

# Our Strategic Priorities

Astro’s vision is to be Malaysia’s No.1 Entertainment Destination. We are committed to entertaining, informing and engaging our customers with the best local, regional and international content, as well as news and live sports while creating sustainable value for our stakeholders. To realise our vision, our focus is on the following key strategic priorities:



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**Content: Champion local content and live sports, while aggregating the rest**

**LOCAL**

The focus on local content production remains at the core of our business. We continue to create compelling, winning and innovative content for Malaysians that reflects local stories and trends while featuring a strong cast of local talents. The ability to produce premium local dramas, reality shows and movies gives us a strategic edge over our competitors as Malaysians prefer shows in vernacular languages with local nuances that they can relate to. We are creating a demand for local content with bolder and edgier storytelling targeting a more urban audience base under the Astro Originals brand, requiring highly-skilled production capabilities that we possess. Local content with its greater appeal provides for better margins resulting from an ability to control cost,

expand the exploitation of the IPs from a 360° perspective including sponsorship, licensing, merchandising and live events, as well as the creation of more IPs and spinoffs. IPs such as the *Sepahtu* franchise have enabled successful on-ground sold out shows in multiple cities in Malaysia while our highly popular kids IP *Didi & Friends* attract thousands to mall events. Our *Kampung Pisang* franchise continued to add to the universe of characters with *Kampung Pisang Berbuah Dua Kali*. *Gegar Vaganza* played to its ninth season and remains a sponsor favourite due to its consistently high audience engagement. *Classic Golden Melody*, after two decades, remains highly sponsored and a ratings winner for our Chinese audiences.



**Content: Champion local content and live sports, while aggregating the rest**

**SPORTS**

As Malaysia's Home of Sports, we champion live sports and showcase the best sporting events from across the globe including the Premier League, UEFA, LaLiga, Bundesliga, Formula 1 and Badminton BWF Super Series. We also prioritise local sports as viewing of same is far higher compared to international tournaments. Our recently inked partnership with the Malaysian Football League (MFL) will see us bringing high-quality, comprehensive coverage of Liga Malaysia through 2025, including new supporting content to deepen fan engagement in our nation's favourite sport.

**NEWS**

Building on its reputation as Malaysia's most trusted news brand and the top TV news brand on social media, AWANI continues to keep Malaysians informed through extensive and critical coverage of the latest breaking news, and thoughtful and objective analysis of trending topics. Comprehensive coverage of Malaysia's 15<sup>th</sup> General Election (GE15) resulted in AWANI emerging as the news ratings winner during the GE15 weekend which is a strong reflection of AWANI's popularity among audiences.

**KIDS & YOUTH**

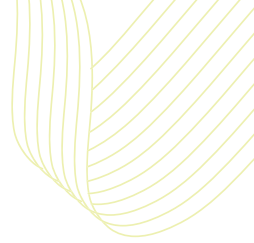
As our most watched genre On Demand, our original franchises and wholesome content provide a safe and fun environment for kids and youths to learn. Our original IPs span early learning shows such as *Didi & Friends*, faith-based learning (*Omar & Hana*), edutainment (*SMK* and *Ceria Popstar Xtra*) and academic support programmes (*SPM PRO+* and *Skuad Detektif KBAT*) to cater to a truly holistic learning experience. Our local kids IPs, coupled with our aggregated international kids content, account for one-third of viewing On Demand, making our Ultra and Ulti Boxes key 'babysitting' tools for the home.

**AGGREGATION**

To realise our vision of becoming Malaysia's No. 1 Entertainment Destination, we ensure that customers have access to the best regional and international content across all genres. In addition to directly acquiring such content, we are aggregating and integrating more OTT streaming services and adding lifestyle apps to our platform, allowing our customers to truly enjoy the ease of having a single seamless user experience to access all their entertainment needs.

