go beyond

annual report 2013

ASTRO MALAYSIA HOLDINGS BERHAD

astro Television

astro Entertainment

astro Radio

astro Publications

astro Digital

Go Beyond.

Two simple words that are perhaps the most challenging to act upon.
It's all about going that extra mile, climbing that other mountain.
Embrace the spirit and realise the true potential of life.

INTRODUCTION

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Note:

We would like to highlight that Astro Malaysia Holdings Berhad has a financial year ending 31 January. For simplicity, we denote financial year ended 31 January 2013 as "2012" and financial year ended 31 January 2012 as "2011" throughout the Annual Report.

FACTS AT A GLANCE

	FINANCIAL YEAR ENDED 31 JANUARY 2013	2012
TV		
TV household penetration	52%	47%
Pay-TV households	3.276m	3.067m
NJOI households	0.209m	N/A
ARPU	RM93.2	RM89.0
Viewership share	44%	41%
Radio		
Listenership	12.340m	11.652m
Share of radex	53%	53%
Total advertising revenue	RM503m	RM461m

OUR COMPANY

ABOUT ASTRO MALAYSIA HOLDINGS BERHAD

Astro Malaysia Holdings Berhad is a leading integrated consumer media entertainment group in Malaysia and Southeast Asia with operations in 4 key areas of business, namely pay-TV, Radio, Publications and Digital Media.

With a customer base of over 3.5 million residential customers or approximately 52% penetration of Malaysian TV households, Astro offers 170 TV channels, including 71 Astro-created and branded channels, and over 30 HD channels, delivered via DTH satellite TV, IPTV and OTT platforms. Astro provides HD, 3D, PVR, VOD and IPTV services through Astro B.yond and Astro On-The-Go. Fulfilling its promise to bridge the digital divide for all of Malaysia, Astro has introduced NJOI as the country's first non-subscription based satellite TV service, offering 19 TV and 20 radio channels.

Astro has developed strong in-house production capabilities. We are the leading producer of vernacular content catering to the multi-ethic and multi-lingual communities in Malaysia. We produce close to 9,000 hours of content annually in multiple genres, creating strong vernacular content IPs and iconic brands, which are dominating the comedy, Islamic, edu-tainment and Hokkien content space.

Astro Radio includes Malaysia's highest rated stations across key languages and is available on both terrestrial and digital channels, reaching approximately 12.3 million weekly listeners and capturing a 51% share of listenership in Malaysia. Astro also publishes entertainment and lifestyle magazines and its digital arm is involved in digital publishing, applications and platforms.

Astro holds the distinction of the "Gold" award in the Media and Entertainment category at the Putra Brand Awards for 4 consecutive years from 2010 to 2013, including the "Brand of the Year" award in 2012 and the "Brand Icon" award in 2013. These awards are in recognition of Astro's efforts to exemplify innovation, quality and strong corporate responsibilities.

Mudin hails from a remote village outside Kota Marudu, Sabah. He works as a janitor in SK Magandai, site of the first Astro Hostel project. His daughter, Irene, became the top student in her year at the same school.

GOBEYOND **TRUST**

"For 10 years, I've been walking my children to school for 2 hours, and waiting 6 hours for classes to be over to walk them back home. I believe that education is their ticket to a better future and I want to see their progress every step of the way."

Mudin

Dear Shareholders,

It is my pleasure and privilege to present the inaugural Annual Report of Astro Malaysia Holdings Berhad for the financial year ended 31 January 2013.

We have achieved many outstanding milestones this year and reaffirmed our status as the leading integrated consumer media entertainment group in Malaysia.

Strong Results & Dividends

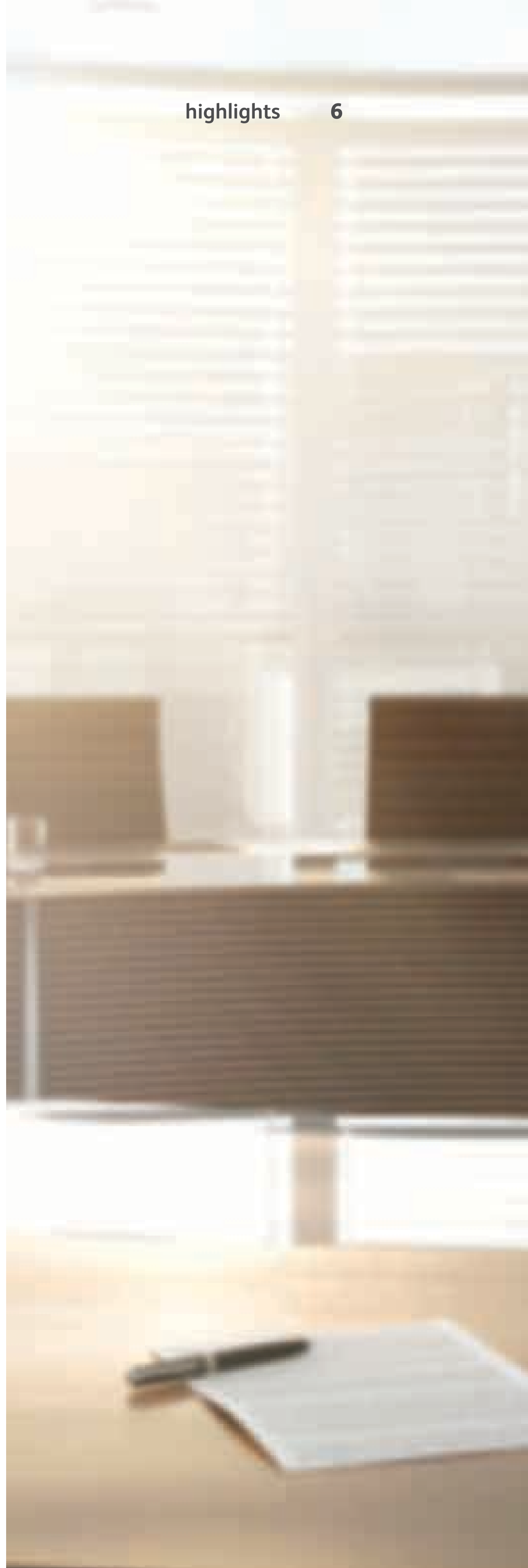
Astro delivered a strong performance in 2012 where our total revenue grew 10% to RM4.3 billion. We achieved customer growth of 418,000, increasing our total customer base to 3.5 million and overall TV household penetration rate to 52%. Our ARPU increased to RM93.20, an uplift of over RM4 from 2011, underpinned by the high take-up of our value-added products and services. We also achieved 9% adex growth which surpassed the industry growth rate.

We reiterated our commitment to deliver total returns to our shareholders when we started paying quarterly dividends in the third quarter of 2012, two quarters earlier than what was articulated during the IPO process. The Board of Directors is also pleased to recommend for shareholders' approval at the forthcoming Annual General Meeting a final dividend of 1.0 sen per share in respect of the financial year ended 31 January 2013. This equals a healthy payout of 4 sen per share for owning Astro shares less than two quarters. With our strong growth momentum, high visibility on costs, particularly content cost, coupled with our highly cash generative business, we are well positioned to adopt a progressive dividend policy going forward.

Successful IPO

A significant milestone in the history of the company was achieved on 19 October 2012 as we witnessed the successful completion of our IPO and the admission of our shares to the Official List of the Main Market of the Bursa Securities. The IPO received strong demand from the investing community, both locally and outside Malaysia. Our public portion under the retail offering was more than 6 times over-subscribed, and the institutional portion, excluding the MITI offering and cornerstone allocation, was over-subscribed by more than 30 times. The total proceeds from the IPO were approximately RM4.5 billion, of which the amount raised by Astro was approximately RM1.4 billion. Such an overwhelming response is a clear reflection of the investing community's trust and confidence in our company, as well as in Malaysia as an attractive destination for investment.

On behalf of Astro, I would like to express our sincere gratitude to all parties involved – in particular, our shareholders, fellow members of the Board of Directors, the management and the employees of Astro



We are encouraged that our business activities have had a positive impact on the wider Malaysian economy.

who had worked tirelessly over a long period of time to ensure a successful IPO. In addition, we would also like to express our appreciation for the cooperation of the various organisations – the Securities Commission, the Ministry of Information, Communications and Culture, the Ministry of Finance, MITI, the MCMC, and last but not least, Bursa Securities, for playing a significant role in the IPO process.

Positive contribution to the Malaysian economy

Since Astro commenced its pay-TV service in 1996, we have come a long way to become one of Malaysia's most loved and recognisable brands, providing entertainment of different genres across multiple platforms and employing approximately 4,500 employees. In the course of our operations, we collaborate with more than 13,000 local small medium enterprises (SMEs), provide advertising space for more than 1,000 corporate advertisers, enhance the value proposition of more than 16,000 commercial establishments and generate some RM50 million of incremental revenue for the local movie industry via our Astro First and Astro Shaw offerings. We believe that our business activities have also had a positive impact on the wider Malaysian economy. Based on 2012 statistics, it is estimated that we contributed close to RM4.6 billion to the country's GDP.

Enriching the nation

Through our rich content IP in local sports, news and education, we provide Malaysian households with access to events of national interest as well as knowledge-based and educational content. Through Astro Arena, virtually the "largest stadium" serving millions of seat capacity, we broadcast live coverage of local sports. We also have our very own 24/7 news channel, Astro Awani, which comprehensively provides the latest domestic and international news to our subscribers. We have also created our own set of educational IPs which are available in a 360° manner via TV, radio, print and online. The success and relevance of these educational IPs is reinforced by the fact that their viewership is a multiple of the number of exam taking students in Malaysia.

With the launch of NJOI, our non-subscription based DTH satellite TV service in 2012, we also have the potential to reach out to the vast majority of households, nationwide. This service enables us to provide a multi-channel TV and radio offering to the less affluent households in Malaysia, enriching the lives of all Malaysians every single day. In order to assist underprivileged communities to take advantage of this offering, Astro collaborated with eKasih, the centralised Malaysian poverty databank and the MCMC to commit to contributing STBs, at no cost, to c.50,000 households across Malaysia.

Awards and recognition

One of our key principles is to embed excellence in everything that we do. Over the years, this dedication to excellence has resulted in us receiving numerous local and international awards in recognition of our successful content production and the talent we have developed. For example, in the recent Anugerah Bintang Popular 2012, Astro's talent swept top awards in the categories of male singer, male actor, male comedy artiste and male TV host. We were awarded the people's choice, "Brand of the Year" award at the 2012 Malaysia's Putra Brand Awards and more recently, the "Brand Icon" award at the 2013 Malaysia's Putra Brand Awards. Astro has also been recognised as one of the top employers of choice in the country, and has twice won the Graduate Employer of Choice in the Media and Broadcasting Industry, in 2011 and 2012. We have also been recognised for our strong corporate social responsibilities, picking up the Silver Stevie in the Corporate Social Responsibility Program of the Year 2012 in the Asia, Australia and New Zealand category.

Responsibility to stakeholders

The Board is committed to upholding and implementing the highest standards of corporate governance and international best practices throughout the length and breadth of our businesses. Details of our corporate governance initiatives, risk management and internal controls are detailed in the relevant sections of this Annual Report.

Whilst we work hard to drive a healthy profit, we also constantly recognise the need to balance this with our responsibility to our stakeholders. Our corporate responsibilities encompass the four areas of marketplace, workplace, community and environment. As a broadcaster and content creator, we are cognisant of our responsibility to ensure not just a wide choice of content for our diverse audience, but also to ensure that our content is wholesome, educational, entertaining as well as compliant with local regulations. We have established a strict Code of Business Ethics to govern our dealings with our business partners. At the workplace, we are committed to creating a working environment where our employees will flourish. In addition to offering competitive rewards and benefits to attract and retain the best talent, we put heavy emphasis on their training and development to deliver a dynamic and progressive work space. We have also put in place a Safety and Health Policy which goes beyond complying with the Occupational Safety and Health Act 1994 to ensure safe working conditions for our employees. We are also constantly mindful of the environmental impact our business operations may have. In order to ensure that the environment is put on the forefront of our day-to-day activities, we have implemented environmental management systems which comply to the International Organisation for Standardisation ("ISO") 14001 standards.

We completed the construction of 2 Astro hostels in the remote regions of Sabah and Sarawak which enabled young schoolchildren who would normally have to walk for several hours a day to attend classes, to lodge closer to their schools.

Engaging with the wider community

We remain steadfast to our firm commitment to give back to the society. To this end, we have established Astro Kasih, an employee volunteer programme, which has resulted in more than 4,000 employees contributing more than 67,000 hours of work on community projects across Malaysia under the 4 pillars of Lifelong Learning, Sports & Wellness, Community Development and Environment. We have also provided opportunities by giving scholarships to worthy young students to pursue their educational ambitions at local or foreign institutions. To date, we have disbursed over

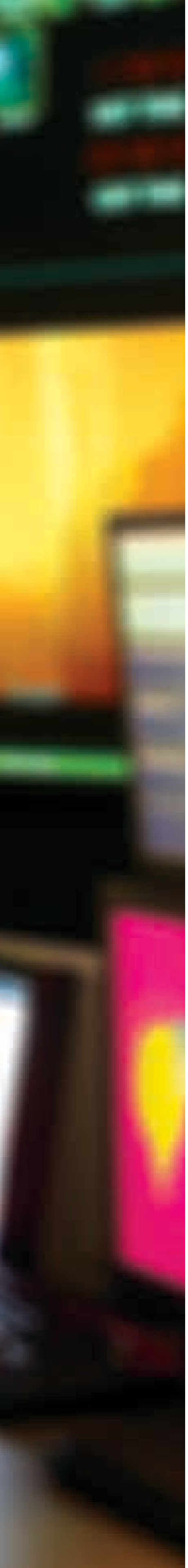
RM15 million to 42 young scholars studying at home and abroad. We have also spent more than RM30 million to equip over 9,800 schools and teacher activity centres with Astro services, flatscreen TVs and STBs benefitting 5.3 million students and 400,000 teachers. We completed the construction of 2 Astro hostels in the remote regions of Sabah and Sarawak which enabled young schoolchildren who would normally have to walk for several hours a day to attend classes, to lodge closer to their schools. Together with educational workshops that are provided, these schools have since recorded significant improvement in their academic results. Astro Kasih is also committed in promoting ecotourism among Malaysians. Our Beautiful Malaysia initiative demonstrates our ongoing commitment to marine conservation. In 2011, we broke the Malaysia Book of Records for the most corals transplanted and we continued the effort this year whereby we created greater awareness on marine conservation by setting the Guinness World Records™ title for the Longest Underwater Cleanup at the Tunku Abdul Rahman Marine Park in Kota Kinabalu, Sabah which was held from 6 – 13 April 2013.

Acknowledgements

On behalf of the Board of Directors, I would like to take this opportunity to thank all our stakeholders who have contributed to the progress and performance of Astro. I would also like to applaud all Astro staff for their hard work, professional resolute commitment and Go Beyond spirit on the continuing success of the company. To my fellow Directors, thank you for your invaluable support and wise counsel throughout the year. My sincere thanks as well to all our customers, business partners, governmental and regulatory agencies and of course, you our shareholders, whose support is crucial as we embark on a new chapter in our company's history.

CEO'S STATEMENT

In 2012, we continued to execute on Astro's key strategic imperatives — to grow customer base and reach, to grow ARPU by providing better content and product choices, value and customer experience, and to increase our relevance to advertisers.



2012 – Executing our growth strategy

Net customer growth of

418,000

increasing our total base to 3.5 million and TV household penetration rate to 52%, with NJOI expanding our target market to all Malaysian households, and Astro On-The-Go reaching out to individuals at home and abroad;

ARPU of

RM93.20

an increase of over RM4 from 2011, underpinned by the high take-up of our value-added products and services;

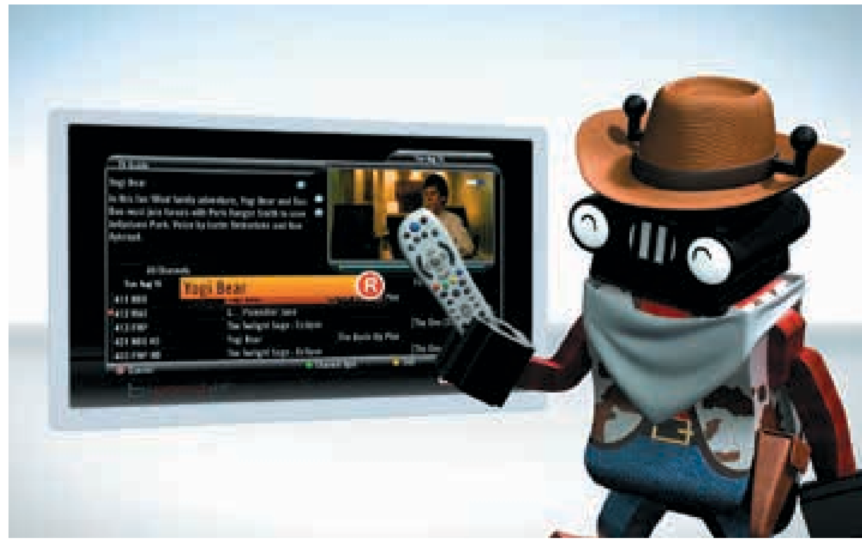
10%

revenue growth, from RM3.9 billion to RM4.3 billion;

9% adex growth that outstripped the industry growth rate of 5%; and

Leadership

in aggregating local, regional and international content.



2012 saw the company executing strongly against our key strategic imperatives and to better serve our customers. This resulted in revenue growth of 10% to RM4.3 billion in 2012, underpinned by the growth in our customer base, as well as the increasing take-up of our value-added products and services.

Our radio business reaffirmed its position as Malaysia's number 1 radio operator; with top rated stations across all 4 languages, commanding an industry leading 53% share of the radio advertising market.

Astro's adex performance continued to outperform the industry's growth rate of 5%, growing at 9% to RM503 million (2011: RM461 million). This is driven by our increasing reach and relevance to advertisers given higher TV viewership and radio listenership.

Investments in Products and Platforms

As a progressive consumer media and entertainment group, Astro commits to innovate and evolve to be ready for new opportunities and to deliver a best-in-class customer experience.

During the year, we focused on developing our systems and platforms to improve customer experience and operational efficiency. We continue to invest in an IT and CRM transformation programme that has added scalability, flexibility, customer analytics and intelligence to support our rapidly growing business. We also focused on improving uplink rain fade using signal level monitoring and automated antenna switching, thus achieving 99.9935% service availability.

Our latest generation Astro B.yond "tri-brid" boxes are capable of supporting DTH, IPTV and OTT content delivery; as well as HD, PVR and VOD for an enhanced viewing experience.

Our Astro B.yond platform underpins our transition from being primarily a subscription DTH business to a multi-platform media business with subscription, non-subscription and discretionary content services, in the home and on the go. We are currently in the midst of migrating our existing customers onto the Astro B.yond platform which we target to complete by January 2014. This entails swapping out legacy STBs with the latest generation Astro B.yond "tri-brid" boxes capable of supporting DTH, IPTV and OTT content delivery; as well as HD, PVR and VOD for an enhanced viewing experience. This will impact our margins in 2012 and 2013 but is expected to normalise immediately thereafter. We believe that this reinvestment phase will set the stage for us to drive growth in earnings. Our Astro B.yond STBs also come equipped with better conditional access systems to enhance the security of our intellectual property, and ensure we continue to be paid for our products and services.

Through Astro Digital, we have built strong online offerings that bring our content to the digital space. We have several dedicated web portals which focus on key content genres such as our one-stop sports portal, Stadium Astro, which registered 780,000 unique visitors and 100,000 downloads of its mobile app during the year. We believe our digital services will immediately enhance customer engagement, raise our relevance to advertisers, and set the stage for future monetisation.

Since 2009, we have upgraded our production and playout facilities to be fully HD-compatible in order to meet the steadily increasing demand for HD content. We now have HD production facilities comprising three HD production studios and two HD outside-broadcast production vehicles to support our multi genre local production needs.

We expanded our multi-lingual subtitling and voice over capabilities. To enhance our customers' viewing experience, we introduced closed caption subtitles on all international HD channels and initiated the dubbing of international content such as Smurfs on HBO and Ben 10 on Cartoon Network, into Bahasa Malaysia, using the voices of Astro's local talent.

As at January 2013, we broadcast 164 channels, of which 71 are Astro-branded. We expect to take delivery of an additional 18 transponders on the MEASAT-3b satellite early next year. These transponders, to be delivered over a 3-year period, will double our broadcast capacity and operational redundancy, and increase our capability to provide additional HD, SD and VOD programming.

