shares	%
Substantial shareholders:									
Pantai Cahaya Bulan Ventures Sdn Bhd		1,077,735,927	20.67	-	-	1,077,735,927	22.97	-	-
Khazanah Nasional Berhad	1	-	-	1,077,735,927	20.67	-	-	1,077,735,927	22.97
All Asia Media Equities Limited		1,013,297,290	19.43	-	-	1,013,297,290	21.59	-	-
Usaha Tegas Entertainment Systems Sdn Bhd	2	235,778,182	4.52	1,013,297,290	19.43	235,778,182	5.02	1,013,297,290	21.59
Usaha Tegas Sdn Bhd	3	-	-	1,249,075,472	23.95	-	-	1,249,075,472	26.62
Pacific States Investment Limited	4	-	-	1,249,075,472	23.95	-	-	1,249,075,472	26.62
Excorp Holdings N.V.	5	-	-	1,249,075,472	23.95	-	-	1,249,075,472	26.62
PanOcean Management Limited	5	-	-	1,249,075,472	23.95	-	-	1,249,075,472	26.62
East Asia Broadcast Network Systems N.V.		421,939,707	8.09	-	-	421,939,707	8.99	-	-
East Asia Broadcast Systems Holdings N.V.	6	-	-	421,939,707	8.09	-	-	421,939,707	8.99
Tucson N.V.	7	-	-	421,939,707	8.09	-	-	421,939,707	8.99
Ananda Krishnan Tatparanandam	8	-	-	2,152,868,226	41.29	-	-	2,152,868,226	45.88
Harapan Terus Sdn Bhd	9	-	-	462,124,447	8.86	-	-	462,124,447	9.85
Dato' Haji Badri bin Haji Masri	10	-	-	462,124,447	8.86	-	-	462,124,447	9.85
Tun Haji Mohammed Hanif bin Omar	10	-	-	462,124,447	8.86	-	-	462,124,447	9.85
Mohamad Shahrin bin Merican	10	200,000	0.00*	462,124,447	8.86	200,000	0.00*	462,124,447	9.85
Employees Provident Fund Board	11	435,224,964	8.35			435,224,964	9.27	-	-
Directors:									
Tun Dato' Seri Zaki bin Tun Azmi		1,050,000	0.02	-	-	1,050,000	0.02	-	-
Datuk Yvonne Chia		100,000	0.00*	-	-	100,000	0.00*	-	-
Richard John Freudenstein		-	-	-	-	-	-	-	-
Renzo Christopher Viegas		50,000	0.00*	-	-	50,000	0.00*	-	-
Lim Ghee Keong		1,000,000	0.02	-	-	1,000,000	0.02	-	-
Simon Cathcart		-	-	-	-	-	-	-	-
Shahin Farouque bin Jammal Ahmad		-	-	-	-	-	-	-	-
Tunku Alizakri bin Raja Muhammad Alias		-	-	-	-	-	-	-	-
Mazita binti Mokty		-	-	-	-	-	-	-	-
Vernon Das (Alternate Director to Lim Ghee Keong)		-	-	-	-	-	-	-	-

* *negligible*

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Notes:

(1) Khazanah is deemed to have an interest in the AMH Shares by virtue of PCBV being a wholly-owned subsidiary of Khazanah.

(2) UTES is deemed to have an interest in all of the AMH Shares in which AAME has an interest, by virtue of UTES holding 100% equity interest in AAME. In addition to the deemed interest held via AAME in AMH, UTES holds directly 235,778,182 AMH Shares representing 4.52% equity interest in AMH.

(3) UTSB is deemed to have an interest in the AMH Shares by virtue of UTSB holding 100% equity interest in UTES. Please refer to Note (2) above for UTES' direct and deemed interests in the AMH Shares.

(4) PSIL is deemed to have an interest in the AMH Shares by virtue of PSIL holding 99.999% equity interest in UTSB. Please refer to Note (3) above for UTSB's deemed interest in the AMH Shares.

(5) PanOcean holds 100% equity interest in Excorp which in turn holds 100% equity interest in PSIL. Please refer to Note (4) above for PSIL's deemed interest in the AMH Shares. 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 is deemed to have an interest in the AMH Shares, it does not have any economic or beneficial interest in such AMH Shares, as such interest is held subject to the terms of such discretionary trust.