**Moving forward:**

- Continue to be a responsible content provider and curate a comprehensive content slate to meet audience demand across all platforms and vernaculars
- Sustain leadership as Malaysia's No. 1 content creator by producing more compelling, winning local content with a focus on signatures and Astro Originals, kids and news to drive audience engagement
- Champion live sports as Malaysia's Home of Sports, with an emphasis on high quality, comprehensive coverage of Liga Malaysia
- Champion equal access to quality education for all through fun and entertaining academic learning content
- Maximise 360° content monetisation opportunities across advertising, on-ground events, wholesale content deals and merchandising
- Partner established industry players to develop up-and-coming creative talents and raise the bar of local productions
- Aggregate the best of international and regional shows, including more of the best content and lifestyle apps



**Customer: Deliver value-for-money products and services**

To effectively serve our varied customer segments, we continuously expand and refine our product offerings and their value proposition using data-driven insights. We aim to deliver products that excite our customers and add value to their lives, while also catering to their diverse needs and preferences across language, content genre, platform and propensity to spend. We now have three distinct video services to cater to different customer segments, each with its own package menu for customers to choose from – our Pay-TV service, Astro; our freemium TV service, NJOI; and our standalone OTT app, sooka.

For households, we have simplified our Astro Pay-TV packs, with streaming services bundled in and Astro Fibre broadband as an add on for better value. More streaming services will be integrated onto the Ultra and Ulti Boxes to provide subscribers with the best regional and international content, as well as lifestyle apps to cater to all customer segments. Meanwhile, NJOI continues to expand its reach across untapped Malaysian homes – this prepaid service now features an expanded content menu including HD, with packages and top-ups easily purchasable through the My NJOI app.

For individuals, Astro GO is a Pay-TV companion app for customers who prefer to consume content on the go. sooka, meanwhile, serves local and sports content targeted at digital natives who prefer a ‘dip in’ option having now evolved from a pure mobile offering to include a big screen proposition via sooka’s smart TV app. We will also solidify Astro Radio’s position as the No.1 radio brand in Malaysia by strengthening our presence on digital including mobile, web and social media. On Go Shop, we will expand our product portfolio and leverage our growing customer base to drive new shopping opportunities.

For enterprises, we have introduced new offerings for Malaysian businesses catering especially to SMEs with our latest being Astro BIZFibre – a high-speed broadband service that can be bundled with our flexible content packages, building on Astro’s rich content library and great service. Positioned as a strong business partner for enterprise customers, we are helping businesses drive footfall to their outlets with our content especially live sports and news, reliable internet service, expertise in organising on-ground events, and advertising reach. Meanwhile, the rollout of Addressable Advertising service for corporate clients enables an effective and targeted solution across TV, On Demand and digital, leveraging our strong first-party audience data.

**Moving forward:**

- Serve differing customer segments – homes, individuals and enterprises – by offering one-stop entertainment, connectivity and advertising solutions to meet their diverse needs and preferences
- Expand and refine our premium Pay-TV offering and bundled value proposition
- Strengthen NJOI with more premium HD content for a better viewing experience
- Accelerate growth of sooka via attractive price points, refreshed marketing and content line-up
- Connect more Malaysian homes and businesses through our own Astro Fibre broadband service
- Grow enterprise customers with flexible content and connectivity solutions
- Drive adoption of Addressable Advertising, leveraging our unique position as the largest media player in Malaysia
- Sustain market leadership in the audio sphere, both on FM radio and online
- Leverage Go Shop’s customer base to drive new shopping opportunities

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## Experience & Technology: Enhance customer experience and efficiencies by leveraging digital

We are constantly improving the functionality of our products with the aim of providing our subscribers with an enhanced viewing experience, having moved towards agnostic content delivery with our hybrid Ultra and Ulti Boxes that are able to run on both satellite and IP via a stable internet connection.

In FY23, we enhanced user interface and navigability, and added Multi-User Profiles to personally tailor the Astro experience for each user. We also introduced the Astro Fibre app, allowing customers to take control of their home's internet access parameters, including setting viewing limits and restrictions to keep kids safe, and sharing of network access to guests in a secure manner.