Growing relevance in content

Astro continues to bring our customers the best of local, regional and international content. We are committed to providing the best viewing experience to our 3.5 million and growing customer base, embracing all content windows, be it live sports and events, first window movies through Astro First and Astro Best, as well as an increasingly comprehensive VOD library for our customers.

Following the success of Astro First (local movies available 2 weeks after cinema release), we launched Astro Best (Hollywood and Asian movies available 3 months after cinema release) in stunning HD in August 2012. Since launch, Astro First and Astro Best have recorded over 6 million "purchases".

We are committed to local and localised content. During the past year, we witnessed the growth in local production hours to c.9,000 (2011: 8,000 hours). To date, we have produced over 49,000 hours of content, making us a key IP owner in multiple genres; including comedy, education and general entertainment. Our signature content has generated strong customer acquisitions and advertising revenues. Our self-produced popular comedy programme, Maharaja Lawak, saw a new phenomenon of a mass local content franchise becoming premium, playing a key role in the increased subscription of our Mustika pack by 43% to 1.1 million in 2012.

We successfully renewed all key content contracts including the Barclays Premier League (three seasons 2013/16), Disney and TVB. We also continue to build regional relationships, sourcing content from Hong Kong, Taiwan, India, Indonesia, Korea and Japan in line with our customers' increasing demand for Asian programmes.

Reinforcing Astro's "home of sports" status in customers' minds, we saw the first ever HD and 3D broadcast of Olympics 2012 over 12 channels and HD broadcast of Euro 2012 over 5 interactive channels. We also continue to add to our stable of Astro Supersport programmes and channels to broadcast popular local and international sports content.

Since its launch, Astro Tutor TV continues to grow from strength to strength as students refer to the content to prepare for Malaysia's three major national exams. Oh My English!, a learning programme on Astro TVIQ channel which aims to help Malaysians improve their conversational English in a fun manner, has seen a huge following and generated additional revenue streams beyond the traditional pay-TV. Today in its second season, Oh My English! continues to be the #1 educational brand in Malaysia, with a strong likelihood of our IP being exported to other markets.

Increasingly, our content is made available across multiple platforms. For example, our popular drama series, Adam & Hawa, became a local phenomenon and attracted over 1.2 million viewers, while its hit song, Muara Hati, stayed on the radio charts for many weeks. Our Chinese New Year campaign, Ulala, is a good example of a 360° approach where the Ulala idea has evolved into a TV programme, a movie, a song and merchandise.

Customer Value Proposition

We are focused on the demands of the consumer, and we aspire to serve our customers' choice of lifestyle and content consumption.

We have now extended our reach into the greater majority of Malaysian households through NJOI, our non-subscription based free DTH satellite TV service offering 19 TV and 20 radio channels. We are pleased to say that NJOI has gained significant traction, with approximately 209,000 customers signing up since its launch in February 2012. NJOI is set to make us a stronger medium for advertisers, as well as provide a bigger marketing base for discretionary spend and upselling. In July 2012, we started offering prepaid content packages whereby NJOI customers can access our signature content on a discretionary basis.

As at 31 January 2013, our Basic Family Package, priced at RM37.95, comprised 41 TV channels and 20 radio channels. We then provide our subscribers with the flexibility to choose from over 20 packages to best suit their viewing needs and budget. We also offer premium packages and pay-per-view services. In 2012, we added 209,000 (2011: 136,000) customers to our pay platform. We are encouraged by our customers' response to our new value added products and services such as HD (1.3 million), Astro PVR (299,000), Superpacks (727,000), Astro First and Astro Best (6 million buys). Our customer HD take-up is arguably among global best in class in terms of speed of adoption and penetration levels.

Our Astro B.yond IPTV service powered by Maxis was launched in April 2013, and together with our Astro B.yond IPTV powered by TIME proposition, gives us access to 1.4 million homes i.e. the widest fibre-to-the-home broadband coverage in Malaysia. This collaboration is in response to our customers increasing need for a comprehensive value proposition incorporating choices in content, bandwidth, experience and value.

As we observe our customers' increasing preference for flexibility to view content on multiple devices, coupled with an increasingly mobile lifestyle, we launched our OTT service, AOTG in May 2012 in conjunction with the Euro 2012. The reception has been tremendous with over 4.1 million views and over 400,000 application downloads within a short span of time, proving that our On-The Go service resonates with our audience. Subsequently in March 2013, we launched AOTG International, whereby, access to our content will, in phases, be made available globally; commencing with Astro Awani, our news and information service, and Astro Arena, our local sports offering, so that all Malaysians abroad may access local news and sports content. AOTG is now also commercially available to non-Astro customers.

We are inspired to be the people's choice for "Brand of the Year" at Malaysia's Putra Brand Awards in 2012 and "Brand Icon" in 2013; and we would like to thank all our stakeholders for your ongoing support.

Talent – our most valuable asset

Our success is driven primarily by our approximately 4,500 employees, our most valuable asset. Our on and off air talent excel in a wide range of functions: amongst them, production crew, TV hosts, actors, singers, broadcast journalists, news anchors, sports commentators, radio announcers, broadcast engineers, IT specialists, sales technicians, call centre operators, brand marketeers etc. This reflects our commitment to nurture and invest in a diverse workforce, which is steered by an experienced senior management team with an established corporate track record both locally and internationally.

They all contribute to the quality of content, products, services and experience for our customers, and we are especially proud that they have received recognition and won numerous awards in their respective fields.

Executing our brand promise to Go Beyond

Go Beyond is the new promise, value and spirit galvanising the entire organisation of Astro. It signifies our on-going efforts in setting higher and better standards in everything we do. We are committed to providing innovative value propositions and keeping our suite of products and services relevant, whilst striving for global best in class service levels, in tandem with our customers' demands. At our core, we are a content and consumer company.

We are encouraged by our performance in 2012, which sets the scene of what is to come on Astro's continuous journey as an integrated consumer media entertainment company of choice.

We will endeavour to continue building on momentum and executing strongly on our strategic imperatives. We aim to continue to deliver growth:

- in Customers (households and individuals);
- in ARPU; and
- in Advertising Revenue

We will do so by providing better choices, better content and talent, better experience and better value to all of our customers. And we will also maintain sound cost and operational discipline to optimise our profitability.

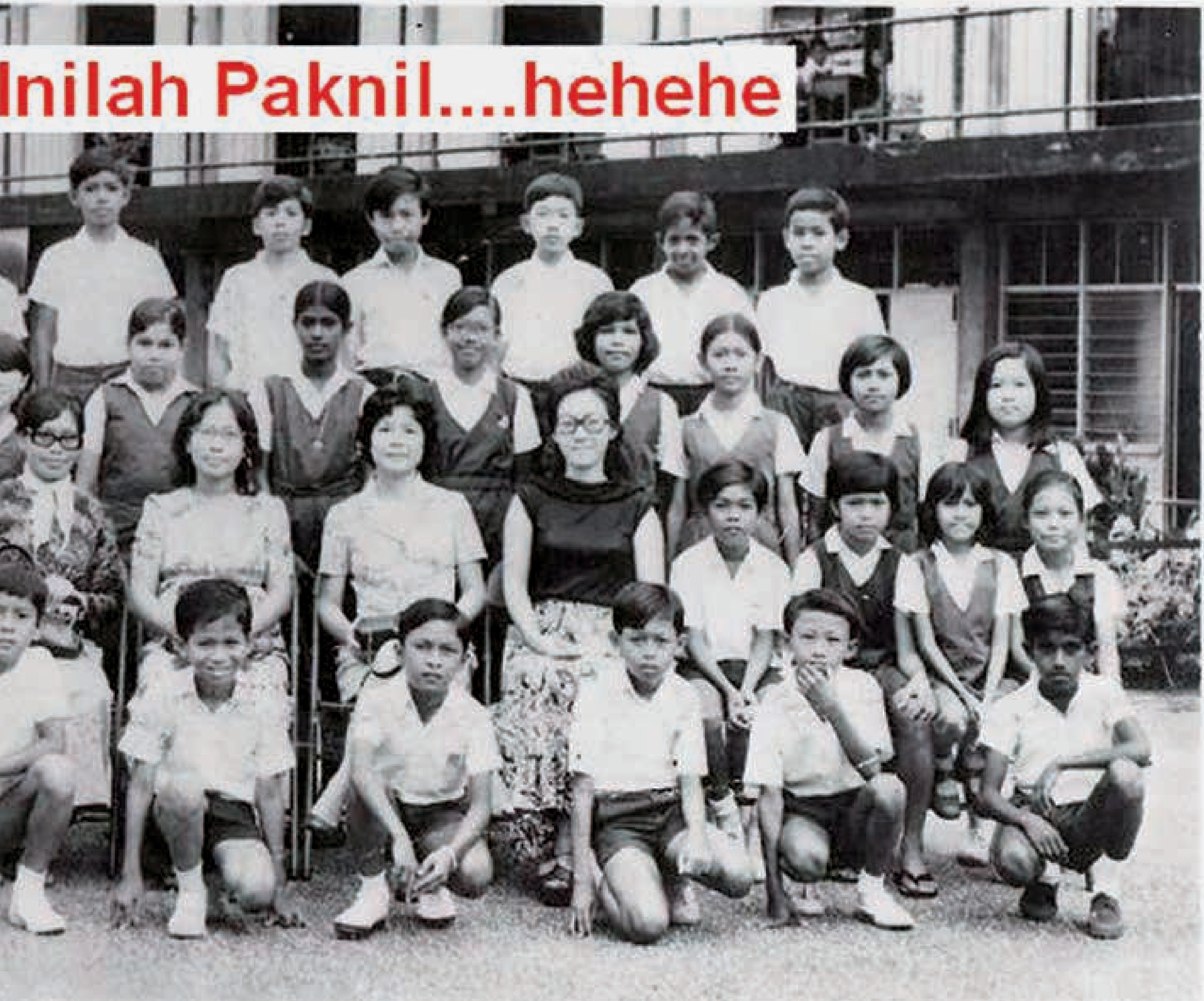
We are inspired to be the people's choice for "Brand of the Year" at Malaysia's Putra Brand Awards in 2012 and "Brand Icon" in 2013; and we would like to thank all our stakeholders for your ongoing support.

GOBEYOND TODAY

Even as a youngster, Datuk Aznil refused to be lost in the crowd.

"I'm here today doing what I love because of all of you — you made me a star. I was a young boy with big dreams and I never gave up on those dreams. You helped me believe in myself, so to me, you guys are the real stars."

Datuk Aznil Haji Nawawi, TV host, actor and entertainer

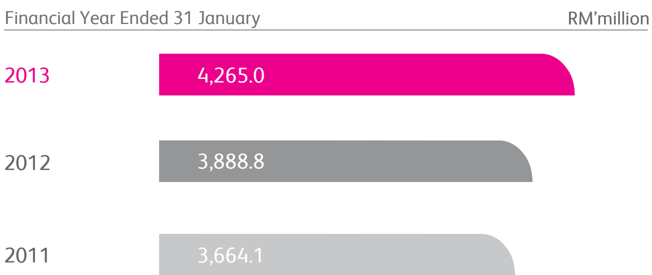


		Proforma	Proforma
	Financial Year Ended 31 January		
Operational Results	**2013**	**2012**	**2011**
TV household penetration (000s)	**3,485**	3,067	2,931
Pay-TV gross additions (000s)	**456**	334	288
MAT churn	**8%**	7%	10%
Net additions (000s)	**418**	136	1
Pay-TV net additions (000s)	**209**	136	1
NJOI net additions (000s)	**209**	N/A	N/A
B.yond box swapout (000s)	**770**	530	330
HD services take-up (000s)	**1,264**	772	304
ARPU (RM)	**93.2**	89.0	84.7
TV viewership share (000s)	**44%**	41%	39%
Radio listenership (000s)	**12,340**	11,652	11,532
Adex (RM mn)	**503**	461	417
Financial Results (RM Million)			
Revenue	**4,265.0**	3,888.8	3,664.1
EBITDA	**1,387.6**	1,414.7	1,369.8
EBIT	**785.2**	990.4	1,066.9
PBT	**574.9**	864.3	1,090.5
PAT	**419.8**	629.6	827.5
PATAMI	**418.0**	624.1	823.5
Financial Ratios			
Return on invested capital	**28%**	23%	N/A
Net debt/EBITDA	**1.5**	2.3	N/A
Revenue growth (%)	**10%**	6%	13%
EBITDA margin (%)	**33%**	36%	37%
PBT margin (%)	**14%**	22%	30%
PAT margin (%)	**10%**	16%	23%
Dividends per share (sen)(1)	**4.00**	N/A	N/A
Financial Positions (RM Million)			
Equity attributable to equity holders of the Company	**516.1**	491.4	N/A
Total assets	**6,517.8**	6,513.8	N/A
Total borrowings	**3,681.6**	3,709.9	N/A
Net borrowings	**2,073.8**	3,231.7	N/A

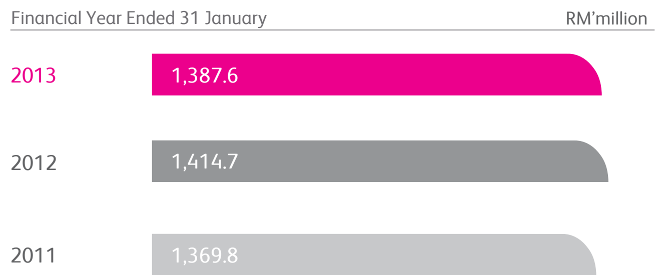
Note: *(1) Dividends per share consists of interim and final dividend post-IPO declared and proposed in respect of the designated financial years.*

(2) The proforma numbers as set out on pages 20 – 24 are prepared on the assumption that AMH Group was in existence throughout the reported financial year. This is to provide a meaningful comparison of the financial and operational performance of the group between the reported periods.

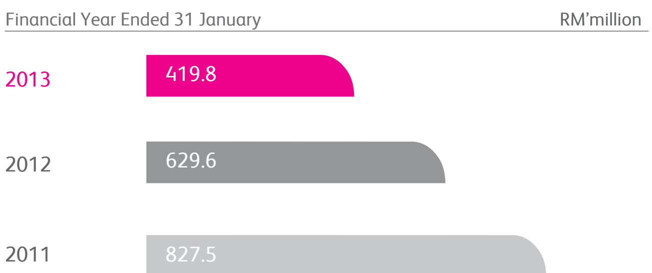
REVENUE



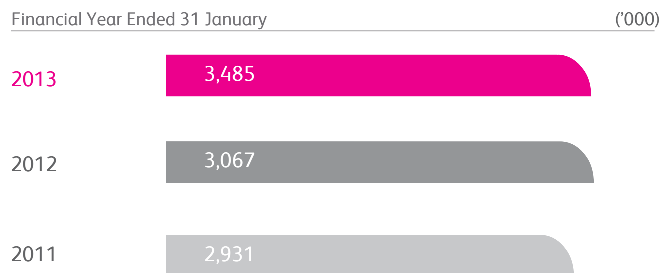
EBITDA



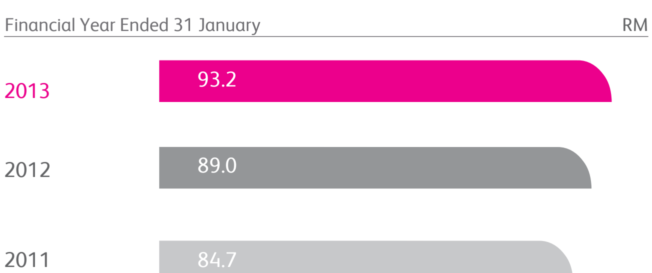
PAT



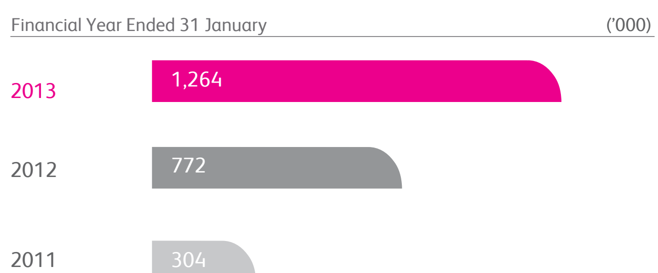
TV HOUSEHOLD PENETRATION



ARPU



HD SERVICES TAKE UP



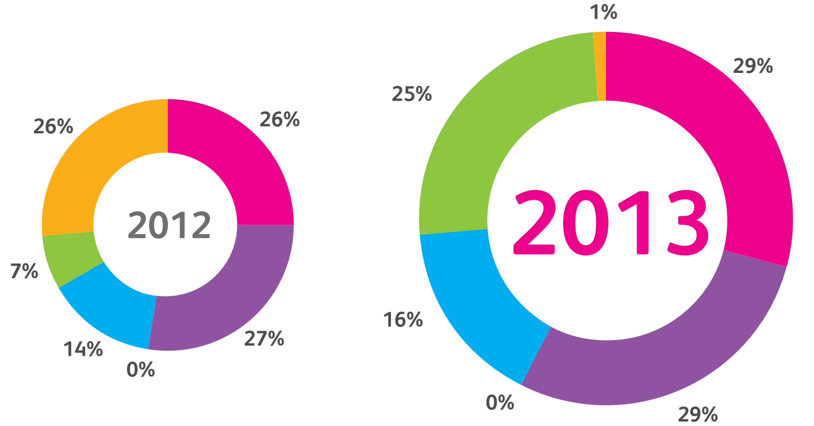
SEGMENTAL ANALYSIS

	Financial Year Ended 31 January			
	2013		2012	
	RM million	%	RM million	%
Revenue				
Television	**4,003.1**	**94%**	3,609.7	93%
Radio	**214.7**	**5%**	199.4	5%
Others	**47.2**	**1%**	79.7	2%
	4,265.0	**100%**	3,888.8	100%
PBT				
Television	**522.3**	**91%**	890.1	103%
Radio	**103.1**	**18%**	85.0	10%
Others	**(50.5)**	**-9%**	(110.8)	–13%
	574.9	**100%**	864.3	100%

QUARTERLY FINANCIAL PERFORMANCE

In RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Financial Year Ended 31 January 2013
Revenue	986.1	1,068.9	1,078.4	1,131.6	4,265.0
EBITDA	341.7	358.4	341.5	346.0	1,387.6
EBIT	217.7	220.3	180.1	167.1	785.2
PBT	171.7	129.9	158.5	114.8	574.9
PAT	123.3	95.1	83.4	118.0	419.8
PATAMI	122.3	94.4	118.1	83.2	418.0

TOTAL ASSETS AS AT 31 JANUARY

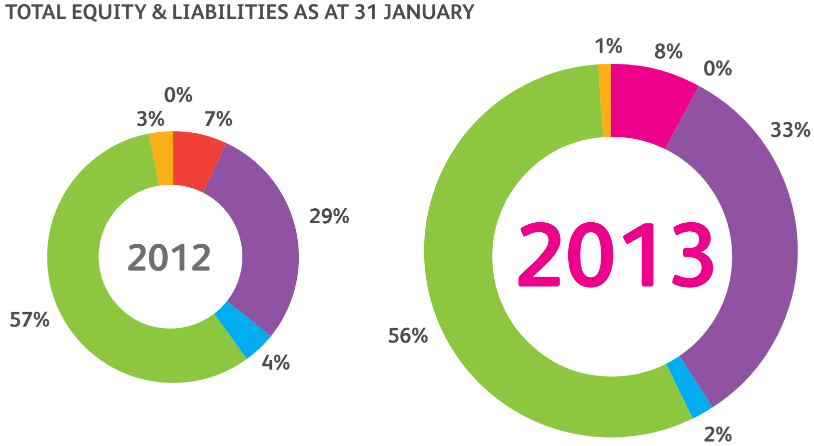


- Property, Plant & Equipment
- Intangible Assets
- Inventories
- Receivables, Deposits & Prepayments
- Cash & Cash Equivalents
- Others

TOTAL ASSETS AS AT 31 JANUARY

	2013 RM Million	2012 RM Million
●	1,915.8	1,654.2
●	1,857.1	1,770.7
●	23.6	13.3
●	1,026.4	932.9
●	1,607.8	478.2
●	87.1	1,664.5
	6,517.8	6,513.8

TOTAL EQUITY & LIABILITIES AS AT 31 JANUARY



- Share Capital
- Reserves
- Payables & Accruals
- Taxation & Deferred Tax Liabilities
- Borrowings
- Others

TOTAL EQUITY AND LIABILITIES AS AT 31 JANUARY

	2013 RM Million	2012 RM Million
●	519.8	–*
●	(8.0)	482.8
●	2,123.2	1,903.7
●	158.2	236.6
●	3,681.6	3,709.9
●	43.0	180.8
	6,517.8	6,517.8

Note:
* *Denotes RM98,238*

	Financial Year Ended 2013 RM million	Proforma 2012 RM million
Value Added		
Revenue	**4,265.0**	3,888.8
Operating Expenses	**(2,064.1)**	(1,712.2)
Other Operating Income	**96.7**	95.9
Total Value Added	**2,297.6**	2,272.5
Reconciliation:		
Profit for the year	**418.0**	624.1
Add: Depreciation, impairment and amortisation	**928.9**	729.5
Finance costs	**278.5**	194.7
Government	**169.7**	259.2
Non-controlling interest	**1.8**	5.5
Staff cost	**500.7**	459.5
Total Value Added (available for distribution)	**2,297.6**	2,272.5
Value Distributed		
Employees		
Staff costs	**500.7**	459.5
Government		
Tax	**151.5**	234.7
Regulatory	**18.2**	24.5
Providers of capital		
Dividends	**347.0**	624.1
Finance costs	**278.5**	194.7
Non-controlling interest	**1.8**	5.5
Reinvestment and future growth		
Depreciation, impairment and amortisation	**928.9**	729.5
Retained earnings	**71**	–
Total Distributed	**2,297.6**	2,272.5

1996	Through the launch of MEASAT-1, MBNS, one of our wholly-owned subsidiaries, commenced digital DTH satellite pay-TV services with 22 TV and 5 radio stations. Introduced format radio programming, the first broadcaster to introduce this into the Malaysia market.
1997	MBNS was granted a renewable 25-year broadcasting licence for the provision of broadcasting services in Malaysia, with exclusivity on DTH satellite TV services until 2017 and non-exclusivity until 2022.
2003	Surpassed 1 million residential pay-TV subscribers.
2007	Surpassed 2 million residential pay-TV subscribers. Introduced Astro On Demand, Malaysia's first TV Near Video-On-Demand service.
2009	Launched the Astro B.yond initiative which comprises hybrid DTH and broadband-enabled STBs and distribution platform to provide among others, HD services. Launched Astro B.yond with the first HD service in Malaysia. Won the "CASBAA Chairman's Award" for our outstanding contribution to the pay-TV industry in the region.
2010	Introduced the first 3D broadcast in Malaysia and Southeast Asia for the 2010 FIFA World Cup. Launched the Astro B.yond PVR. Launched the innovative 'Astro Tutor TV UPSR' examination revision channel. Received the "Gold" award in the Media and Entertainment category at the Putra Brands Awards 2010, Malaysia's premier consumer brand awards.
2011	Introduced Astro B.yond IPTV, in collaboration with TIME, to deliver IPTV through TIME's fibre optic broadband network. Launched Astro First, the first pay-per-view movie with near cinema window offerings in Malaysia, made available through our STBs. Launched the Superpacks which comprise the best of our content, including HD and PVR services, to enhance our value proposition for our customers. Surpassed 3 million residential pay-TV subscribers. Received the "Gold" award in the Media and Entertainment category at the Putra Brands Awards 2011, Malaysia's premier consumer brand awards.