(6) EABSH is deemed to have an interest in all of the AMH Shares in which EABNS has an interest, by virtue of EABSH holding 100% equity interest in EABNS.

(7) Tucson is deemed to have an interest in all of the AMH Shares in which EABSH has an interest, by virtue of Tucson holding 100% equity interest in EABSH. Please refer to Note (6) above for EABSH's deemed interest in AMH Shares.

(8) TAK is deemed to have an interest in the AMH Shares, by virtue of the following:

(i) PanOcean's deemed interest of 1,249,075,472 AMH Shares representing 23.95% equity interest in AMH are held directly by UTES and AAME;

Although TAK is deemed to have an interest in the AMH Shares, he does not have any economic or beneficial interest in such AMH Shares, as such interest is held subject to the terms of a discretionary trust referred to in Note (5) above;

(ii) the interests of EABNS, Pacific Broadcast Systems N.V. ("PBS"), Home View Limited N.V. ("HVL"), Southpac Investments Limited N.V. ("SIL"), Ujud Cergas Sdn Bhd ("UCSB"), Metro Ujud Sdn Bhd ("MUSB"), Mujur Sanjung Sdn Bhd ("MSSB"), Prisma Gergasi Sdn Bhd ("PGSB") and Ujud Murni Sdn Bhd ("UMSB") which collectively hold directly 903,792,754 AMH Shares representing 17.33% equity interest in AMH. TAK is deemed to have an interest in the 903,792,754 AMH Shares collectively held by EABNS, PBS, HVL, SIL, UCSB, MUSB, MSSB, PGSB and UMSB by virtue of him holding 100% equity interest in their respective ultimate holding companies viz. Tucson, Orient Systems Limited N.V., Home View Holdings N.V., Southpac Holdings N.V., All Asia Radio Broadcast N.V., Global Radio Systems N.V., Maestra International Broadcast N.V., Maestra Global Radio N.V. and Global Broadcast Systems N.V.

(9) HTSB is deemed to have an interest in all of the AMH Shares through its wholly-owned subsidiaries, namely, Berkat Nusantara Sdn Bhd, Nusantara Cempaka Sdn Bhd, Nusantara Delima Sdn Bhd, Mujur Nusantara Sdn Bhd, Gerak Nusantara Sdn Bhd and Sanjung Nusantara Sdn Bhd. (collectively, "HTSB Subsidiaries").

The HTSB Subsidiaries hold such AMH Shares under discretionary trusts for Bumiputera objects. As such, HTSB does not have any economic interest in such AMH Shares as such interest is held subject to the terms of such discretionary trusts.

(10) He is deemed to have an interest in the AMH Shares by virtue of his 25% direct equity interest in HTSB. However, he does not have any economic interest in such AMH Shares as such interest is held subject to the terms of the discretionary trusts referred to in Note (9) above.

(11) Held through nominee companies managed by portfolio managers.

As at 16 April 2019, based on the Record of Depositors, the public shareholding spread was 29.08%.

6. IMPLICATION OF THE CODE

Under the Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016 ("Code"), a mandatory offer obligation under Part III of the Code ("MGO") arises when:

(a) a person obtains control in a company as a result of a buy-back scheme by the company; or
(b) a person (holding more than 33% but not more than 50% of the voting shares or voting rights of a company), as a result of a buy-back scheme by the company, increases his holding of the voting shares or voting rights of the company by more than 2% in any six-month period.

Future purchases by our Company of AMH Shares pursuant to the Proposed Share Buy-Back may result in UTSB and/or its affiliates triggering an obligation to undertake a MGO. It is our Board's intention to implement the Proposed Share Buy-Back in a manner that will not result in any of the shareholders having to undertake a MGO pursuant to the Code.

7. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF AMH SHARES MADE IN THE PRECEDING 12 MONTHS

Our Company had not carried out any purchase of AMH Shares previously and as such, there has been no resale, transfer or cancellation of the treasury shares in the previous 12 months preceding the date of this Statement.