We aim to deliver a seamless and intuitive customer experience throughout their journey with us. We are enhancing digital touchpoints to provide greater convenience for customers, with an increasing number choosing to interact with us online especially through our website, My Astro app and WhatsApp. This enables us to streamline physical service centers to improve operational efficiencies and reinvest instead into the opening of our new Astro Experience Stores where new and existing customers can sample and discover the full suite of Astro products and experience for the home and on the go. So far, two stores have been launched at popular shopping malls in the Klang Valley and Penang.

We reward our loyal customers via our new tiered Astro Rewards programme, focusing on more money-can't-buy experiences and privileges, while making available special discounts and offers on a wide range of products and services.

We also continue to invest in and accelerate adoption of new technologies for better operational efficiencies and an enhanced viewing experience. For example, our use of Extended Reality (XR) technology during the coverage of FIFA World Cup Qatar 2022 brought about a significant improvement in the viewing experience for customers, allowing for a more immersive and interactive experience. At the same time, the use of virtual environments plays a crucial role in managing production costs, allowing the production team to create realistic, high-quality images and videos, without the need for expensive on-location shoots. This saves costs and allows for greater flexibility in the creative process.

Meanwhile, the Interactive Mode feature on Astro GO enhances the viewing experience of live sports via interactive overlays on-screen, displaying match and player statistics as well as instant highlights.

### Moving forward:

- Digitalise and simplify products and processes to enhance customer experience and deliver a seamless customer journey
- Leverage technology to promote greater business agility and improve operational efficiencies
- Enrich and harness first-party data across touchpoints to optimise business outcomes
- Enhance and refine UI/UX and product functionalities, focused on improving personalisation, curation and recommendations
- Harness technology to manage piracy across all platforms through various piracy countermeasures



## Sustainability

Our ESG initiatives, based on our five ESG Pillars below, are implemented Groupwide. Via Yayasan Astro Kasih, our Group's Foundation develops and executes innovative and impactful long-term projects to empower communities.



### Responsible Business

To emphasise good governance and ethical business practices across all business activities and stakeholder dealings, with an emphasis on talent well-being



### Education for All

To champion equal access to education via Astro education channels and by producing quality learning, edutainment, and supplemental academic programmes



### Caring for our Environment

To advocate for a greener planet, and reduce plastics in our packaging and our GHG emissions, with a goal to be Carbon Neutral by 2040



### Community Development

To contribute towards the social wellbeing of communities, including sports development at the grassroots level via our flagship annual Astro Kem Badminton programme, and by providing boarding facilities for rural students in remote areas via our Kampus Astro Hostels initiative. We also encourage staff volunteerism and participation in community events



### Voice for Good

To amplify positivity through community messaging and impactful programmes on TV, Radio and digital

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## Environmental: Drive positive environmental impact



### Caring for our Environment

In support of the United Nations Sustainable Development Goals (UNSDG) on climate change and Malaysia's transition to a low carbon, climate-resilient economy, Astro is committed to achieving Carbon Neutrality across our operations by 2040



### Voice for Good

Leveraging our unique position as Malaysia's leading content and entertainment company, we advocate for a greener planet while increasing climate awareness through our content across TV, radio and digital

### Moving forward:

- Influence and advocate for a greener planet to raise climate awareness through our content and public service announcements (PSA) across all platforms
- Sustain and enhance our environmental initiatives to minimise our environmental footprint, including being Carbon Neutral by 2040
- Develop Climate Roadmap to guide our businesses in decarbonising and reducing carbon emissions
- Reduce Scope 1 and 2 GHG emissions by 3% in 2023
- Responsible and mindful resource consumption including electricity and water use across our office premises, each with targeted reduction of 2% by 2025



## Sustainability

### Social – Talent: Nurturing a sustainable talent pipeline and emphasising talent well-being

Astro promotes diversity as part of our talent management strategy to nurture a more inclusive workforce with varied perspectives to address complex and challenging issues. We prioritise employee well-being by ensuring a safe, healthy and conducive environment for all talents, and leverage our core corporate values of creativity, accountability and inclusivity to support a digital culture of innovation and agility.