February 2012

- Launched NJOI, Malaysia's first non-subscription based DTH satellite TV with 18 TV and 19 radio channels

March 2012

- Astro Digital entered into a collaboration with Google to extend the distribution of Astro branded content to Malaysia and the rest of the world via YouTube. A total of 14 Astro channels are available on YouTube.

April 2012

- Received the "Brand of the Year" and the "Gold" awards in the Media and Entertainment category at the Putra Brand Awards 2012, Malaysia's premier consumer brand awards

May 2012

- Launched AOTG, our entertainment service for smartphones, tablets and PCs, as well as broadband-based VOD.
- Astro commits to leasing 18 Ku-band transponders on the MEASAT-3b satellite for its DTH services in Malaysia and Brunei. The satellite is expected to be commercialised in 2014. Upon full commercialisation, Astro will have broadcasting capacity of 180 SD and 102 HD channels, from 143 SD and 36 HD channels now.

August 2012

- Launched Astro Best VOD service that offers Hollywood and Asian movies available on both DTH satellite and IPTV platforms as early as three months after theatrical release and on HD.

September 2012

- Astro Radio launched MELODY FM, a Chinese radio station catering to those between the age of 35 to 49 years old.
- Entered into collaboration with the Maxis Group to further increase our Astro B.yond IPTV distribution reach of up to approximately 1.4 million homes.

October 2012

- Listing of Astro Malaysia Holdings Berhad on the Main Market of Bursa Securities, raising gross proceeds of RM1.4 billion from the public issue.
- Institutional offering was more than 30 times oversubscribed.
- Retail offering was more than 6 times oversubscribed.

November 2012

- Astro won the tender for broadcast rights to the Barclays Premier League (BPL) in Malaysia for three seasons starting from season 2013/14 to 2015/2016.

December 2012

- Astro was included in the country's benchmark FTSE Bursa Securities KLCI Index.
- Astro Publications launched CAR, a premium motoring magazine.

January 2013

- Launched Quan Jia HD (Channel 308), a new Mandarin channel with big budget drama series, world class documentaries, travelogues and variety shows from China, Taiwan, Japan, South Korea and Singapore.

BOARD OF DIRECTORS

Tun Dato' Seri Zaki Bin Tun Azmi
Independent Non-Executive Chairman

Augustus Ralph Marshall
Non-Independent Non-Executive Deputy Chairman

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan
Executive Director/Chief Executive Officer

Chin Kwai Yoong
Senior Independent Non-Executive Director

Dato' Mohamed Khadar Bin Merican
Independent Non-Executive Director

Bernard Anthony Cragg
Non-Independent Non-Executive Director

Hisham Bin Zainal Mokhtar
Non-Independent Non-Executive Director

Lim Ghee Keong
Alternate to Augustus Ralph Marshall

COMPANY SECRETARY

Liew Wei Yee Sharon (LS No. 7908)

REGISTERED OFFICE

3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil, 57000 Kuala Lumpur
Malaysia

Telephone no.: +603 9543 6688
Fax no.: +603 9543 6877
Website: www.astro.com.my
www.astromalaysia.com.my

PRINCIPAL BANKERS
(in alphabetical order)

CIMB Bank Berhad
10th Floor, Bangunan CIMB
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Malaysia

Telephone no.: +603 2084 8888

Citibank Berhad
Level 45, Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur
Malaysia

Telephone no.: +603 2383 8585

Malayan Banking Berhad
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Malaysia

Telephone no.: +603 2070 8833

RHB Bank Berhad
Level 10, Tower One
RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

Telephone no.: +603 9287 8888

AUDITORS AND REPORTING ACCOUNTANTS

PricewaterhouseCoopers
Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral
50706 Kuala Lumpur
Malaysia

Telephone no.: +603 2173 1188

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone no.: +603 7841 8000
Fax no.: +603 7841 8151 / +603 7841 8152

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed since 19 October 2012)

ASTRO MALAYSIA HOLDINGS BERHAD

TV & Radio

- MEASAT Broadcast Network Systems Sdn Bhd **100%**
  - Astro Radio Sdn Bhd **100%** (formerly known as Airtime Management And Programming Sdn Bhd)
  - Perfect Excellence Waves Sdn Bhd **100%**
  - Maestra Broadcast Sdn Bhd **100%**
  - MEASAT Radio Communications Sdn Bhd **100%**
  - Radio Lebuhraya Sdn Bhd **100%**
  - Yayasan Astro Kasih **100%**
- Astro Productions Sdn Bhd **100%**
- Astro (Brunei) Sdn Bhd **100%**
  - Kristal-Astro Sdn Bhd **48.9%**

Content

- Astro Entertainment Sdn Bhd **100%**
  - Astro Awani Network Sdn Bhd **80%**
  - Astro Arena Sdn Bhd **100%**
  - Endemol Malaysia Entertainment Group Sdn Bhd **49.99%**
- Astro Shaw Sdn Bhd **100%**
  - Tayangan Unggul Sdn Bhd **100%**
  - Nusantara Films Sdn Bhd **100%**
  - Nusantara Edaran Filem Sdn Bhd **50%**

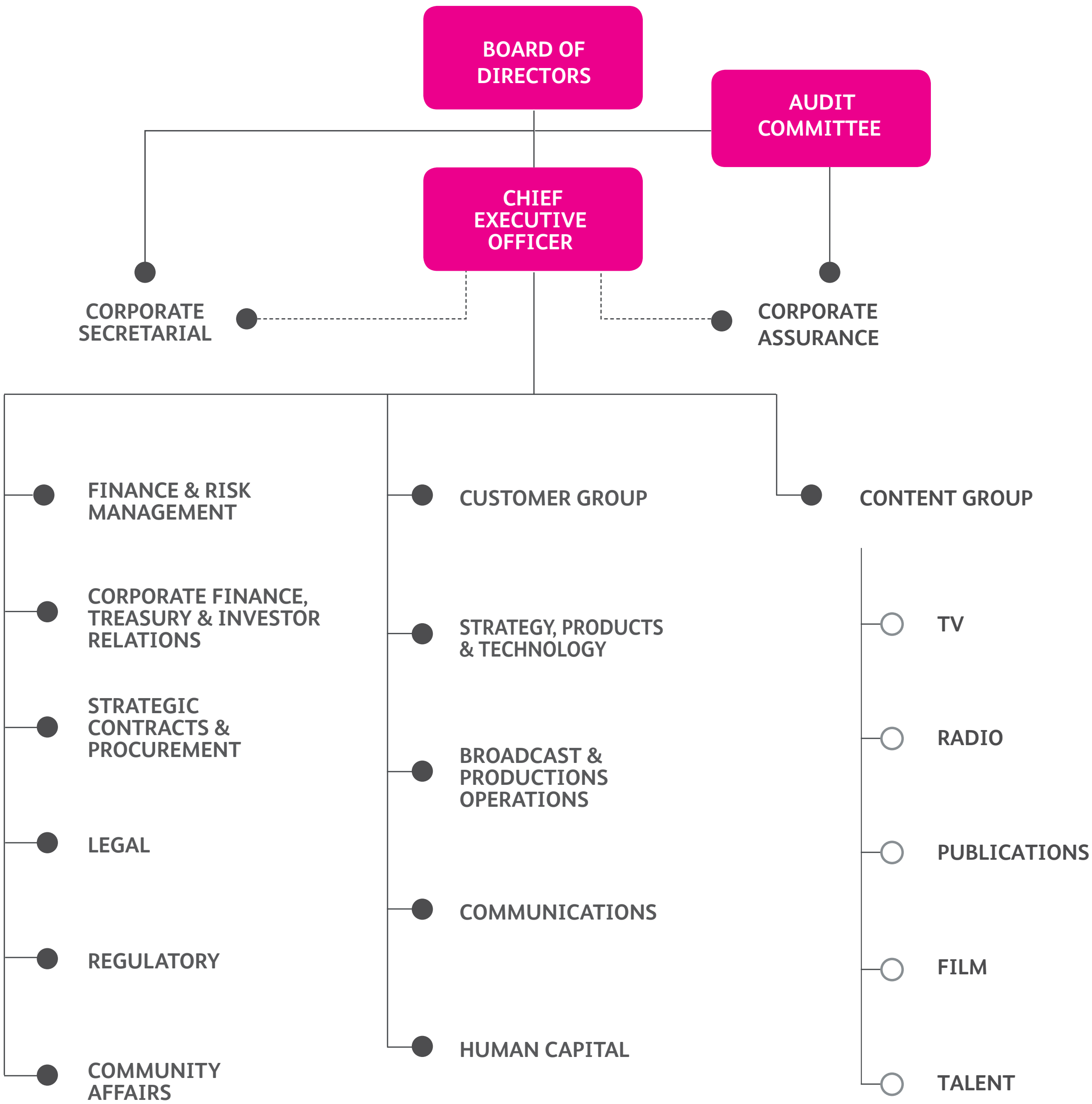
Digital Media & Publications

- Astro Digital Sdn Bhd **100%**
  - Astro Digital 5 Sdn Bhd **100%** (formerly known as Digital Five Sdn Bhd)
  - Astro Publications Sdn Bhd **100%** (formerly known as MEASAT Publications Sdn Bhd)

Others

- MBNS Multimedia Technologies Sdn Bhd **100%**
  - Advanced Wireless Technologies Sdn Bhd **25%**
    - UMTS (Malaysia) Sdn Bhd **100%**

Note: This chart represents Astro Malaysia Holdings Berhad's main operating subsidiaries and associated companies under its key businesses


BOARD OF DIRECTORS
AUDIT COMMITTEE
CHIEF EXECUTIVE OFFICER
CORPORATE SECRETARIAL
CORPORATE ASSURANCE
FINANCE & RISK MANAGEMENT
CORPORATE FINANCE, TREASURY & INVESTOR RELATIONS
STRATEGIC CONTRACTS & PROCUREMENT
LEGAL
REGULATORY
COMMUNITY AFFAIRS
CUSTOMER GROUP
STRATEGY, PRODUCTS & TECHNOLOGY
BROADCAST & PRODUCTIONS OPERATIONS
COMMUNICATIONS
HUMAN CAPITAL
CONTENT GROUP
TV
RADIO
PUBLICATIONS
FILM
TALENT

19 October 2012

- Listing of Astro Malaysia Holdings Berhad on the Main Market of the Bursa Securities

5 December 2012

- Announcement of the unaudited results for the third quarter ended 31 October 2012
- Announcement of the first interim single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ending 31 January 2013

21 December 2012

- Entitlement date for the first interim single-tier dividend of 1.5 sen per ordinary share for the financial year ending 31 January 2013

11 January 2013

- Payment date for the first interim single-tier dividend of 1.5 sen per ordinary share for the financial year ending 31 January 2013

14 March 2013

- Announcement of the unaudited results for the fourth quarter and financial year ended 31 January 2013

14 March 2013

- Announcement of the second interim single-tier dividend of 1.5 sen per ordinary share and a proposed final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 January 2013

2 April 2013

- Entitlement date for the second interim single-tier dividend of 1.5 sen per ordinary share for the financial year ended 31 January 2013

18 April 2013

- Payment date for the second interim single-tier dividend of 1.5 sen per ordinary share for the financial year ended 31 January 2013

11 June 2013

- Notice of Annual General Meeting and Extraordinary General Meeting and the issuance of Annual Report and Circular to Shareholders

3 July 2013

- First Annual General Meeting

Astro is committed to achieving long-term sustainable success and continuously creating value for our shareholders, through strategic initiatives as outlined in the CEO's Statement.

Since we listed in October 2012, the Board of Directors has declared 2 interim quarterly dividends of 1.5 sen per share after the third and fourth quarter results respectively. The Board of Directors has also recommended a final dividend of 1 sen per share, subject to shareholders' approval at our AGM to be held on 3 July 2013. The total of 4 sen represents an annualised dividend yield of 2.9%[(1)] based on the closing price of RM2.79 as at 31 January 2013. The payment of dividends for the financial year ended January 2013 is earlier than that articulated in our dividend policy statement disclosed in our IPO prospectus.

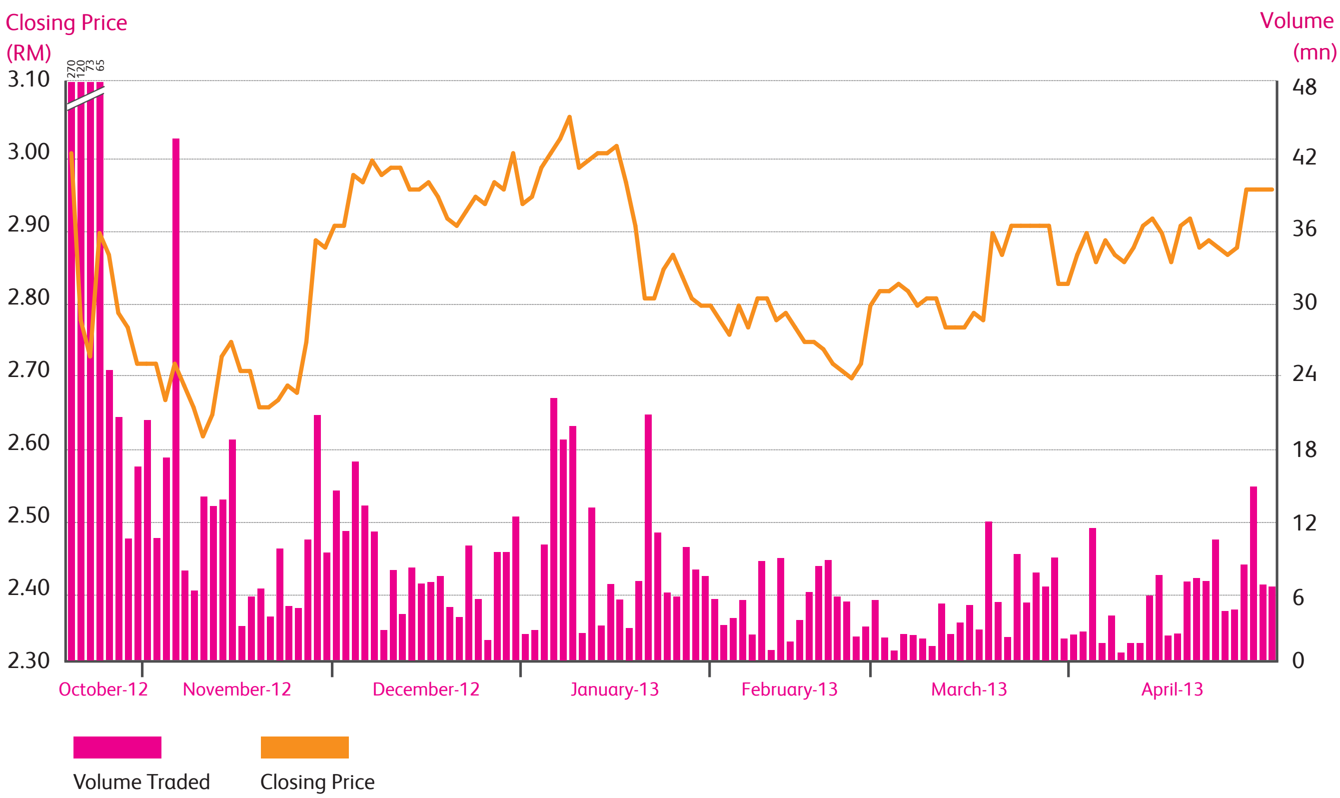
We undertake a policy of active capital management, and leveraging on invested capital, we believe Astro will continue to be highly cash generative enabling us to adopt a progressive dividend policy.

Investor Engagement

We value our relationship with our investors and communication with them is of primary importance to us. We proactively and regularly engage with the investment community to share our strategy and to discuss our strategy, operations, business and financial performance, and ensure a timely and fair dissemination of information.

The Investor Relations team facilitates direct interaction and engagement between the senior management team and research analysts and institutional investors through face-to-face meetings and teleconferences held at our offices. In addition, we maintain ongoing dialogue throughout the financial year with the investment community through a number of other initiatives.

Astro share price performance from 19 October 2012 to 30 April 2013



(1) Extrapolated for the full year under review

Quarterly financial results briefing and announcement

Each quarter, our financial results are released publicly through announcements to the Bursa Securities. These announcements contain financial statements, summary financial and operational indicators and an analysis of performance.

Immediately following the release to the Bursa Securities, a press conference is typically held to update members of the press and other media and to provide clarification on questions which they may have. In addition to this, a teleconference is held for research analysts and institutional investors who are based locally or abroad. These sessions are chaired by the CEO and attended by the senior management team, reflecting our commitment to provide clear communication and a high degree of transparency to the public and the investment community.

Conferences and Roadshows

We reach out to a wider investor audience locally and internationally by participating in non-deal roadshows in major global financial capitals including Kuala Lumpur, Hong Kong, Singapore, San Francisco, New York, Boston, London, Edinburgh and Frankfurt. The CEO and members of the senior management team also regularly attend investor conferences. These events provide an excellent opportunity to maintain regular contact with existing institutional shareholders, to reach out to potential investors and to build rapport with the investment community. In total since our listing in October 2012, we have conducted approximately 140 meetings and teleconferences with research analysts and institutional investors in the various investor relations initiatives.

Investor Communications

The Investor Relations team maintains a portal, www.astromalaysia.com.my, which serves as a platform of communication and a source of information for shareholders and the general public. The information available on the portal includes financial results, presentation materials, disclosures to the Bursa Securities and press releases. We welcome feedback from the investing community in order to further improve our interaction with them. The Investor Relations team can be contacted via *ir@astromalaysia.com.my*.