8. HISTORICAL SHARE PRICES OF THE COMPANY

The monthly high and low prices of AMH Shares as traded on the Main Market of Bursa Securities for the past 12 months from May 2018 to April 2019 are as follows:

	High RM	Low RM
2018		
April	2.09	1.75
May	1.91	1.31
June	1.85	1.35
July	1.86	1.57
August	1.97	1.74
September	1.86	1.46
October	1.57	1.21
November	1.41	1.05
December	1.41	1.19
2019		
January	1.70	1.31
February	1.70	1.53
March	1.66	1.48

The last transacted price of AMH Shares on 16 April 2019, being the latest practicable date prior to the despatch of this Statement, was RM1.50 per AMH Share.

9. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save for the increase in the percentage shareholdings and/or voting rights in our Company arising from the implementation of the Proposed Share Buy-Back, none of our Directors and major shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Share Buy-Back or future resale of treasury shares (if any).

10. DIRECTORS' RECOMMENDATION

Our Directors, having considered all relevant aspects, are of the opinion that the Proposed Share Buy-Back is in the best interest of our Company and recommend you to vote in favour of the resolution pertaining to the Proposed Renewal of Authority for Share Buy-Back at the forthcoming AGM.

11. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by our Directors who collectively and individually accept full responsibility for the accuracy of the information contained herein. Our Directors confirm that, after making all enquiries as were reasonable in the circumstances and to the best of their knowledge and belief, there are no other facts, the omission of which would make any information herein misleading.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company at 3rd Floor, Administration Building, All Asia Broadcast Centre, Technology Park Malaysia, Lebuhraya Puchong-Sungai Besi, Bukit Jalil, 57000 Kuala Lumpur between 9.00 a.m. to 5.30 p.m. on Monday to Friday (except public holidays) from the date of this Statement up to and including the date of the forthcoming AGM:

(i) Constitution of our Company; and
(ii) Audited consolidated financial statements of our Company for the past two financial years ended 31 January 2018 and 31 January 2019.

Proxy **Form**

Number of shares held	CDS account no.

ASTRO MALAYSIA HOLDINGS BERHAD
(Company No. 932533-V)

*I/We, ____________________ *NRIC/*Passport/*Company No. ____________________
(full name of Member in block letters) (compulsory)

of ____
(full address of Member in block letters)

and telephone no. ____________________ , being a member of Astro Malaysia Holdings Berhad ("Company"), hereby appoint the following person(s) as my/our proxy:

	Full name of proxy in block letters	*NRIC/*Passport No.	No. of shares to be represented	Percentage
Proxy 1				
Proxy 2				
		Total:		**100%**

or failing *him/*her, THE CHAIRMAN OF THE MEETING as *my/*our proxy/*proxies to vote for *me/*us on *my/*our behalf at the **Seventh Annual General Meeting of the Company to be held on Thursday, 27 June 2019 at 9.30 a.m**. at the Grand Ballroom, Level 3A, Connexion@Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur and at any adjournment thereof.

*I/*We indicate with an "x" in the spaces below how *I/*we wish *my/*our vote to be cast:

No.	Ordinary Resolutions	For	Against	Abstain
1	Re-election of Lim Ghee Keong as a Director of the Company			
2	Re-election of Simon Cathcart as a Director of the Company			
3	Re-election of Tunku Alizakri bin Raja Muhammad Alias as a Director of the Company			
4	Re-election of Mazita binti Mokty as a Director of the Company			
5	Proposed Payment of Directors' Fee and Benefits for the period from 28 June 2019 until the next Annual General Meeting of the Company to be held in 2020			
6	Re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors of the Company			
7	Proposed Renewal of Authority for Directors to Issue Ordinary Shares pursuant to Sections 75 and 76 of the Companies Act 2016			
8	Proposed Renewal of Authority for the Company to Purchase its Own Shares			
9	Proposed Utilisation of Transponder Capacity on the MEASAT-3d satellite by MEASAT Broadcast Network Systems Sdn Bhd, a wholly-owned subsidiary of the Company and the Proposed Early Termination of the Agreement for the Utilisation of Transponder Capacity on the MEASAT-3b satellite			
10	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Usaha Tegas Sdn Bhd and/or its affiliates			
11	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Maxis Berhad and/or its affiliates			
12	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with MEASAT Global Berhad and/or its affiliates			
13	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Astro Holdings Sdn Bhd and/or its affiliates			
14	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Sun TV Network Limited and/or its affiliates			
15	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with GS Home Shopping Inc. and/or its affiliates			
16	Proposed Shareholders' Mandate for Recurrent Related Party Transaction with SRG Asia Pacific Sdn Bhd and/or its affiliates			
17	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Grup Majalah Karangkraf Sdn Bhd and/or its affiliates			
18	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Ultimate Print Sdn Bhd and/or its affiliates			
19	Proposed Dividend Reinvestment Plan and the Proposed Issuance of Shares			