We emphasise continuous learning and development to nurture, upskill and reskill Team Astro's on- and off-screen talents, ensuring they have the right knowledge and skill sets to stay agile and competitive in this fast-changing media industry. We also ensure a sustainable talent pipeline by implementing robust talent acquisition and management strategies, and invest in young talents and those looking for hands-on industrial experience, with participation from high-potential B40 youths especially encouraged.

#### Moving forward:

- Attract, develop and retain a fit-for-purpose talent pool, and empower a winning team to drive sustainable long-term growth
- Nurture, upskill and reskill Team Astro's on- and off-screen talents to ensure a digital-ready and progressive talent pool through tailored programmes, learning resources and development initiatives, focusing on new and emerging capabilities
- Recruitment of strategic hires, particularly in the areas of data, digital and broadband to drive growth of adjacent businesses
- Implement robust talent acquisition, management and retention strategies to ensure a sustainable talent pipeline and succession management
- Prioritise employee well-being by making available comprehensive programmes to enhance the mental, emotional and physical well-being of Team Astro

### Social – Community: Uplifting local communities through impactful, long-term initiatives



#### Education for All

Championing equal access to education by providing supplementary learning content, as well as hostel facilities to students living in remote areas. We have invested over RM131 million since 2012 in a broad range of learning content, including our flagship Astro Tutor TV and Astro Ceria. We also provide boarding facilities for rural students in remote areas via our Astro Hostels initiative since 2012

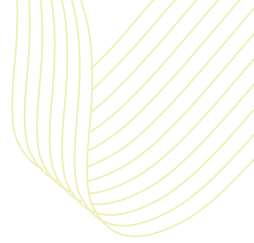


#### Community Development

Elevating and empowering local communities through various programmes to meet their needs, including volunteerism and relief efforts. In particular, our flagship Astro Kem Badminton programme has been supporting grassroots development in local sports by unearthing promising young shuttlers since its inception in 2012

#### Moving forward:

- Drive community initiatives with a focus on equal access to education and as a voice for good, while pursuing new opportunities to inspire and support our community
- Act as agent for positivity to amplify community messages through public service announcements
- Contribute towards the social well-being of communities via Astro Kem Badminton, Kampus Astro and Astro Hostels
- Encourage staff volunteerism and participation in community efforts including providing emergency aid and manpower to communities and families affected by disasters
- Introduce our scholarship programme, providing tertiary education opportunities for B40 students



## Sustainability

### Governance: Uphold good governance and ethical business practices



#### Responsible Business

Our CG practices are aligned with the best practices under MCCG to the extent practicable. We also prioritise cyber security and data privacy, tax integrity and transparency, diversity and inclusion, as well as workplace safety

#### Moving forward:

- Continue to support good corporate citizenship and a commitment towards ethical business behaviour in our strategy, operations, and organisational culture
- Adhere to the four key principles of fairness, transparency, accountability and responsibility in our dealings with stakeholders
- Provide timely, relevant and balanced disclosures to enable informed decision-making by stakeholders



For more on Governance, see pages 86 to 127 of the Governance section.



## Cost management

We continue to optimise our cost base to strengthen margins and effectively allocate resources for strategic opportunities. This is primarily driven by organisational right-sizing and operational efficiencies, process automation initiatives and exploring outsourcing opportunities.

#### Moving forward:

- Continue to reset legacy cost base to reflect the current realities of the Pay-TV industry
- Streamline operations and simplify organisational structure by deploying technology and digital
- Continue expansion of successful projects already delivered in automation and machine learning
- Pursue further digitisation opportunities
- Undertake detailed assessments of project portfolios across all business units to prioritise financial and human capital investments
- Conduct robust business case evaluations on all key opportunities to ensure both strategic intent and project economics are carefully considered

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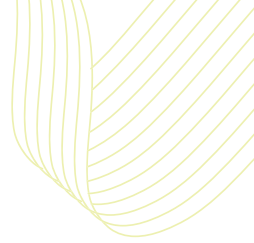
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