2012

January

Malaysian Indian Film Festival 2012

- Best Film – Papadom

Anugerah Juara Lagu ke-26

- Best Song – Awan Nano
- Best Vocal – Hafiz

February

Edison Award 2012

- Best Foreign Produced Tamil Drama – Astro Vaanavil's Enna Pizhai Seithen?

Malaysia Tamil Artist Award

- Best Child Actor – Tharan

World Bloggers & Social Media Awards 2012

- Best Music Blog – Yuna Inspired
- Malaysia Achievement Summit & Awards 2012
- Organisation Special Achievement Award – Astro

March

2012 New York Festivals International Television & Film Awards

- Silver World Medal – for Public Service Announcement – Broccoli
- Silver Bronze World Medal – Astro 2011 Lineup – Water World
- Silver Bronze World Medal – Suara Kami 2011 Music Video – Malaysian Boy

- Bronze World Medal – Astro Hari Raya 2011 – Togetherness
- Bronze World Medal – Astro 2011 Lineup – Water World
- Gold World Medal for 'Best Writing' – The Kitchen Musical
- Bronze World Medal for 'Best Performance' – The Kitchen Musical

March

2012 World Media Festival

- Gold Award – The Kitchen Musical

April

Anugerah Bintang Popular 2012

- Penyanyi Lelaki Popular – Hafiz
- Pelakon Filem Lelaki Popular – Aaron Aziz
- Artis Komedi Lelaki Popular – Johan
- Pengacara TV Lelaki Popular – Zizan Razak

Putra Brand Awards 2012

- Putra Brand of the Year
- Media & Entertainment (Gold)
- Media & Entertainment – MY FM

September

NPC Awards 2012

- Best Media Organisation (Community Service) – Astro Radio

November

Malaysia's 100 Leading Graduate Employers Award 2012

- Most Popular Graduate Employer in Broadcasting and Media

Kancil Award

- Chairman's Award – Henry Tan
- Silver Award for Astro Radio (Campaign)
- 7 Bronze Awards for Film (Single), Radio (Single) & Craft (Copywriting) categories

December

Effie Awards Malaysia 2012

- Bronze for Tutor TV

Promax BDA 2012 Sports Media Marketing Awards

- Gold for 'Best Use of Design' – Our Olympians
- Gold for 'Best Use of an Athlete' – Our Olympians
- Gold & Silver Award for 'Best Directing' – Our Olympians & I'm Coming Home – Fans Waiting

PROMAXBDA ASIA 2012

- Gold for 'Best Entertainment/Variety Promo' – RM1,000,000 Money Drop
- Gold for 'Best Public Service Announcement' – Saving Energy – The Future Investment
- Silver for 'Best Holidays/ Seasonal Promo' – Astro Hari Raya 2012
- Silver for 'Best Public Service Announcement' – Eat Healthy Live Healthy PSA – Processed Beauty
- Gold for 'Rocket Award' – Radzi Rajudin

2013

January

Anugerah Juara Lagu ke-27

- 2nd Place – Azlan & the Typewriter "Idola" – OST Hoore Hoore
- 3rd Place – Hafiz "Ku Akui"
- Best Vocals – Hafiz "Ku Akui"
- Anugerah Juara Mobile – "Ombak Rindu" by Hafiz & Adira

BOARD OF DIRECTORS

from left:

Tun Dato' Seri Zaki Bin Tun Azmi
Independent Non-Executive Chairman

Augustus Ralph Marshall
Non-Independent Non-Executive Deputy Chairman

Chin Kwai Yoong
Senior Independent Non-Executive Director

from left:

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan
Executive Director and Chief Executive Officer

Dato' Mohamed Khadar Bin Merican
Independent Non-Executive Director

Bernard Anthony Cragg
Non-Independent Non-Executive Director

Hisham Bin Zainal Mokhtar
Non-Independent Non-Executive Director

Tun Dato' Seri Zaki Bin Tun Azmi

Independent Non-Executive Chairman

Malaysian, age 67, joined the Board as an Independent Non-Executive Chairman in August 2012. He is the Chairman of our Nomination and Corporate Governance Committee.

Tun Zaki obtained his Barrister-at-Law qualification from the Lincoln's Inn in 1969. He joined the Malaysian Judicial and Legal Services as a Magistrate in 1970 and later transferred to the Attorney General's Chambers where he held several positions for 15 years before going into private legal practice in 1985.

He left legal practice in 2007 when he was appointed as a Judge of the Federal Court of Malaysia and shortly thereafter, appointed as the President of Court of Appeal of Malaysia, the second highest judicial office. On 18 October 2008, he was appointed as the 12th Chief Justice of Malaysia and became the first chairman of the Judicial Appointment Commission on 16 February 2009 until his retirement as Chief Justice in September 2011.

He is also the chairman of SP Setia Berhad as well as the chancellor of MAHSA University College and the Multimedia University.

Augustus Ralph Marshall

Non-Independent Non-Executive Deputy Chairman

Malaysian, age 61, joined the Board as Non-Independent Executive Deputy Chairman in March 2011 and was re-designated as a Non-Independent Non-Executive Deputy Chairman on 18 September 2012. He is also a member of our Remuneration Committee.

He is an Associate of the Institute of Chartered Accountants in England and Wales, and a Member of the Malaysian Institute of Certified Public Accountants and has more than 30 years' experience in financial and general management.

He is currently an executive director of Usaha Tegas Sdn Bhd ("UTSB"), the executive deputy chairman and group chief executive officer of Astro Holdings Sdn Bhd group and an executive director of Tanjong Public Limited Company, in which UTSB has a significant interests. He also serves as a non-executive director on the boards of several other companies in which UTSB has significant interests, such as Maxis Berhad ("Maxis") (listed on the Bursa Securities), Maxis Communications Berhad (holding company of Maxis), and Johnston Press plc (listed on the London Stock Exchange plc). In addition, he is also a director in an independent non-executive capacity and the chairman of the audit committee of KLCC Property Holdings Berhad (listed on the Bursa Securities) and a non-executive director of MEASAT Global Berhad).

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan

Executive Director/Chief Executive Officer

Malaysian, age 50, joined the Board as a Director in March 2011. Dato' Rohana, a pioneer member of the Astro Group, was appointed as the Chief Executive Officer of the Company on 1 April 2011.

Dato' Rohana graduated with a Bachelor of Arts (Honours) degree in Accounting and Economics from University of Kent, Canterbury, UK in 1985. She completed her Chartered Institute of Management Accountants, UK in 1986 and is currently a fellow member. She has been a member of the Malaysian Institute of Accountants since May 1997. She completed the Advanced Management Programme at Harvard Business School, US in 2006.

In addition to being the Chief Executive Officer of the Company, she is also the Chief Executive Officer of MEASAT Broadcast Network Systems Sdn Bhd, our wholly-owned subsidiary, a position she held since 2006. Prior to that, she was the group chief financial officer of Astro All Asia Networks Limited (previously listed on the Bursa Securities), where she was instrumental for its listing on the then Main Board of the Kuala Lumpur Stock Exchange in 2003.

Before joining Astro in 1995, she was with the Unilever group of companies, both in the United Kingdom and Malaysia, where she gained substantial experience in financial, marketing and business management in a multinational consumer goods business.

Chin Kwai Yoong

Senior Independent Non-Executive Director

Malaysian, age 64, joined the Board as an Independent Non-Executive Director in March 2011 and was appointed as Senior Independent Director on 15 August 2012. He is also the Chairman of our Audit Committee and a member of our Nomination and Corporate Governance Committee as well as a member of our Remuneration Committee.

Kwai Yoong is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants, as well as the Malaysian Institute of Accountants.

He was an audit partner with PricewaterhouseCoopers from 1982 until his retirement in 2003. During his tenure as partner, he was an executive director in charge of the Consumer & Industrial Products & Services Group. He also served as director of the Audit and Business Advisory Services Division, and of the Management Consulting Services Division.

He has extensive experience in the audits of major companies in the banking, oil & gas and automobile industries as well as in the heavy equipment, manufacturing, construction and property development sectors. He was also involved in corporate advisory services covering investigations, mergers & acquisitions and share valuations.

He is a director of Deleum Berhad, Genting Berhad and Fraser and Neave Holdings Berhad, all listed on the Bursa Securities. He is also a director of Bank Negara Malaysia.

Bernard Anthony Cragg

Non-Independent Non-Executive Director

British, age 58, joined the Board as an Independent Non-Executive Director in March 2011 and was re-designated as a Non-Independent Non-Executive Director on 15 August 2012. He is also a member of our Audit Committee.

Bernard is a Chartered Accountant by profession and had spent over 8 years in Price Waterhouse. He has a degree in Mathematics from Liverpool University.

He is also a director of Workspace Group plc, Progressive Digital Media Group plc and Alternative Networks plc, all listed on the London Stock Exchange plc. He formerly held various senior management positions in Carlton Communication plc (listed on the London Stock Exchange plc) for over 17 years including as its group financial controller, company secretary and group finance director. He has served as chairman of Datamonitor plc and i-mate plc (both listed on the London Stock Exchange plc) and was previously a director of Mothercare plc, Arcadia Group plc and Bristol & West Plc, a part of the Bank of Ireland (UK) Financial Services.

Dato' Mohamed Khadar Bin Merican

Independent Non-Executive Director

Malaysian, age 57, joined the Board as an Independent Non-Executive Director in March 2011. He is the Chairman of our Remuneration Committee and a member of our Audit Committee.

Dato' Khadar is a Member of the Institute of Chartered Accountants in England and Wales as well as the Malaysian Institute of Accountants.

He has over 30 years' experience in financial and general management and had served as an auditor and a consultant in an international accounting firm before joining a financial services group in 1986. He had held various senior management positions in Tradewinds Corporation Bhd (listed on the Bursa Securities) between 1988 and 2003, including as president and chief operating officer.

He is currently the chairman of RHB Capital Berhad and a director of AirAsia Berhad, both listed on the Bursa Securities. He also sits on the boards of Sona Petroleum Berhad and several other companies within the RHB group, as well as other private companies.

Hisham Bin Zainal Mokhtar

Non-Independent Non-Executive Director

Malaysian, age 51, joined the Board as a Non-Independent Non-Executive Director in August 2012. He is a member of our Nomination and Corporate Governance Committee.

Hisham graduated with a Bachelor of Science and Masters of Science in Mathematics from Illinois State University, US and a Masters of Business Administration from Massachusetts Institute of Technology, US under the Sloan Fellows Program at the MIT Sloan School of Management in 2010.

He started his career in the insurance industry before becoming an investment analyst, initially with Crosby Research (M) Sdn Bhd and subsequently, Barings Research (Malaysia) Sdn Bhd and UBS Research (Malaysia) Sdn Bhd. He then became a financial consultant at Sithe Pacific LLC, a regional independent power producer before setting up a boutique investment advisory firm. Prior to joining Khazanah Nasional Berhad in May 2005, he was an executive director and vice president of corporate and financing planning in Tricubes Berhad.

He is currently a director in the Investments Division of Khazanah Nasional Berhad.

Lim Ghee Keong

Alternate Director to Augustus Ralph Marshall

Malaysian, age 45, joined the Board as an alternate director to Augustus Ralph Marshall in March 2011.

Ghee Keong holds a Bachelor of Business Administration degree, majoring in Finance, from the University of Hawaii at Manoa, US. He has more than 20 years of experience in treasury and credit management.

Prior to joining Usaha Tegas Sdn Bhd ("UTSB") Group in 1995, he was attached to General Electric Capital Corporation in the US and the former Ban Hin Lee Bank in Malaysia.

He is currently the Chief Financial Officer of UTSB and serves on the boards of several other companies in which UTSB has interests such as Bumi Armada Berhad (listed on the Bursa Securities) and Bond Principal Agency Malaysia Sdn Bhd, a bond price agency registered on the Securities Commission Malaysia. He is also a director of Paxys Inc (listed on the Philippines Stock Exchange) and Yu Cai Foundation.

Notes:

1. *None of the Directors have any conflict of interest with the Company.*
2. *None of the Directors have any convictions for offences within the past 10 years.*
3. *None of the Directors have any sanctions and/or penalties imposed on them by any regulatory bodies during the financial year ended 31 January 2013.*
4. *None of the Directors have any family relationships with any directors and/or major shareholders of the Company.*

front: **Dato' Rohana Binti Tan Sri Datuk Haji Rozhan**
Chief Executive Officer

Back, from left:

Henry Tan Poh Hock
Chief Operating Officer

Brian Lenz
Chief Innovation Officer

Ahmad Fuaad Bin Mohd Kenali
Chief Financial Officer

Rohaizad Mohamed
Senior Vice President for Broadcast & Production Operations

Andrew Chong
Director of Human Capital

Liew Swee Lin
Chief Commercial Officer

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan

Executive Director and Chief Executive Officer

Please refer to her profile in the Board of Directors' profile section.

Ahmad Fuaad Bin Mohd Kenali

Chief Financial Officer

He joined our Group in August 2010. He is responsible for overseeing our Group's finance related matters including financial management and reporting, risk management and business process, treasury and taxation.

He has 18 years of experience in the field of accounting, assurance and finance. Prior to joining our Group, he was a partner with Ernst and Young, Malaysia from 2008 to 2010. He also served as the Executive Director Finance in Petaling Garden Berhad ("PGB"), which was then a listed property group, where he was involved in strategy, governance, IT and risk management from 2001 to 2007. Prior to PGB, he was with Arthur Andersen from 1994 to 2001 under the Assurance division and the Corporate Finance division.

He graduated from the University of East Anglia, UK in 1993 with a degree in Computerised Accountancy. He is a fellow of the Association of Chartered Certified Accountants, a member of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants.

Henry Tan Poh Hock

Chief Operating Officer

He joined our Group in May 2008 and is currently responsible for content, marketing, branding and airtime sales of our Group.

He has 24 years of experience in the media industry. Before joining our Group, he served as Chief Executive Officer from 2006 to 2008 at Group M, Malaysia and Singapore, a leading global media investment management company and prior to that, as Chief Executive Officer from 2000 to 2006 of Mindshare Malaysia, both part of the WPP group. His other experiences in the media industry include his tenure with HVD Entertainment, a Malaysian television production company from 1996 to 2000 as the General Manager and Ogilvy & Mather Advertising, from 1988 to 1996, where his last position was as the Media Director. His other experiences from 1986 to 1988 include his tenure with Hewlett-Packard Australia and Pan Global Wang Computers.

He graduated from Chisholm Institute of Technology, Australia (now known as Monash University) in 1986 with a double degree in Marketing and Communications.

Brian Lenz

Chief Innovation Officer

He joined our Group in December 2011 and is currently responsible for our strategy, product and business development as well as technology infrastructure.

He has 18 years of experience in strategy, product, technology and business development roles and has spent the last nine years focused in the pay-TV and media industry. Prior to joining our Group, he was with British Sky Broadcasting Group plc ("BSkyB") from 2007 to 2011, most recently as Director of Product Design & Development. Before joining BSkyB, he worked at Virgin Media Inc. from 2005 to 2007 as Head of Strategic Planning, and prior to that, as Head of Product Strategy and Business Development. Before joining Virgin Media Inc., he was in corporate strategy and merger and acquisitions advisory at L.E.K Consulting LLC, from 2003 to 2005. While attending business school from 2001 to 2003, he worked from 2002 to 2003 at the Walt Disney Company in London as a consultant on broadband content strategy. Prior to business school, he worked in business strategy and software development in the aviation industry, at Crown Consulting from 1995 to 2001 and at CTA Inc. from 1994 to 1995.

He graduated from University of Michigan, US with a degree in Industrial and Operations Engineering in 1993 and an English Literature degree in 1994. In 2003, he received a Masters in Business Administration with Distinction from the London Business School, UK.

Liew Swee Lin
Chief Commercial Officer

She joined our Group in November 2010 and is responsible for driving customer franchise and topline growth to strengthen our market position. She also oversees product management, sales, marketing, customer management, service, operations and supply chain management.

She has 22 years of management experience in the media and financial services sectors with broad industry exposure spanning from retail banking, insurance, fast-moving consumer goods, manufacturing and direct marketing across Asia Pacific. Prior to joining our Group, she was Executive Vice President – Consumer Banking, Alliance Bank Malaysia Berhad from 2005 to 2010 and served as a Director on the board of Alliance Islamic Bank Berhad from 2007 to 2010. Prior to that, she was with Standard Chartered Bank Malaysia Berhad from 1999 to 2005 where she led the Credit Cards, Personal Loans and Wealth Management portfolios and held several other senior positions. Her media experience was garnered during the four years that she was with OgilvyOne Worldwide, part of the WPP group, from 1995 to 1999, where she was responsible for driving the growth of its Asia Pacific data services consulting business.

She graduated from University of Strathclyde, UK in 1990 with a Master of Science (MSc) in International Marketing and is an accredited Certified Financial Planner (CFP, US).

Rohaizad Bin Mohamed
Senior Vice President, Broadcast and Production Operations

He joined our Group in March 1996 and assumed his current position in February 2009. He is currently responsible for ensuring operational excellence of our broadcast operations and engineering, IT operations and support, facilities management and content compliance.

He has 26 years of experience in broadcast operations and engineering. Prior to joining our Group, he was with Media Prima Berhad from 1986 to 1996 under its TV3 broadcasting operations where his last position held was as Head of Broadcast Maintenance and IT Operations.

He obtained a Diploma in Electronics Engineering from University of Technology MARA, Malaysia in 1986.

Andrew Chong
Director of Human Capital for Astro Malaysia and its subsidiaries

He is responsible for the overall management and strategic leadership of the Human Capital functions within the organisation. His responsibilities include delivering HR solutions focusing on change and talent management, retention, acquisition, organisational design and development, industrial relations and employee services.

His previous work experience includes heading Customer Operations where he managed end to end customer experience and services at Singtel Singapore. Prior to Singtel, Andrew was the Head of Customer Service, Training and Credit at Maxis, where he oversaw several business units including customer service, credit management and customer value management (loyalty marketing and customer life cycle management) across the various touchpoints.

Andrew began his career with Shell, working his way up through the company to become its Global Head of Customer Service Assurance. He led, coordinated and managed the customer service assurance operations across the US, Europe, Latin America, Asia Pacific, Oceania and South Asia.

He obtained a degree in Bachelor of Business Administration from Northern University of Malaysia (UUM) in 1993.

GOBEYOND ENTHUSIASM

"I love going to school and

learning about other countries,

other people, their homes and

especially their food.

The world is so big. One day

I'll go out there and see it all!"

Ranisa, aged 8

Ranisa used to walk 3 hours to get to SK Magandai every day.
She now walks 3 minutes from the Astro Hostel to her classroom.

Corporate Governance sets out the framework and process by which institutions, through their board of directors and senior management, regulate their business activities. The Board is committed to applying and upholding high standards of corporate governance to safeguard and promote the interests of the shareholders and to enhance the long term value of the Group. To this end, it has adopted the principles and recommendations as set out in the Malaysian Code on Corporate Governance 2012 ("Code").

The Board is committed to applying and upholding high standards of corporate governance to safeguard and promote the interests of the shareholders and to enhance the long term value of the Group.

The Board is pleased to share hereunder the statement of how the Group has adopted the principles and recommendations articulated in the Code during the financial year ended 31 January 2013. The Board has approved this statement and is of the opinion that it has, in all material respects, complied with the principles and recommendations outlined in the Code save for the position of the Chairman of the NCGC.

1. ROLES AND RESPONSIBILITIES

1.1 Board Responsibilities

The Board has established clear roles and responsibilities to be effective stewards and guardians of the Company, which are comprehensively set out in the Board Charter. The principle responsibilities include strategic and oversight responsibilities, identification of risks, implementation of appropriate internal control systems, succession planning and effective communication with shareholders. The Board Charter is reviewed annually and available on the Company's website.

The delegation of authority to the CEO and Management is expressly authorised by the Board and detailed in an approved policy on limits of authority. A detailed limits of authority matrix is also defined to provide specific guidance on the various business activities of the Group and the matrix is regularly reviewed to reflect the dynamic expansion/changes within the Group. Matters which are reserved for the Board's approval are expressly set out in the Board Charter and the policy on limits of authority. Such matters include but are not limited to, transactions that fall within the ambit of the Board/shareholders pursuant to the Companies Act 1965, the Bursa Securities' Listing Requirements and the Company's Articles of Association. Under the Group's policy on limits of authority, all transactions with value in excess of RM30 million require the Board's prior approval.