Subject to the abovestated voting instructions, *my/*our proxy may vote or abstain from voting on any resolutions as *he/*she/*they may think fit.

Dated this ______ day of ______ 2019

____
Signed by hand (if Individual)/by Affixation of Common Seal (if Corporation)

NOTES ON PROXY

(1) In accordance with Rule 106.5 of our Constitution, a member of our Company ("Member") entitled to attend and vote at a meeting of our Company is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, participate, speak and vote for him/her subject to the following provisions:
   (i) save as provided for Note (2) below, the Act and any applicable law, each Member shall not be permitted to appoint more than two proxies to attend the same meeting; and
   (ii) where a Member appoints more than one proxy, the appointment shall be invalid provided that he/she specifies the proportion of his/her holdings to be represented by each proxy.

(2) For the avoidance of doubt and subject always to Note (1)(ii) above, the Act and any applicable law:
   (i) where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which an exempt authorised nominee may appoint in respect of each omnibus account it holds, and
   (ii) where a Member is an authorised nominee, he/she may appoint at least one proxy in respect of each securities account it holds to which ordinary shares in our Company are credited. Each appointment of proxy by an authorised nominee may be made separately or in one instrument of proxy and specify the securities account number and the name of the beneficial owner for whom the authorised nominee is acting.

(3) There shall be no restriction as to the qualification of the proxy. Hence, a proxy may but need not be a Member.

(4) The instrument appointing a proxy shall be in writing and:
   (i) in the case of an individual, be signed by the appointor or by his/her attorney; and
   (ii) in the case of a corporation, be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

(5) The original instrument appointing a proxy must be deposited at the office of **our Company's share registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia, no later than Wednesday, 26 June 2019 at 9.30 a.m.**; otherwise the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof. Fax copies of the duly executed form of proxy are not acceptable.

(6) If the form of proxy is returned without an indication as to how the proxy shall vote on any particular resolution, the proxy may exercise his discretion as to whether to vote on such matter and if so, how.

(7) A proxy appointed to attend and vote at the meeting shall have the same rights as the Member to attend, participate, speak and vote at the meeting.

(8) The lodging of a completed form of proxy does not preclude a Member from attending and voting in person at the meeting should the Member subsequently decide to do so. Should you subsequently decide to attend the AGM, you are requested to rescind your earlier appointment of proxy, and notify our share registrar as soon as practicable.

Members Entitled to Attend

For purpose of determining a Member who is entitled to attend this AGM, the Company will request Bursa Malaysia Depository Sdn Bhd, in accordance with Rule 89.1(b) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a Record of Depositors ("ROD") as at **20 June 2019**. Only a depositor whose name appears on the ROD as at **20 June 2019** shall be entitled to attend the meeting or appoint a proxy(ies) to attend and/or vote on such depositor's behalf.

PERSONAL DATA PRIVACY

By submitting the information in this form, you consent to Astro Malaysia Holdings Berhad (932533-V) processing your personal data in the manner stipulated in the Privacy Notice for Shareholders set out in https://www.astro.com.my/privacy-notice-shareholders and warrant that consent of the proxy(ies) and/or representative(s) whose personal data you have provided has also been obtained accordingly and that they have been informed of the privacy notice.

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STAMP

Boardroom Share Registrars Sdn Bhd
(formerly known as Symphony Share Registrars Sdn Bhd)
Level 6, Symphony House, Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Please Fold Here

astro

ASTRO MALAYSIA HOLDINGS BERHAD 932533-V
(Incorporated in Malaysia under the Companies Act, 1965)

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