1.2 Clear Roles and Responsibilities

Separation of roles of the Board Chairman, Deputy Chairman and CEO

In discharging its fiduciary and leadership functions, the Board has clearly defined the roles of the Board and Management led by the CEO to ensure accountability. The Board provides the leadership necessary to enable the Group's business objectives to be met within a framework of internal controls while ensuring that the interests of the shareholders are safeguarded. The Board is responsible for overseeing the Management and business affairs and makes all major policy decisions of the Company. Within the powers accorded by the Company's Articles of Association, the Board is charged with among others, the review and approval of the Group's 5-year strategic plan, annual budgets, acquisitions of substantial value, major investments and financial decisions and changes to management and control structures including enterprise risk management, treasury and delegated authority limits.

The roles of the Non-Executive Chairman and the Deputy Chairman, on one hand and the CEO on the other, have been distinguished, with a clear division of their responsibilities to ensure that there is a balance of power and authority. The Chairman is responsible for the operations, leadership and governance of the Board, ensuring Board effectiveness and conduct as well as assuming the formal role as the leader in chairing all Board meetings and shareholders' meetings. The Deputy Chairman's role is to assist the Chairman in carrying out his responsibilities. The CEO is responsible for providing strategic leadership and managing relationships with all stakeholders, as well as having overall responsibility over day-to-day operations and management, organisational effectiveness and implementation of Board policies and decisions.

Responsibilities of the Board Committees

The Board is assisted by three Board Committees namely, the AC, the NCGC and the RC. The Board Committees will deliberate in greater detail and examine the issues within their terms of reference as set out by the Board and make the necessary recommendations to the Board which retains full responsibility. The respective Board Committee's terms of reference is available on the Company's website.

Audit Committee

Composition of the AC, its terms of reference and a summary of its activities are set out separately in the Audit Committee Report on pages 61 to 64 of this Annual Report.

Nomination and Corporate Governance Committee comprises a majority of Independent Non-Executive Directors.

The activities undertaken by the NCGC during the financial year ended 31 January 2013 were as follows:

- Annual Review of the NCGC Charter. The NCGC Charter was reviewed in August 2012 to be consistent with the revised principles and recommendations under the Code;
- Annual Review of the compliance status with the Code and recommendations for improvement was conducted in March 2013 post the financial year end and prior to this Annual Report; and
- Annual evaluation of the Board's effectiveness was conducted in March 2013 which comprehensively covered the assessment of the Board as a whole, each Board Committee, individual Directors and the independent Directors. The Board assessment is facilitated by the NCGC annually and once in every three years, by an external facilitator to ensure objectivity and that the process remains robust and thorough. The Chairman of the NCGC assumes overall responsibility for the assessment process and the findings are reported by the Board Chairman and discussed with the Directors.

The Board has identified the Board Chairman as the Chairman of the NCGC. In view of this, the Board designated Chin Kwai Yoong as the Senior Independent Director.

The NCGC undertakes a review of the criteria for the assessment of Directors' effectiveness annually prior to each assessment cycle. In relation to the year under review, the Board assessments were undertaken through an external facilitator using the desktop review methodology as well as interviews with Directors and selected Management. Based on the findings, the Board (save for the interested directors) is of the opinion that Tun Dato' Seri Zaki Bin Tun Azmi, Chin Kwai Yoong, Dato' Mohamed Khadar Bin Merican and Hisham Bin Zainal Mokhtar, the Directors who are seeking re-appointment at the forthcoming AGM, have continued to give effective counsel and commitment to the Group and accordingly recommends their re-appointment at the forthcoming AGM in July 2013.

Remuneration Committee comprises a majority of Independent Non-Executive Directors.

In respect of the financial year ended 31 January 2013, the RC undertook the following:

- Review of the long-term share incentive plan for the Group's senior management employees and administration of the plan including approving the allocations and performance targets;
- Review of the total remuneration package for the CEO based on agreed performance targets set by the Board and made recommendations on her performance bonus for the Board's approval; and

- Review of the performance evaluation of key senior management to ensure objectivity and adherence to the established scheme of service for employees.

1.3 Promoting Ethical Standards

The Board has formally adopted a Code of Business Ethics ("COBE") to govern the way in which the Directors and Management deal with its stakeholders. The details of the COBE and its application are set out in page 57 of this Annual Report.

1.4 Promoting Sustainability

The Board is responsible to ensure that the Group's strategies promote sustainability with specific attention to environmental, social and governance attributes of the Group's businesses. The Group has adopted a Corporate Responsibility Framework/Policy ("Policy") which outlines the Group's corporate responsibility mission, strategic pillars, philosophies and governance structure. The Policy is also disclosed in further detail on pages 98 to 104 of this Annual Report. The Group's corporate responsibility initiatives is aligned to the Global Reporting Initiative ("GRI") Framework, an internationally recognised standard for sustainability reporting.

1.5 Access to Information and Advice

The Board's rights to information pertaining to the businesses and affairs of the Group and access to independent advice are entrenched in the Board Charter. The Board has the services of a qualified Company Secretary.

The Board meets at least every quarter and on other occasions, as and when necessary, to inter-alia approve quarterly financial results, statutory financial statements, the annual report, business plans and budgets as well as to review the performance of the Group, governance matters and business development activities. Senior Management and external advisors attend the Board and Board Committees meetings to advise on relevant agenda items to enable the Board and its committees to arrive at a considered decision. Prior to each meeting, the Directors receive a formal agenda and a comprehensive set of board papers comprising management reports on financial and operating performance, minutes of meetings, reports on risk management, legal and regulatory as well as investor relations, among others.

Five Board meetings were held during the financial year ended 31 January 2013. The Executive Director also attended Board Committee Meetings by invitation, when required, which is not reflected below.

The attendance record of individual Directors at Board and Board Committee meetings held during the financial year ended 31 January 2013 since their respective appointment dates is detailed below:

Name	Board	Board Committees		
		Audit	Nomination and Corporate Governance[1]	Remuneration
Number of meetings during the financial year	**5**	**4**	**–**	**3**
Tun Dato' Seri Zaki Bin Tun Azmi	2/2	n/a	–	n/a
Augustus Ralph Marshall	5/5	n/a	n/a	3/3
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	5/5	n/a	n/a	n/a
Chin Kwai Yoong	5/5	4/4	–	3/3
Bernard Anthony Cragg	5/5	4/4	–	n/a
Dato' Mohamed Khadar Bin Merican	5/5	4/4	–	3/3
Hisham Bin Zainal Mokhtar	2/2	n/a	–	n/a

Note 1: The NCGC met on 13 March 2013 to review matters under its terms of reference in respect of the financial year ended 31 January 2013.

2. STRENGTHENING COMPOSITION

The Code places great importance on the role of the Board in providing leadership, enhancing board effectiveness by strengthening its composition and reinforcing its independence. The Board, as of the date of this statement has seven members which comprises an Executive Director (who is also the CEO) and six Non-Executive Directors. Three of the six Non-Executive Directors including the Board Chairman are independent, which is higher than the minimum requirement of one-third of the Board to be independent directors as prescribed in the Code and the Listing Requirements.

The profile of each Director is set out on pages 38 to 41 of this Annual Report. Given its diversity in experience and qualifications, the Board considers that the balance achieved between Executive and Non-Executive Directors during the financial year under review was appropriate and effective for the control and direction of the Group's business. The Board is also of the opinion that the Board composition during the year under review had fairly represented the ownership structure of the Group with appropriate representations of minority interest through the Independent Directors.

3. REINFORCING INDEPENDENCE

The Independent Directors play a pivotal role in corporate accountability and provide unbiased and independent views and judgement to the Board's deliberation and decision making process, which is reflected in their membership of the various Board Committees and attendance of meetings as detailed above. In addition, the Non-Executive Directors ensure that matters and issues brought up to the Board are fully discussed and examined, taking into account the interest of all stakeholders.

The Board takes cognisance of the Code's recommendation that the tenure of an independent director should not exceed a cumulative term of nine years. The majority of the Directors have been in service for over two years since the formation of the Company in 2011 pursuant to a group reorganisation. Dato' Mohamed Khadar Bin Merican has served as an Independent Director of the group since 2003 prior to the formation of the Company. Within the spirit of the recommendation, the Board will seek shareholders' approval at the forthcoming AGM to re-elect Dato' Mohamed Khadar as an Independent Director on the basis that he continues to exercise independent judgement and to act in the best interest of the Group, he has detailed knowledge of the business and has proven commitment, experience and competency to effectively advise and oversee the management.

4. FOSTERING COMMITMENT

Time commitment

The Directors are fully aware of their responsibilities and will dedicate sufficient time to carry out such responsibilities. The Directors attend the quarterly Board meetings which normally span 1-2 days, the AGM and hold regular meetings with Management throughout the year. The Board meeting dates are planned ahead of schedule and a commitment is obtained from the Directors on their availability. All the Directors provide notification for accepting a new appointment.

All Directors have complied with the restrictions on the number of directorships in public listed and non-public listed companies as prescribed under the Listing Requirements. This ensures that their commitment, resources and time are focused on the affairs of the Group to enable them to discharge their duties effectively.

Director's training

The Board recognises the need to continuously enhance its skills and knowledge and to keep abreast with the developments in the economy, industry and technology, among others. Director's orientation programmes which include visits to the Group's business operations and meetings with Management are organised for newly appointed Directors.

All the Directors have attended seminars or briefings during the financial year. They are kept informed of available training programmes on a regular basis and an appropriate budget has been allocated for Directors' training. Among the seminars or briefings attended by one or more Directors during the financial year include:

- Fraud Awareness and Workshop Session
- 2012 IFRS Conference
- Presentation on Cloud Computing, Emergency Response and Security
- Exploiting structural disruptions to find opportunities for growth
- The Malaysian Code on Corporate Governance 2012

- Remuneration Trends in the Boards and Management Teams in Malaysia and South East Asia
- Launch of the Statement of Risk Management & Internal Control Guidelines for Directors of Public Listed Companies
- Bridging the Gap – an Insight into ADR Mechanisms and International Negotiations.

As and when required, briefings on various topics are scheduled for the Board jointly with Senior Management to encourage open dialogues. On a quarterly basis, the Directors receive briefings and updates on the Group's businesses and operations, risk management activities and technology initiatives as well as new statutory and regulatory requirements. All the Directors have attended and completed the Mandatory Accreditation Programme prescribed by the Bursa Securities.

Directors' Remuneration

The Board believes that remuneration should be sufficient to attract, retain, motivate and incentivise Directors of the necessary calibre, expertise and experience to lead the Group. The Board will consider market comparables, time required, success of the Group as well as the level of responsibility and risks.

In line with this philosophy, remuneration for the Executive Director/CEO is aligned to individual and corporate performance based on agreed key performance indicators established by the Board. The RC recommends the policy framework and is responsible for assessing the compensation package for the Executive Director/CEO.

Elements of Remuneration of Executive Director

Pursuant to an employment contract, the Executive Director/CEO, Dato' Rohana Rozhan's remuneration package is based on the following elements:

- Monthly executive stipend
- Annual discretionary performance bonus in cash and share incentives subject to meeting agreed performance targets as recommended by the RC and approved by the Board
- Defined contribution plan, participation in gratuity scheme, benefits in kind and other allowances
- A recurring car allowance and driver as well as medical coverage

Either party may terminate the employment by giving 6 months' prior written notice.

For Non-Executive Directors, the level of remuneration primarily reflects the experience, time, level of responsibilities and complexity shouldered. The Board, subject to a maximum sum as set out in the Company's Articles of Association, determines fees payable to Non-Executive Directors. Individual Directors abstain from discussions and do not participate in determining their own remuneration. Non-Executive Directors are entitled to director's fees and additional fees for undertaking responsibilities as chairman or member of Board Committees. They are also paid meeting allowances and expenses incurred in the course of their duties are reimbursed. They are not entitled to any bonus or share incentives.

Details of the remuneration for each of the Director of the Company, categorised into appropriate components for the financial year ended 31 January 2013 are set out below:

Aggregate Remuneration (in Ringgit Malaysia)

	Fees	Other Emoluments[1]	Total
Tun Dato' Seri Zaki Bin Tun Azmi	220,290	18,533	238,823
Augustus Ralph Marshall[2]	–	4,181,688	4,181,688
Chin Kwai Yoong	218,736	19,250	237,987
Dato' Mohamed Khadar Bin Merican	214,730	19,250	233,980
Bernard Anthony Cragg	283,573	14,887	298,460
Hisham Bin Zainal Mokhtar[3]	108,985	3,000	111,985
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan (Executive Director/CEO)[4]	–	–	–

(1) *Inclusive of allowances and/or benefits in kind.*
(2) *Represents the Director's salaries, bonus and defined contribution plans during his tenure as Executive Director.*
(3) *Paid directly to Khazanah Nasional Berhad.*
(4) *The Executive Director/CEO's remuneration can be found on page 155 of this Annual Report.*

The Group maintains a Directors' and Officers' Liability Insurance to indemnify Directors and officers of the Group against any liability incurred by them in the discharge of their duties while holding office. The Directors and officers, however, shall not be indemnified in the event of any negligence, fraud, breach of duty/trust proven against them.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Role of the Audit Committee

In addition to the duties and responsibilities set out under its terms of reference, the AC assists the Board in the review of the financial statements of the Group to ensure that they are prepared in compliance with the new Malaysian Financial Reporting Standards ("MFRS") Framework which comprises the International Financial Reporting Standards.

The Board is ultimately responsible for presenting a clear, balanced and comprehensive assessment of the Group's financial position, performance and prospects each time it releases its quarterly results and annual financial statements to its shareholders as well as ensuring that the financial statements give a true and fair view of the results of operations and the financial state of affairs of the Group. The assessment is provided through the Statement of Directors' Responsibility Statement set out on page 65.

Details of the AC's responsibilities and activities during the financial year ended 31 January 2013 are set out in the AC Report on pages 61 to 64 of this Annual Report.

5.2 Assessment of External Auditors

The AC through the Company Secretary conducts an annual assessment of the external auditor's performance. Feedback is obtained from Management, internal audit and includes a self-assessment by the external auditors. During the year under review, areas of improvements were identified and discussed with the external auditors.

6. RECOGNISE AND MANAGE RISKS

The Board has established a comprehensive and holistic framework for risk management and a sound internal controls system. The Board's Statement on Risk Management and Internal Control is set out on pages 55 to 58 on this Annual Report.

7. TIMELY AND HIGH QUALITY DISCLOSURE

The Board recognises that timely and high quality disclosure of material information to the public is an integral part of the corporate governance framework. The internal policies and procedures are in place to ensure compliance with the disclosure requirements as set out in the Listing Requirements.

8. STRENGTHENING RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Encouraging Shareholder Participation

The Board recognises the importance in providing investors accurate, useful and timely information about the Group, its businesses and its activities. In this respect, the Group regularly communicates with the investor community in conformity with disclosure requirements to ensure alignment.

The Board believes that clear and consistent communication with investors encourages a better appreciation of the Group's business and activities, reduces share price volatility, and allows the Group's business and prospects to be evaluated properly.

The Board is briefed at least on a quarterly basis by the Investor Relations Department on updates arising from dialogues with institutional investors which are held throughout the year. These dialogues include telephone conferences with analysts and fund managers post the announcement of the Group's quarterly financial results and participation in non-deal road shows and key investor conferences overseas. Media coverage is also initiated proactively at regular intervals to provide wider publicity to improve the overall understanding of the Group's business. Pertinent information on the Group is available on the Company's website and further elaborated in the Investor Relations section on pages 32 and 33 of this Annual Report.

The Group maintains strict confidentiality and employs best efforts to ensure that no disclosure of material information is made on a selective basis to any individuals unless such information has previously been fully disclosed and announced to the relevant regulatory authorities.

Annual General Meeting

The Company will convene its first AGM on 3 July 2013 during which shareholders will have the opportunity to direct their questions to the Board. The AGM is the principal engagement platform for dialogue between the Board and all shareholders. During the AGM, the shareholders are encouraged to actively participate in the questions and answers session to clarify resolutions being proposed or about the Group's business activities. The Board, CEO, senior management and external auditors are present to provide clarification on shareholders' queries.

The Board has identified Chin Kwai Yoong as the Senior Independent Director to whom queries or concerns regarding the Group may be conveyed. He can be contacted via the following channels:

Post : Chin Kwai Yoong
c/o Corporate Secretarial Department
3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
57000 Kuala Lumpur
Fax : + 603 9543 3007
Email : kwai-yoong_chin@astro.com.my

Investors may also direct their queries and concerns regarding the Group which may be conveyed to the following persons:

(a) Ahmad Fuaad Kenali
Chief Financial Officer, for financial related matters
Tel : + 603 9543 6688 (Extn: 2729)
Fax : + 603 9543 2268

(b) Raymond Tan
Chief Investment Officer, for investor relations matters
Tel : + 603 9543 6688 (Extn: 2731)
Email : ir@astromalaysia.com.my
Fax : + 603 9543 9511

(c) Sharon Liew
Company Secretary, for shareholders' enquiries
Tel : + 603 9543 6688 (Extn: 3404)
Fax : + 603 9543 3007

As a Board, we have the overall responsibility to establish a sound risk management framework and internal control system by adopting best practices, instilling good risk management and implementing strong internal control systems for the Group in order to ensure key risk areas are managed to an acceptable level to achieve our Group's business objectives. The Board continually reviews its adequacy, effectiveness and integrity in order to safeguard the Company's assets and shareholders' interest. Due to the limitations inherent in any such systems, this is designed to manage rather than eliminate risks and to provide reasonable but not absolute assurance against material misstatement or loss.

The Board has the overall responsibility to establish a sound risk management framework and internal control system by adopting best practices, instilling good risk management and implementing strong internal control systems ensure key risk areas are managed to achieve our Group's business objectives.

The Board has implemented a formal risk management and internal control framework which defines the continuous process for identifying, evaluating, monitoring and managing risks and controls to an acceptable risk appetite in its daily operations and as and when there are changes to the business environment or regulatory requirements. This process is regularly reviewed by the Management and Board based on the guidance prescribed in the "Statement of Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

1. Risk Management

The Board is committed to the implementation of Group Risk Management ("GRM") as an integral part of the Group's planning practices and business processes, encapsulating the continuous identification, assessment, monitoring and reporting of risks at all levels, from projects, operations to strategy. The Group Risk Management Framework, consistent with the Committee of Sponsoring Organisation ("COSO") Enterprise Risk Management framework, sets out the risk management governance and infrastructure, risk management processes and control responsibilities.

The Board through the AC is assisted by the Group Risk Management Committee, chaired by the CEO and comprises senior management from one each business segments and units. The GRMC meets at least once on a quarterly basis to review the effectiveness of the GRM process and reports arising from risk management activities as well as to deliberate on the risks identified, controls and risk mitigation strategies. The CEO and CFO are accountable to the Board for the implementation of strategies, policies and procedures to achieve an effective risk management framework. Risk management has been identified as a key result area in the annual performance evaluation of the CEO and CFO.

The Group Process, Risk and Assurance Department ("GPRA") monitors and ensures the group risk management and internal control practices are adhered to by all business owners within the company. Each of the business units is represented by a risk champion who reports to the respective heads of business units and segments. The GPRA works with the respective risk champions and reports to the head of business segments on a quarterly basis on the review and update their respective business risk profiles, identify emerging risks resulting from changing business environment and/or new initiatives being implemented, evaluate effectiveness of controls and determine if action plans implemented are working effectively. Subsequently, the GPRA consolidate business unit risks into the Group Risk Register which provides an overview of the Group Risk Profile which are thereafter tabled and reviewed by the GRMC and AC on a quarterly basis. Additionally, there is a rolling programme where senior management from the business present their risk management plans to the AC. The Group's principal risks and its corresponding mitigation measures are detailed on pages 59 to 60 of this Annual Report. In ensuring that the process is robust, the risks and controls identified are independently validated by the Corporate Assurance function.

Risk awareness and control consciousness is integral in cultivating good risk and governance culture among the Group employees. Risk and control briefings, online trainings and web portal are in place to facilitate the ease of reference and better understanding of the risk management framework and internal control procedures.

2. Control Environment and Structure

The Board and Management have established a process of continuously enhancing the system of internal controls as and when there are changes to the business environment or regulatory guidelines. The following sets out the principal elements of the Group's control environment:

- **Organisation structure**
  The Board in providing direction and oversight is supported by a number of established Board Committees, namely the AC, NCGC and RC for which their terms of reference and responsibilities are clearly defined and documented. The Board Charter and Board Committee's terms of references are placed on the Company's website. There is a clear separation of roles between the Board Chairman and the CEO to ensure a balance of power and authority.

  Management led by the CEO is responsible for the execution of the Group's strategies and day-to-day businesses. There is a defined organisational structure within the Group as set out on page 30 of this Annual Report. Each unit has clearly defined roles and responsibilities, levels of authority and lines of accountability.

- **Corporate Assurance ("CA") and the Audit Committee ("AC")**
  The CA provides objective and independent assurance on the effectiveness of risk management, internal control and governance processes within the Group and reports independently to the AC. The AC evaluates the adequacy and effectiveness of the Group's risk management and internal control systems and reviews internal control issues identified by CA, external auditors and Management. Detailed activities undertaken by CA and the AC are set out in the Audit Committee Report on pages 61 to 64 of this Annual Report.

- **Management Key Controls Checklist**
  Key control checklists are developed to assess and manage key risk areas where heads of the respective key business functions conduct a self assessment on the effectiveness of the key controls identified in managing risks prior to an automated workflow system sign-off. Subsequently, the submissions of the key control checklists are subject to independent validation by the Group PRA function to be reported on a quarterly basis to the AC. The key control checklists are also validated by CA as part of their annual review plan.

- **Revenue Assurance and Fraud Management**
  The revenue assurance function is responsible to continuously monitor and verify the end-to-end operational process efficiency to ensure completeness, accuracy and integrity of the capturing, recording and reporting of all subscription revenue generating activities or transactions to prevent / resolve any revenue leakages. Additionally, fraud management processes are in place to enhance integrity and to reduce the risk of fraud in the Company. In the year under review, the Board and senior management attended a fraud workshop facilitated by an external party to raise awareness of the fraud framework and identify critical gaps and areas for improvement.

- **Regulatory, Legal and Company Secretarial**
  The Regulatory Department reports to the CEO and ensures compliance with the Communications and Multimedia Act 1988 ("CMA") and applicable rules and regulations which governs the Group's core business in the multimedia sector in Malaysia. The Group actively participates and engages in new regulatory and industry development consultations with relevant regulatory stakeholders, including the MCMC.

  The Legal function plays a key role in advising the Board and Management on legal matters and thereby preserving and safeguarding the Group's interest from a legal perspective. On a quarterly basis, the Board is briefed through reports to the AC on material litigation related matters.

  The Company Secretarial function advises the Board and Management on the Company's obligations under the Listing Requirements and the Companies Act, 1965 and ensures compliance with applicable statutory deadlines. The Company Secretary also ensures that a proper agenda is prepared for Board and Board Committee meetings so that key risk management and internal control matters are brought to discussion.

- **Code of Business Ethics**
  The Group has established a formal code providing guidance on the Group's corporate values, ethical behaviour and manner in which employees, vendors and suppliers conduct themselves is in place. Annually, all employees individually acknowledge their acceptance and understanding of the COBE via an on-line learning, assessment and/or COBE certification programme. The Group has also established a whistle blowing policy known as Ethics Line Procedures for the escalation of disclosures made by employees. The Ethics Line is managed directly by CA, an independent channel to ensure that proportionate and independent investigation of such disclosures are conducted and appropriate follow-up action is taken and reported. Each Director of the Company had individually acknowledged and confirmed that he/she has read the COBE and will abide by the provisions contained therein.

- **Limits of Authority**
  The limits of authority matrix specifies the levels of authority delegated to various levels of authorised Management and employees and also matters reserved for the Board's decision. The limits are reviewed and updated regularly to align with business, operational and structural changes.

- **Procurement and Acquisition Process**
  Acquisition framework and procurement manual have been established and are continuously reviewed to ensure guiding principles and standard acquisition for all goods and services are being adhered while maintaining transparency, business ethics and consistent acquisition approach within the Group. The Group has established a tendering process in accordance with the procurement manual. Oversight is carried out by the Major Tender Committee and Minor Tender Committee chaired by the CEO and CFO respectively. During the year in review, the said committees held regular meetings to review and approve tenders.

- **Formalised Policies and Procedures**
  Policies and procedures to ensure compliance with internal controls and the relevant laws and regulations are documented on the Astro intranet site in standard operating procedures, policies and guidelines and are continuously updated as required to align with evolving business and operational needs.

- **Strategic Business Planning, Budgeting, Reporting and Staff Performance System**
  The Group is guided by a five year strategic plan outlining key objectives and strategies. On an annual basis, the Board approves the consolidated Group strategic plan and budget. As part of the on-going budgeting and monitoring process, key performance indicators are established and monitored regularly with significant variances being highlighted and follow-up by Management of the respective businesses. Monthly financial and operational reports are also provided to the Board with key results and statistics announced through the Bursa Securities on a quarterly basis. On an annual basis, the Group's key results and all employees achievements are measured in the Group's Total Performance Management (i.e. Balanced Scorecard Reporting) based appraisal system.

- **Systems, Data and Information Security**
  The IT Security function is responsible to continuously monitor and resolve both internal and external security threats to the Group. This includes conducting security awareness, performing compliance audits on the Group's IT network and systems, continuous vulnerability assessment to mitigate the impact of security attacks, negligence and malware. Additionally, significant focus is placed on data leakage prevention in handling and safe guarding of confidential company and customers

information, i.e. through the use of data leakage prevention and content-based scanning which complement user-based classification, to ensure classified and confidential information is protected from unintended or illegal disclosure. These security programmes are being validated by external specialist security consulting companies. As part of the Group's efforts of continuous improvement, the IT Security function seeks to maintain compliance to several regulatory and industry best practice security certifications, namely: Information Security Management System ISO/IEC 27001:2005[1], Payment Card Industry Data Security Standard and the Personal Data Protection Act 2010.

The Board places high emphasis on the confidentiality of customer personal data. As part of the Group's initiative for Personal Data Protection Act 2010 compliance, the IT Security function jointly with the Customer function has appointed a Personal Data Privacy Officer who has overall responsibility for implementing compliance and communication programmes to ensure privacy of the Group's customer data.

- **Business Continuity Management**
  Business Continuity Management aims to minimise the impact of disruptions during a disaster while maintaining available resources to resume business operations. Formal business continuity plans and infrastructure are available and continuously reviewed, maintained and tested to ensure workability and timely recovery of services while maintaining staff safety. The Business Continuity Plan maintenance compliance status is updated to the AC on a quarterly basis.

3. Monitoring Activities

The processes that monitor and review the effectiveness of risk management and internal controls include:

- Management Representation to the Board by the CEO and CFO that the Group's risk management and internal control system is operating adequately in all material aspects based on the Group's risk management and internal control system. Any exceptions identified are highlighted to the Board.

- CA in its quarterly report to the AC and Management continues to highlight process and compliance issues and exceptions identified during the course of their reviews. Where issues or exceptions are noted, control measures are developed and implemented in accordance with agreed timelines by Management.

- GPRA reports to the Board on a quarterly basis through the AC on the Group risk profile and the progress of action plans to manage and mitigate the risks, business continuity testing progress as well as the progress and effectiveness of the Management key control checklist.

- Disciplinary Committee chaired by the CEO meets as necessary on matters pertaining to fraud and unethical practices. All issues arising from CA's internal investigation are channelled to this committee for deliberation and necessary actions taken based on the requisite findings.

4. Conclusion

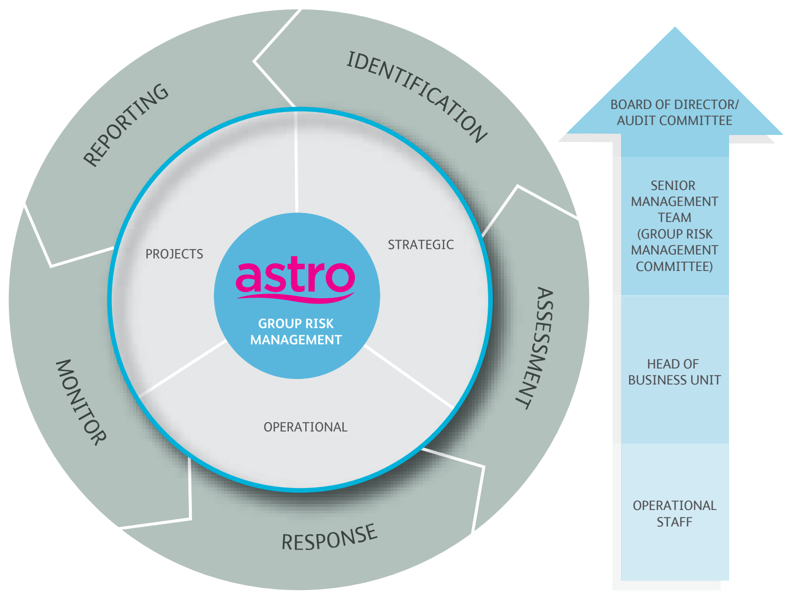
The Board is of the view that the risk management and internal controls practices and processes are in place for the year under review and up to the date of issuance of the financial statements is sound and adequate to safeguard the interest of shareholders, stakeholders, customers, regulators, employees and the Group's assets. No material losses, contingencies or uncertainties have arisen from any inadequacy or failure of the Group's internal controls that would require separate disclosure in this Annual Report. The CEO and CFO have provided assurance to the Board that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively.

5. Review of the Statement by External Auditors

As required by Paragraph 15.23 of the Bursa Securities' Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Recommended Practice Guide ("RPG") 5 issued by the Malaysian Institute of Accountants. RPF 5 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

[1] *ISO/IEC 27001:2005 specifies the requirements for establishing, implementing, operating, monitoring, reviewing, maintaining and improving a documented Information Security Management System within the context of the organisation's overall business risks. It also specifies requirements for the implementation of security controls customised to the needs of the organisations.*

As a leading media and entertainment provider, the Group faces many challenges in achieving its strategic objectives. The Group's Risk Management initiatives guided by the Group Risk Management Framework aim to timely identify, proactively evaluate the impact and consequences of these risks, and ensure the Group's preparedness and its ability to mitigate them in response to the evolving economic and regulatory landscapes as well as innovations and technological advancements. The continuous risk management and monitoring process is reported by the respective business units to the Group Risk Management Committee and thereafter to the Audit Committee and the Board as depicted in the diagram below.



Risks, whether individual or in combination, may significantly affect the Group's financial performance and should be carefully weighed with any forward-looking statement in the Annual Report. The key risks highlighted and summarised below are not exhaustive.

Market and Competition

We acknowledge the presence of competition in the TV and content media market in Malaysia including players offering bundled mobile, TV and data services. Additionally, there may be competitive pressures on our TV and Radio Adex share. The Group is cognisant of the competitive landscape and has established the appropriate strategies and measures to compete in this environment.

Political, Legal and Regulatory

The Group operates in an industry that is subject to a broad range of rules and regulations put in place by various governing bodies and relevant authorities. New rules and regulations may also be implemented from time to time and we recognise that any non-compliances thereof may have a material adverse effect on the Group's financial performance and operations. To manage any potential uncertainties, the Board and Management constantly keep abreast with all relevant developments and are in regular contact with the relevant authorities and the Group's legal advisors, and emphasise strict compliance with all relevant rules and regulations.

Services Availability

The Group is highly dependent on a wide range of systems, including the MEASAT-3 and MEASAT-3a satellites, broadcast equipment and business systems, in order to deliver high-quality services to our customers. The Group continually reviews and enhances its systems and their interconnectivity to minimise service interruption. The Group also has two broadcast centres and alternative hot-site for its business systems which provides redundant capacity for transmission and business resumption purposes. Business continuity plans are regularly reviewed and tested by the Group coupled with a fit-for-purpose insurance program to further mitigate business losses.

Procuring Exclusive and Compelling Content

Popular content with TV audiences is pivotal for customer acquisition and retention. The increasing cost of sourcing or procuring external content, especially relating to sports and premium content, as well as third-party channels licensed for a limited period may result in our inability to obtain or renew compelling TV content at acceptable rates. In our radio operations, the ability to produce appealing radio content is key to the Group's position as the leading radio network in Malaysia. Thus, the Group constantly explores opportunities to develop proprietary-signature content and works closely with key programme providers while diversifying its sources of third-party content.

Technology and Innovation

Technology and innovation are critical to our business and industry. The Group strives to be at the forefront in technology and innovation to achieve the first mover advantage in making content available on all platforms from DTH to IPTV to AOTG. At the same time, our facilities and equipment are continuously being upgraded to enhance security, improving delivery of high definition and rolling out quality customer experiences. The Group has also taken steps to maintain best in class operations with 99.9935% availability while ensuring its systems remain current and relevant through continuous maintenance and system upgrades.

Financial

The effective management of its financial exposures namely foreign currency, interest rates and credit risks are key to preserving the Group's profitability and sustainability. The Group's Finance team provides support to management and to ensure accurate financial reporting and tracking of the Group's business performance with monthly reporting on financial performance provided to the Board. The Group guided by the Treasury policy under the purview of the Treasury Committee, also manages risk to capital and cash investments by providing appropriate protection against foreign currency and interest rate movements.

People

The Group's success depends to a significant extent upon, among other factors, our ability to continue to attract, retain and develop our human capital and talent across our operations. Thus, our inability to attract, retain and develop our human capital and talent could have a material and adverse effect on our business, prospects, results of operations and financial position. The Group's people strategies places importance on making Astro a great work place as well as various talent development programmes such as Graduate programme, an apprenticeship programmes well as high potential and talent pool leadership development programmes as part of the Group's key functions succession planning initiative.

Branding and Reputation

Brand identity and brand value are crucial to operating companies within the Group as it drives overall reputation of the organisation. The Group advocates corporate responsibility through programmes that focus on community development, education, nurturing of our youth and conservation of the environment. The Group has launched the Go Beyond branding campaign that integrates all subsidiaries within the Group as well as to reinforce our brand equity in the public's eyes.

Chin Kwai Yoong

Bernard Anthony Cragg

Dato' Mohamed Khadar Bin Merican

The Audit Committee reviews the adequacy and effectiveness of the risk management and internal control processes to ensure that the Group's key risks are adequately managed.

1. AUDIT COMMITTEE COMPOSITION

The AC comprises three Board members and the Chairman of the AC is Chin Kwai Yoong who was appointed on 15 August 2012. The details of the AC membership are as follows:

Name of Committee Member	Designation
Chin Kwai Yoong	Senior Independent Non-Executive Director
Dato' Mohamed Khadar Bin Merican	Independent Non-Executive Director
Bernard Anthony Cragg	Non-Independent Non-Executive Director

The composition of the AC complies with the Listing Requirements as follows:

- The AC consists of three Board members;
- All members of the AC are non-executive directors, a majority of whom are independent directors; and
- All members are chartered accountants.

2. ATTENDANCE OF MEETINGS

There were four AC meetings held during the financial year ended 31 January 2013, which were attended by all AC members.

The Vice President of Group Corporate Assurance (internal audit) ("CA") and its selected Senior Management, the Group's external auditors, CEO, CFO and certain heads of key business units also attended the meetings at the invitation of the AC. At the meetings, the external auditors, CA and heads of business units were invited to present their reports to the AC on, inter alia, financial, audit, technology and information systems and risk management areas. In respect of the financial results and matters which require the AC's review prior to obtaining the Board's approval, the AC Chairman will present the AC's recommendations to the Board as well as highlight any issues within the AC's Terms of Reference that the Chairman deems necessary.

During the financial year, the AC met with the external auditors on two occasions and CA on three occasions, separately, without the presence of management. In addition, the AC members also individually met with the external auditors and CA, separately, on a number of occasions during the financial year.

3. AUTHORITY OF THE AUDIT COMMITTEE

The AC is duly authorised by the Board to:

- review the Group's significant accounting policies
- investigate any activities within its charter
- seek any information that it requires from any employee of the Group and to be provided with full and unrestricted access to such information
- maintain direct communication channels with the external and internal auditors
- obtain external legal or independent professional advice, if necessary
- have access to the Group's resources, at the Group's expense
- convene meetings with the internal and external auditors without the executive members of the AC, if necessary
- recommend steps or proposed courses of action, where required, to the Board on matters arising from the discharge of the AC's duties and responsibilities

The Company Secretary is the secretary of the AC.

4. TERMS OF REFERENCE

The AC has written terms of reference and is responsible among others, to review and monitor the integrity and quality of the financial statements including accounting, auditing and financial reporting practices and procedures of the Group. The AC also reviews the adequacy and effectiveness of the risk management and internal control processes to ensure that the Group's key risks are adequately managed. In ensuring independent reporting, the activities of the internal audit function are closely monitored by the AC. This includes review and approval of the internal audit plan, findings and recommendations as well as adequacy of competency and resources to carry out the function. The AC is also responsible for recommending the appointment of the external auditors, review of the terms of engagement, adequacy of resource rendered to the Group, audit plan and reports and independence of the external auditors.

The detailed Terms of Reference of the AC is available on the Company's website.

5. SUMMARY OF ACTIVITIES

The Chairman of the AC reports regularly to the Board on the activities of the AC. During the financial year ended 31 January 2013, the AC carried out the following activities:

5.1 Financial Reporting and Compliance

- Reviewed the statutory financial statements, interim, quarterly financial reports and press releases relating to the quarterly financial reports and announcements of the Group for quality of disclosure and presentation and discussed significant issues to ensure that compliance with applicable approved accounting standards and legal requirements were met.
- Reviewed the external auditors' report on the Group's statutory financial statements and quarterly financial reports prior to making a recommendation to the Board for approval and public release thereof.
- Reviewed matters relating to the accounting, auditing, financial reporting practices and procedures of the Group.

5.2 Risk Management and Internal Control

- Reviewed the Group risk profile and the status of the risk management process implemented by the Group and results of the process to facilitate the identification, assessment, evaluation, monitoring and management of risks.
- Reviewed the adequacy of the Group's internal operational processes and controls including information technology and security controls to identify key organisational risks and the systems in place to monitor and manage these risks.
- Reviewed the adequacy of the Group's policies and procedures relating to internal control, financial, auditing and accounting matters such that it complies with our business practices.
- Reviewed the adequacy of the procedures in place by management to prevent and detect fraud.

5.3 Corporate Assurance

- Reviewed the CA function to ensure that its activities are performed independently and with impartiality, proficiency and due professional care.
- Reviewed the adequacy of the CA Charter.
- Reviewed and approved the CA Strategic Review Plan for the financial year ended 31 January 2013 including the review scope, adequacy of competency and resources to carry out its function.
- Reviewed CA's reports including the findings, recommendations, management response and action taken on the recommendations. Where appropriate, the AC has directed management to rectify and further improve control procedures and workflow processes based on CA's findings.
- Reviewed the effectiveness and performance of the CA function and noted the appointment of CA senior staff and the reasons for senior staff resignations.

5.4 External Audit

- Assessed the external auditors' independence, objectivity, effectiveness and terms of engagement, including taking into consideration the provision of audit and non-audit services by the external auditors before recommending their re-appointment and remuneration. The Group has a policy on the provision of audit and non-audit services by the external auditors, the principle being that the audit firm should not be requested to perform non-audit services that may impair the objectivity and independence of the audit firm.

  The AC also discussed the matter of audit independence with the external auditors and is satisfied that the independence of the audit firm is not impaired by the provision of the non-audit services.
- Reviewed written confirmation from the external auditors that they continue to be independent and objective within the meaning of applicable Malaysian regulatory and professional requirements. On a quarterly basis, the AC also reviewed the analysis provided by the external auditors on the provision of audit and non-audit services including the fees incurred.
- Reviewed the external auditors' audit plan for the financial year ended 31 January 2013, scope of annual audit or other examinations including:
  - the annual audit report and accompanying reports to management.
  - reports of their other examinations as well as management letters and the response from management.
  - co-operation given by the Group and the Group's employees to the external auditors.
  - Reviewed the evaluation on the performance and effectiveness of the external auditors which was co-ordinated by Company Secretary.

5.5 Related Party Transactions

- Reviewed the internal procedures for related party transactions and the adequacy of the procedures in identifying, monitoring, reporting and reviewing related party transactions.
- Reviewed related party transactions entered into by the Group to ensure that the transactions have been conducted on the Group's normal commercial terms and that the internal control procedures relating to such transactions are sufficient.

5.6 Others

- Reviewed the management quarterly reports on new laws and regulations, material litigations, regulatory matters and risk management.
- Reviewed and recommended the Statement on Corporate Governance, Statement on Risk Management and Internal Control and AC Report for inclusion in this Annual Report, prior to Board approval.

- Reviewed and approved the policy on employment of current or former employees of the external auditor to ensure that the recruitment of such persons does not impair the independence of the Group's external auditor.
- Reviewed matters in relation to legal compliance, conflict of interest, investigation and ethical conduct.
- Reviewed the procedures the Group implements to address allegation made by whistleblowers, to ensure proportionate and independent investigations are duly conducted and follow-up action is taken and brought to the attention of the AC.
- Reviewed adequacy of the terms of reference of the AC taking into account changes to the applicable laws, regulations, auditing principles and best practices.
- Conducted an annual self-assessment of its effectiveness in meeting its responsibilities and monitored the progress of action required on a quarterly basis.

5.7 Training

Throughout the financial year, the AC is briefed on corporate governance practices, updates to the MFRS, Listing Requirements, legal and regulatory requirements as well as key matters affecting the financial statements of the Group. During the year, the AC also attended a fraud awareness session.

6. CORPORATE ASSURANCE

The Group has an internal audit function, known as Corporate Assurance, led by the Vice President, Group Corporate Assurance who reports directly to the Chairman of the AC and administratively to the CEO. CA assists the AC in providing independent validation on the risk management process, control and governance processes.

CA's activities are governed by an annual review plan that is approved by the AC and updated on a quarterly basis taking into account changes in the business and operating environment. The plan adopts a risk-based methodology by focusing on key risks areas.

The scope of coverage includes all business and support units within the Group. This approach is consistent with the Group's established framework for designing, implementing and monitoring of its control systems. CA also works closely with the GPRA, other assurance functions and the external auditors to monitor the risk governance framework and the risk management processes of the Group to ensure their effectiveness.

During the financial year, the major areas of work performed by CA and reported to the AC are as follows:

(a) Implemented the Strategic Review Plan for the financial year ended 31 January 2013 encompassing audit coverage of all significant business and support unit areas based on identification and evaluation of the respective risks and control environment.

(b) Performed a variety of planned reviews such as financial, operational, technology and information systems audits across Customer, Technology, Content, Information Technology, Procurement Divisions and other support units within the Group. The findings of the reviews together with the recommendations, action plans and management's responses are reported on a quarterly basis to the AC.

(c) Conducted regular follow-up and monitoring on the implementation of recommendations made by CA and action taken by management to ensure that appropriate corrective actions are taken on a timely basis or within agreed timelines with the status of such implementation reported to the AC on a quarterly basis.

(d) Performed ad-hoc reviews and investigations, including among others, governance enhancement projects, review of related party transactions and verification of contest results.

The operational costs incurred by CA for the financial year amounted to approximately RM3.2 million.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board continually reviews its adequacy, effectiveness and integrity in order to safeguard the Company's assets and shareholders' interest.

The Companies Act, 1965 ("the Act") requires the Directors to prepare financial statements for each financial year in accordance with Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other than Private Entities, the provisions, of the Act and the Bursa Securities' Listing Requirements and to present these before the Company at its AGM.

The Act places responsibility on the Directors to ensure that the financial statements provide a true and fair view of the financial position of the Group and the Company as at 31 January 2013 and of their financial performance and cash flows for the financial year ended.

In preparing the financial statements, the Directors have:

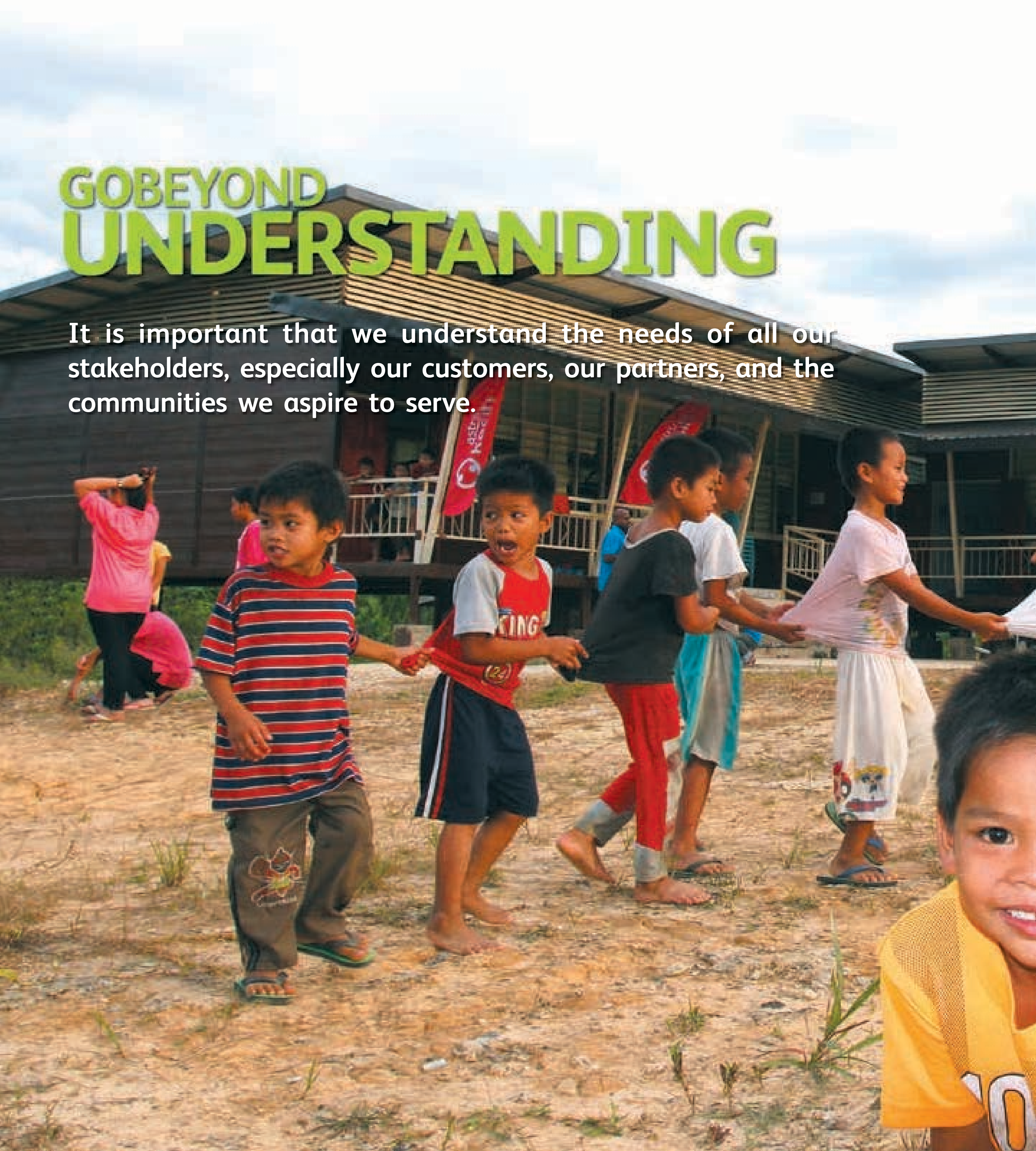
- Selected and applied the appropriate and relevant accounting policies on a consistent basis;
- Made judgments and accounting estimates that are reasonable and prudent in the circumstances; and
- Prepared the annual audited financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keeps accounting records which disclosure with reasonable accuracy the financial position of the Group and Company.

The Directors also have the overall responsibilities to take such steps to safeguard the assets of the Group and for the establishment, designation, implementation and maintenance of appropriate accounting and internal control systems for the prevention and detection of fraud and other irregularities relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

GOBEYOND UNDERSTANDING

It is important that we understand the needs of all our stakeholders, especially our customers, our partners, and the communities we aspire to serve.



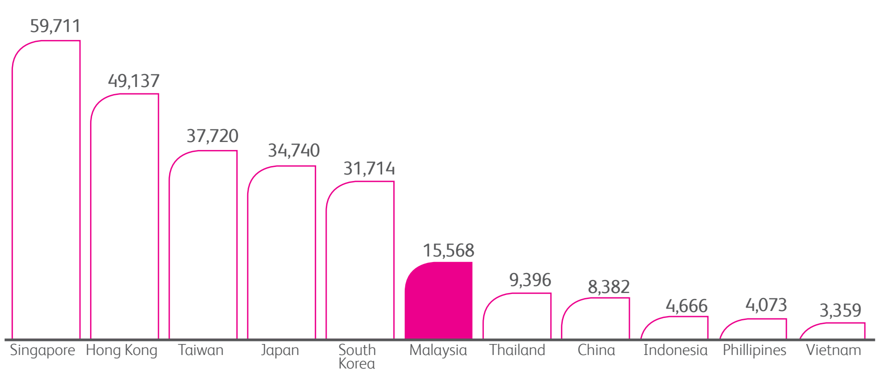
The Astro Hostel in SK Magandai, Sabah opened its doors in May 2011 and is now home to 77 happy students, some from villages as far as 6 hours walk away.

Astro's growth is underpinned by the strong macroeconomic and demographic dynamics of Malaysia, and by wider trends in the consumer media space. We view ourselves primarily as a content and consumer company, and we continuously track the evolving media consumption needs of our consumers to increase our relevance, and our share of their wallets.

Our consumers are increasingly affluent

One of the economically stronger developing economies in the region, Malaysia's economy is undergoing a significant transition. With one of the highest GDP based on PPP (Purchasing Power Parity) per capita levels among developing countries in Asia, Malaysia's economy is steadily catching up to that of advanced countries in the region. Malaysia's per capita affluence is now comparable to South Korea's a decade ago and is experiencing a similar transformation.

GDP PPP per capita of regional economies in 2011 (International dollar)



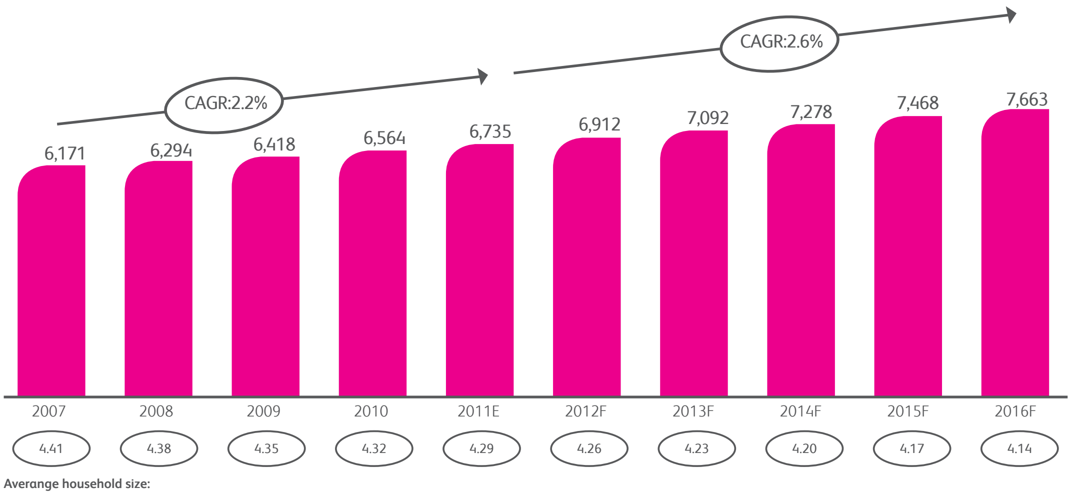
Source: International Monetary Fund

Our consumers are growing in absolute numbers

Malaysia is also showing strong growth in terms of its population, with decreases in infant mortality rates and improvements in public health. Malaysia's population is forecast to achieve a CAGR of 1.7% over the next 5 years, a higher growth rate compared to other developing Asian countries like China (0.5%), Indonesia (1.0%), Thailand (0.5%) and Vietnam (1.1%). This growth rate is only marginally surpassed by the Philippines (1.9%).

In addition, Malaysian household growth is forecast to surpass population growth, underpinned by a decline in the size of the household. With factors like expected income growth, an increased requirement to move away from family homes to live and work, and a decline in extended family households, the size of a Malaysian household is forecast to decline from 4.3 persons per household in 2011 to 4.1 persons in 2016. This factor, combined with population growth, sees the number of Malaysian households forecast to grow from 6.7 million in 2011 to 7.7 million in 2017.

Malaysian total households (thousands), average household size



Source: Malaysia Dept. of Statistics, IMF, Value Partner analysis

For Astro subscribers, our 71 Astro branded channels **have become their major source of TV entertainment.**

Our consumers are increasingly receptive to new products and services

Reflecting the high level of development in the country, Malaysia's urbanisation ratio is approximately 72% of its population; which is higher than that of other Asian developing countries such as China (47%), Indonesia (44%), the Philippines (49%), Thailand (34%) and Vietnam (30%). Malaysia's urbanisation ratio is forecast to reach 75% of its total population by 2016, equivalent to an estimated urban population of 23.5 million and a rural population of 7.8 million.

Malaysia's population is also one of the youngest in the region. In 2010, 57% of the population was under the age of 30 years, with a median age of 27 years. This is a relatively young population when compared to countries such as China (36), Indonesia (28), Thailand (34), and Vietnam (28), and much younger when compared to that of developed countries like Singapore (40), Hong Kong (43), Australia (38) and New Zealand (37).

The above factors help to drive a faster adoption of the latest trends in communications, modern consumer electronics and media consumption; faster than what Malaysia's economic development status would otherwise infer.

In 2012, smartphone sales in Malaysia topped 6 million, with a penetration rate of approximately 42%. Market analysts forecast continuing CAGR of 19% between 2012 and 2016, given the declining prices of handsets, an increasing proliferation of high-speed data services, a growing ecosystem encouraging application usage (in particular, for social networking and video content) and increasing urbanisation. It is forecast that tablet adoption will experience strong growth over the same period, reaching over 2 million devices (penetration rate above 30%). The mobile subscription penetration rate in Malaysia is now at approximately 140% (42 million subscribers) with mobile phone usage exactly TV and laptop/desktop consumption as the following statistics highlight:

- Using mobile devices: 103 mins daily
- Watching TV: 99 mins daily
- Going online on their desktops/laptops: 89 mins daily

In addition, the majority of Malaysian smartphone users have cross-media usage habits; like listening to music (63%) and accessing the internet via their devices (57%).

Our consumers are increasingly looking for local content

As Asian economies gain ascendancy on the global stage, there is an increasing interest for Asian culture, including an affinity towards Asian pop culture and entertainment. We see very similar trends in Malaysia with our ethnically diverse population. For Astro subscribers, our 71 Astro created and branded channels, in particular the vernacular channels, have become their major source of TV entertainment. According to a Nielsen survey, on average there are 10 million viewers watching Astro in Malaysia. Of the top 10 viewed channels in Astro households of each race, Astro broadcasts at least six of them. Our vernacular channels like Astro Ria, Prima and Ceria, Astro Hua Hee Dai and AEC, have attained higher viewership ratings than other turnaround channels; and self-produced programmes like "MasterChef Malaysia", "Raja Lawak", "Astro CGM Singing Competition", and football matches on Astro Arena have consistently achieved higher ratings than free-to-air programmes.

"I like nonsense,
it wakes up
the brain cells."

Dr. Seuss

Television

In 2012, we continued investing in our TV business to lay the foundation for sustainable long term growth. The operational and financial results achieved in the past 12 months clearly reflect strong execution of strategic imperatives driving growth momentum.

Our TV business enjoyed another encouraging year with the signing on of 418,000 net new customers of whom approximately 209,000 were net additions to our pay platform and another 209,000 to our NJOI platform. As at 31 January 2013, we had registered a total customer base of 3.5 million or 52% penetration of all Malaysian TV households. We are also pleased to report that total TV revenues increased by 11%, or RM405 million to RM4 billion; underpinned by both higher subscription and adex revenues. In addition to new customer growth, we also achieved ARPU growth of 5% from RM89.0 to RM93.2 from an increased take-up of value added products and services. As a result of strategic marketing campaigns, our new customers are signing up for more than just our basic entry-level packages, with subscription at an ARPU of RM70 versus our entry level pricing of RM37.95.

Our key products and services continue to offer greater variety and deliver the best viewing experience to our customers:

Product Take-Up ('000)	2012	2011	Year-on-year growth (%)
HD	1,264	772	+64
PVR	299	83	+258
Multiroom	218	116	+88
Superpack	727	348	+109

Product Penetration Rate	2012	2011	Year-on-year growth (%)
HD	39%	25%	+64
PVR	9%	3%	+258
Multiroom	7%	4%	+88
Superpack	22%	11%	+109

Differentiating in content

Crucial to the healthy growth in our pay-TV revenue lies our success in creating and developing our own-produced content (content IPs) and iconic brands across a variety of key genres for all our platforms. These offerings include signature programmes such as Oh My English!, Maharaja Lawak, Adam & Hawa, Malaysian FA football, Celebrity Masterchef, Celebrity Fear Factor and more. During the year, we produced approximately 9,000 hours of content, an increase of about 1,000 hours from the previous year, and to date, we have a very significant content library with over 49,000 hours of content spanning across multiple genres, including Malay comedies, education, Islamic and Hokkien content. We showcase these content properties on our 71 Astro created and branded channels, which account for the bulk of Astro TV viewing, and include Astro Awani and Astro Arena, Malaysia's only 24/7 news and sports channels.

Our 164 channels, including 28 HD channels, provide the best of local, regional, international and sports content; making Astro a comprehensive pay-TV proposition. We continue to build our regional relationships, sourcing content from Hong Kong, Taiwan, India, Indonesia, Korea and Japan. We also maintain long-term relationships with an extensive range of premium channels such as The National Geographic Channel, Disney Channel, Discovery Channel, AXN, ESPN and FOX Movies Premium. Our sports offerings highlight the best of popular sports content; for example the Barclays Premier League, BWF Badminton, NBA, Roland Garros (French Open) and the FIFA World Cup.

VOD helps us provide our customers greater choice and accessibility. Astro First makes available local and regional films 2 weeks after cinema release, whilst Astro Best brings the best of Hollywood and Asian movies 3 months after cinema release. We also now offer an extensive VOD library of over 1,500 titles.

Pushing forward with innovation, our content properties have been designed to fit changing content consumption behaviours, and to engage our viewers and enhance their viewing experience with offerings in a full 360° manner. These include live events, dedicated websites, games, merchandise, publications, songs and mobile applications; all of which have helped further differentiate Astro's content. Our segmented content approach provides not only mass appeal content but also premium content, as well as vernacular content that cater to the different ethnic groups in Malaysia.

Signature content in Malay, Hokkien & Tamil drove viewership

The production of local content, particularly for the Malay-speaking population, continues to be a key focus. Building on the success of the Raja Lawak and Maharaja Lawak franchises, we

recruited a stable of comedy talent and continued to create popular comedy IPs during the year such as Karoot Komedia and Super Spontan, to win the hearts of the Malay audience. The premier episode of Maharaja Lawak Mega (MLM) hit new records in viewership, garnering an astounding 1.9 million viewers. As at 31 January 2013, MLM 2012 had achieved 3.9 million viewers cumulatively on TV, 1.5 million views on YouTube and over 111,000 unique visitors on its website.

In a space typically dominated by free-to-air television (FTA), Adam & Hawa, a TV drama which is adapted from the novel of the same title, successfully enhanced our drama offering and became a local phenomenon. It successfully drove an increase in our HD take up by 120,000 during the telecast of this series and recorded over 1.2 million viewers on TV. The series and the music video of its theme song "Muara Hati", hit over 1.4 million views and 4 million views on YouTube respectively. The song, performed by Dato' Siti Nurhaliza and Astro's own talent, Hafiz, also dominated the radio charts on Era FM for many weeks.

In line with the multi-lingual preference of our subscribers, we also produce and aggregate content in dialects such as Cantonese and Hokkien for our Chinese subscribers and Hindi, Telegu and Malayalam for our Indian subscribers. Building on the success of our "Hua Hee" franchise, we introduced Hua Hee Family, a new content format emphasising family bonds and values. Hua Hee Family reached over 120,000 viewers.

Some of our more popular Indian content includes Vaanavil Super Star – a singing competition, Aattam 100 Vagai – a dance competition and documentaries such as Thigil and Viyarvai. We have the highest viewership of the Indian community as we provide all the available genres – comedy, drama, movies and documentaries.

Throughout the year, Astro introduced a wide variety of innovative content formats and initiatives that constituted several firsts for our customers. These included:-

- In the recent Chinese New Year season to welcome the year of the snake, a winning theme "Ulala" ("ular" being the Malay word for snake) was created and executed in a full 360° manner, a first-of-its-kind campaign involving content, music, interactive games and ground events whilst at the same time, uniquely integrating movie-making with the nation's participation.

- During the recent Thaipusam celebrations, we broadcasted the festivities from four locations, namely Batu Caves, Ipoh, and Penang. The telecast generated vast interest in Malaysia and around the globe from India, the US and Canada to France and Mauritius, with over 2.2 million views achieved on YouTube.

We continued to champion learning content for Malaysian children in multiple languages. During the year, we achieved tremendous success in creating content brands and IPs for English and Mandarin learning content:-

- Oh My English!, a 360° breakthrough in language learning has become a pop culture phenomenon with 3.6 million viewers on TV, 8.5 million YouTube views for short format videos, has over 427,000 Facebook fans, became the No. 1 trending topic on Twitter and No.1 show on AOTG and also had 70,000 copies of magazines sold/sponsored. This IP has generated diverse revenue streams beyond TV and is now the No.1 educational brand in Malaysia with increasing likelihood of our IP being exported to other markets.

- Happy Dragon 1,000 Why, a first of its kind Chinese educational comic published every month using the iconic Happy Dragon character, has successfully sold over 200,000 copies to date.

In addition to producing our own local content, the past 12 months also saw increasing efforts to localise popular international content to improve the content relevance for our customers. In conjunction with National Day and Malaysia Day, we introduced My Hometown, featuring unique stories on what makes Malaysia's hometowns distinctive and unforgettable. This campaign successfully positioned Astro as the leader in championing Malaysian stories and promoting national pride.

In the past year, we launched closed caption subtitles on all international HD channels to enhance our customers' viewing experience. Astro B.yond HD customers are now able to select their preferred audio track for international HD channels. For the first time, we have also initiated the dubbing of international content into Bahasa Malaysia using the voices of Astro's talent e.g. Smurfs on HBO and Ben 10 on Cartoon Network. Overall, we dubbed and subtitled over 15,000 hours of programming in 2012, a significant increase over prior years.

During the year, we achieved greater success in monetising our content via distribution within and beyond Malaysia, by leveraging on our buying strength and our own IPs.

The most sought after sports content

2012 saw the first ever HD and 3D broadcast of Olympics 2012 over 12 channels, and HD broadcast of Euro 2012 over 5 interactive channels. These properties were also monetised amongst non-sports subscribers for the first time via a season pass, garnering 22,000 and 15,000 sign-ups for the Olympics and Euro respectively. We continue to add to our stable of our own series of Astro SuperSport channels showing popular international sports content such as UEFA European Football Championship, German Bundesliga, Italian Serie A, BWF Badminton, NBA, Roland Garros (French Open), the FIFA World Cup and the Barclays Premier League. Through Astro Arena, Malaysia's first and only 24/7 local sports channel, we address our subscribers' keen interest in local sports content, while helping inculcate keen interests in sports among the younger generation.

New revenues through content distribution

We continued to reinforce our competitive edge in content aggregation by ensuring we secured key content and renewed key contracts on improved terms. During the year, we successfully secured the Barclays Premier League within budget for the new seasons from 2013/14 to 2015/16. In addition to sports content, we successfully secured additional VOD content for delivery on STBs, online and mobile which covers vast genres which includes movies, cartoons, Japanese animes, as well as Hong Kong movies produced during the golden era of Hong Kong movies in 1980s till 2000s.

In the past 12 months, we have achieved greater success in monetising our content via distribution within and beyond Malaysia, by leveraging on our buying strength and our own IPs. We sub-licensed selected sports properties, namely Euro 2012, Champions League Season 2011/12 and BWF Badminton to other platforms in Malaysia such as Media Prima, Telekom Malaysia and RTM. We successfully distributed Malay and Indian channels, as well as selected local production as VOD content to Singapore, and also distributed approximately 260 hours of local Chinese content including travelogue, movies and kids content regionally to Hong Kong, Taiwan and Singapore. In addition, we provided inflight entertainment content for 4 international airlines, namely MAS, AirAsia, AirAsia X and Garuda.

Our TV talent pool

Our talent unit continues to actively nurture talent and play its part in developing the Malaysian entertainment industry. Its portfolio of talent includes actors, singers, comedians, announcers, performers; most of whom hail from popular talent quests produced by our own content division such as Akademi Fantasia and Raja Lawak. In addition to these artistes, we have also signed exclusive contracts with top local performers which include actors and actresses such as Datuk Aznil Nawawi, Johan, Elfira Loy, and most recently, Keith Foo and Hanis Zalikha.

Awards were aplenty during the past 12 months when Hafiz won the Best Vocal and Best Song awards during the Anugerah Juara Lagu 26, as well as Best Vocals in Anugerah Juara Lagu 27. In 2012, Hafiz, Aaron Aziz, Johan and Zizan Razak were respectively voted as the Most Popular Male Singer, Most Popular Male Film Actor, Most Popular Male Comedy Artiste and Most Popular Male TV Host.

Raising the bar in customer experience

With our increasing customer base of 3.5 million, we expanded our channel distribution breadth by leveraging on multiple distribution platforms and touch points to reach both new, as well as existing subscribers. Our initiatives during the year have resulted in:-

- Extended market coverage and providing customers with easier access to Astro's services when we established sales partnerships with an additional 1,500 distributors and dealers, appointed retailers and are currently embarking on setting up a new sales channel with third-party agencies nationwide;

- Increased sales presence by adding on more high traffic outlets in selected hypermarkets nationwide from 150 to 300;

- 50% surge in retailer sales contribution year-on-year when we introduced our Retailer Privilege Service to our top tier retailers;

- Launch of Astro Lifestyle Centre (ALC), a new concept store where customers have the opportunity to experience, the full suite of Astro's products and services firsthand, whilst further strengthening our brand presence in major cities. To date, two ALCs have been launched, the first at Batu Pahat Mall and the second at Ikano Power Centre, Mutiara Damansara.

We continue to introduce compelling products and services that are relevant to the lifestyle needs of our customers.

In addition to expanding our reach, we are progressively improving our service delivery with enhanced system capabilities to promote a higher level of customer advocacy:-

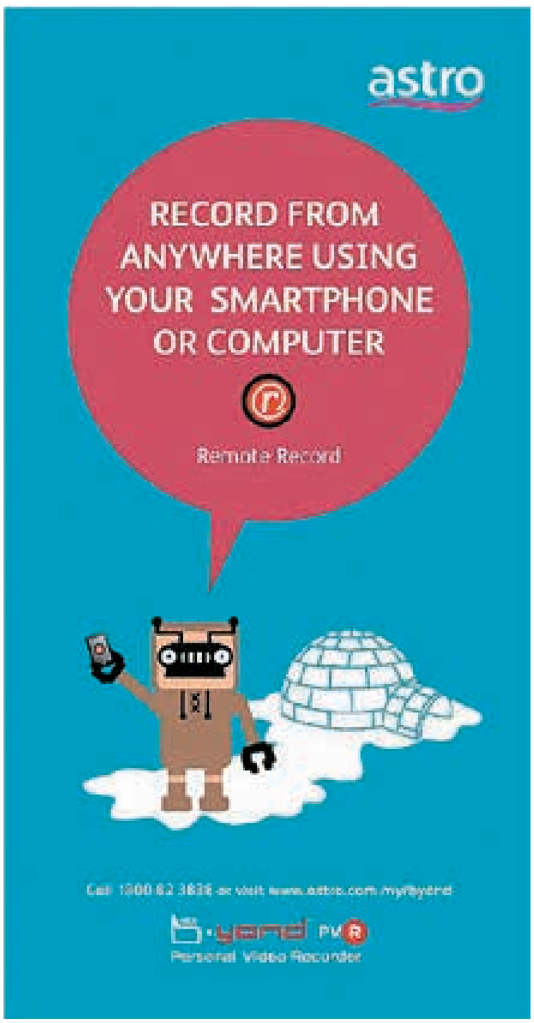
- Our CRM system was upgraded in September 2012 to focus on delivering additional capabilities to improve the end-to-end fulfillment process and customers' experience. In addition, we launched a Personal Identification Number (PIN) management system, which enables customers to register for secured self-service capabilities. Customers can pre-register their credit cards through the PIN system and perform transactions across multiple channels such as online, SMS and Interactive Voice Response;

- We launched the Astro Service Portal on Channel 200 in June 2012, an onscreen service platform which enables package upgrades, balance enquiries and product updates with the simple use of a remote control. This resulted in more package upgrades, savings in cost-to-serve, as well as savings of almost RM2 million in sales commission due to submissions of greenfield and box swaps through this channel during the year;

- Through our Customer Self-Care Portal, we continue to encourage our customers to interact online with us which reduced our lead time in attending to customers' requests and queries. We also introduced online services which includes e-billing to provide our customers with a more convenient billing experience;

- We have also extended our payment service coverage via third party electronic payment solution providers and increased payment channel access points from 16,000 to 22,000, focusing on under-serviced areas, as well as suburban and rural locations.

As we continue to transform our business, it is fundamental that our customers remain at the core of that change, and in August 2012, we relaunched our Customer Loyalty and Rewards Program – Astro Circle, to focus on enhancing loyalty and building lifetime partnerships with our customers. We are also committed to building aspirations in young children and have enlisted more than 1,200 children nationwide to our Astro Circle Education Program which mainly focuses on improving skills in languages, arts and crafts as well as sports. For the year ahead, we seek to increase the reach of our loyalty programs through more holistic reward schemes to reward our loyal customers and solidify our long-term relationship with them.



Our Commitment to Innovation

Innovation has always been the driving force behind every facet of our business, from developing content to leveraging on cutting-edge technology for operational excellence and rolling out quality customer experiences. We continue to introduce compelling products and services that are relevant to the lifestyle and content consumption needs of our customers.

HD – No. 1 in HD services

During the year, we expanded our bouquet of HD channels by launching an additional 10 channels, closing the year at 28 HD channels, which include movies, drama, sports, general entertainment and documentaries. The two most recent channels launched are KBS World HD and Astro Quan Jia HD. We now have vernacular HD content which has significantly boosted take-ups of certain packages such as our Mustika pack. As at January 2013, we had approximately 1.3 million customers upgraded to our HD services, an increase of close to 500,000 customers. We will continue to expand the breadth of our HD content offerings, which will be further enabled as we take on more transponder capacity in the coming years.

PVR – Allowing subscribers to take control of their TV viewing experience

We improved customers' viewing experience by introducing the PVR service which complements linear and non-linear TV viewing. During the year, our PVR service was relaunched with an improved bundled offer, giving subscribers greater value and enabled more subscribers to access the PVR service. This has resulted in a strong take-up of the service, leading to a 3.5 times increase in the PVR customer base over the financial year to 299,000.

Our Astro B.yond PVR STB now comes with a built-in 500GB hard disk which allows subscribers to record content, rewind and pause live TV, and play back any recorded programs. We have also improved the PVR service experience with enhanced functionalities such as Series Link, where viewers can record a whole season's episodes with one button and Remote Record, allowing recording from anywhere via smartphones or computers.

Multiroom – catering to different viewing needs of family members within the household

Our Multiroom service puts the control in our customers' hands by letting their entire family watch their favourite shows in different rooms at a discounted rate to their monthly subscription. In May 2012, subcribers can add an additional STB for RM50 a month, allowing flexibility in accommodating different viewing needs within the same household. Subscription to this service doubled during the financial year to 218,000.

Superpack – value bundling proposition

We provide our subscribers with the flexibility to choose from over 20 packages to best suit their viewing needs and budget. Across our multiple products and services, we offer a breadth of content packages spanning multiple genres, which we believe appeals to both mass market and premium subscribers, as well as the urban and young segments.

In 2011, we launched the Superpack, a content bundle proposition with value-added services such as HD and PVR. Since then, our Superpacks have received a tremendous response and actual take-up doubled in the past 12 months to over 727,000 subscribers. We strengthened our Superpack offerings with the addition of a new variant, Superpack 4, targeted at urban premium segments who may not be as interested in vernacular content. The Superpack remains our flagship product, offering the best of Astro's international, regional and local content, at great value and convenience.

Distributing content beyond DTH satellite

We are making progress in distributing our content over multiple delivery platforms. Beyond DTH satellite, Astro content can now be delivered via IPTV, AOTG and VOD platforms.

Astro On-The-Go (AOTG) – Delivering entertainment anytime anywhere

Leveraging on the consumer's desire for flexibility to view content on multiple devices and to expand our content reach beyond household to individuals, in May 2012, we launched AOTG, an OTT service for smartphones, tablets and PCs. With AOTG, we extended the portability of our content by giving customers seamless access anytime and anywhere. We believe that customers are looking for more features and functionality in their TV viewing,

We aim to solidify and extend our share of Malaysian adex by attracting advertising dollars aimed at both the premium and mass segments of the market.

particularly in terms of what they want, when and where they want it, and on whatever device they may be using. The channel line-up spans across live events, kids, news and entertainment TV channels, radio channels, "catch up" service and VOD content.

We have also now bundled the AOTG service with our multiroom subscription, which extends the value proposition from multiroom to multi-screen. The take up of our AOTG app has been phenomenal with over 400,000 downloads since launch. Subsequently, we also launched a free trial phase of AOTG International, whereby access to our content will be made available globally in phases. AOTG is now also commercially available to non-Astro customers.

IPTV – Connected digital home entertainment

Recognising our customers' quest for increasing bandwidth and speed, we are committed to take our customers' viewing experience to a whole new level by providing the widest choices in content and high speed broadband, as well as the best value propositions. Astro B.yond IPTV is our premium triple-play product that bundles the best of Astro's TV products, high-speed fibre broadband and fixed-line telephone services at a great value for our customers. It provides for an advanced digital lifestyle via a seamless experience to meet the voice, data and entertainment needs of all generations within a home. The Astro B.yond IPTV service was launched in April 2011 through a partnership with TIME, and as at the end of January 2013, we have 11,000 customers on our IPTV service, an increase of 8,000 subscribers over the prior year. With the launch of Astro B.yond IPTV powered by Maxis on 30 April 2013, we now offer the widest footprint for fibre internet services in Malaysia, at over 1.4 million homes passed. Our partnership will Maxis will enable both Astro and Maxis to cross-sell and up-sell services to each other's' customers, further driving our ARPU.

We are also collaborating with property developers to "future-proof" the multimedia and internet experience in Malaysian homes and add greater value for property owners with "Astro B.yond IPTV ready" home solution. Astro's first IPTV B2B developer deal went live in September 2012 with the handover of The Light in Penang – the first stage of a premium waterside development with 416 units which were all pre-fibred during construction by TIME dotCom and ready for a plug-and-play IPTV installation.

VOD – Extension of our On-Demand services

During the year, we launched Astro B.yond VOD, which offers subscribers with Astro B.yond PVR decoders an extensive library of over 1,500 local and international titles. Customers can access Astro B.yond VOD via our IPTV service, or by connecting their STB to any 3rd party broadband service. The service gives our subscribers the ability to purchase and watch their favourite movie titles via Pay Per View and the ability to watch previously missed programmes via Catch Up TV – all through their existing remote control.

In addition, we strive to bring the best of theatrical movies exclusively to our viewers in as short a window as possible via Astro First, our on-demand local movie proposition, which offers movies as early as two weeks after their theatrical releases. Following the success of Astro First, we launched Astro Best in August 2012, which offers our subscribers access to Hollywood and Asian movies at an earlier window compared to the usual pay-TV channels. Since launch, we have seen over 6 million buys of Astro First and Astro Best movie titles.

NJOI – Malaysia's first free DTH satellite TV service

NJOI was launched commercially in February 2012. This service enables us to extend our coverage into the greater majority of Malaysian households by providing a multi-channel TV and radio offering the customers who choose not to commit to a recurring fee. It is a cost-efficient way of leveraging our existing infrastructure to reach the lower income segment while establishing an upgrade path towards full subscription based services. As at 31 January 2013, we have 19 TV channels and 20 radio channels on the NJOI platform. In 2012, we are pleased to report that NJOI has gained significant traction and achieved customer net additions of 209,000. In July 2012, we launched 3 new NJOI prepaid packages namely Mustika Pack, Indo Pack and Chinese Pack, creating new opportunities to sell on a prepaid basis to customers as they seek to access selected content offering. In addition to the 3 prepaid packages, we also introduced a prepaid sports pack in January 2013. As at the end of January 2013, over 24,000 packages were activated since the launch of the service, of which 70% of these activations were on the Mustika package. We will continually innovate to introduce discretionary packages at choice price points for our NJOI customers.

Advertising

Our TV adex revenue grew strongly in the past 12 months, charting an 11% year-on-year growth over the previous year, outperforming the 6% growth level of the FTA channels. Robust growth was recorded across the Malay, Indian and Sports segments and branded content posted a 25% growth in revenue. We aim to solidify and extend our share of Malaysian adex by attracting advertising dollars aimed at both the premium and mass segments of the market. Our different premium packages offer our clients and advertisers a strong medium to target relevant and premium audiences, whilst our NJOI service give advertisers a chance to choose from a wide variety of 19 channels spread across different language segments to target the mass market, thereby providing a traditional mass market advertising option. Further, our new lifestyle-based products such as AOTG and Stadium Astro will allow advertisers to target customers across different complementary platforms whilst offering advertisers integrated advertising solutions across TV, radio, publishing and online segments. We believe these strategies will drive an increase in our share of Adex and consequently our advertising revenue.

Radio

Malaysia's No 1 radio operator

Astro Radio reaffirmed its position as Malaysia's No.1 radio operator, with a weekly listener base of 12.3 million (approximately 51.4% of audience share). Our share of total advertising expenditure or radex is approximately 53%, representing the highest market share in this space.

Our all-round excellence is reflected in the numerous recognitions and awards won. Astro Radio delivers the No.1 stations in all 4 languages through ERA FM with 4.5 million weekly listeners, MY FM with 2.2 million weekly listeners, hitz.fm with 1.7 million weekly listeners and THR Raaga with 1.7 million weekly listeners. We also clinched the No. 1 radio station in the east coast of Peninsular Malaysia with THR Gegar with a listener base of close to 2.0 million.

We have increased our reach to East Malaysia (in particular, in the cities of Kuching and Kota Kinabalu) and in February 2012, Nielsen Diary Survey found that Astro Radio had a reach of 524,700 listeners with a market share of 43% across both cities. hitz.fm registered 262,400 listeners, MY FM reached 154,700 listeners and ERA FM 190,700 listeners.

During the year, we developed several innovative advertising campaigns which garnered awards at the prestigious Kancil Awards held in November 2012. The award event was established to recognise home-grown Malaysian creative excellence in advertising, and we are proud to have received a total of 8 awards (1 Silver, 6 Bronze and 1 Merit) in the creative and copywriting categories of the event. We also received the Bronze award in the Media and

Entertainment category for MY FM at the Putra Brand Awards 2012 as well as the Best Media Organisation (Community Service) category at the 2012 NPC Awards in September 2012.

Overall, Astro Radio achieved 7% revenue growth to RM215 million in 2012, translating to EBITDA growth of 17% to RM102 million, an improvement in margins of approximately 3 percentage points.

New launch – MELODY FM

As a key part to our growth strategy, Astro Radio regularly reviews its radio formats to remain our listeners' choice. In August 2012, we reformatted one of our radio stations and launched MELODY FM, a Chinese-language station aimed at 35-50 year olds, an increasingly affluent segment of the population. Since commencing operations, MELODY FM has managed to excite the Chinese advertising market with innovative programming and access to a segment which was under-served. On-air for just three weeks prior to the second wave of the Nielsen radio survey in September 2012, MELODY FM registered 134,000 in cumulative listenership and 11.4 hours in Time Spent Listening. The MELODY FM format has resulted in the station generating RM3.7 million of revenues in less than six months of operations as compared to the old format which generated revenue of RM1.0 million during the previous year.

Going beyond traditional radio

In order to reinforce the radio proposition to both listeners and advertisers, we continue to leverage on the evolution of media and technological trends. We provide users with a 360° reach via on air and digital platforms as well as campaigns with dynamic and relevant digital solutions.

Currently, users are able to access Astro Radio 24/7 on the go through our mobile apps and web players. All of our FM radio brands have iOS, Android, and Symbian radio applications. Users have access to an extensive range of features including the ability to listen live (including the ability to listen in the background), rate songs, see what's playing at present, in the past or coming up, watch videos, obtained entertainment news updates and show schedules, listen to latest podcasts, comment on the station's social media pages and set an alarm clock to their favourite station. As at 6 January 2013, we have registered more than 1.9 million iPhone total user installations and for the year 2012, close to 900,000 Android total user installations. In addition, we have also developed extensive social media integration with popular platforms such as Facebook, Twitter, YouTube, Instagram and Pinterest to increase interaction and engagement with listeners.

In a recent survey performed in December 2012, Astro Radio's monthly unique listeners via online players reached 1.8 million whilst there were approximately 1.3 million monthly unique listeners via mobile devices.

We have the highest ranked radio websites in Malaysia with 925,000 average monthly unique visitors and 7.84 million average monthly page views in 2013

ASTRO'S RADIO TALENT

Jin & Ryan

Hosts of hitz.fm Morning Crew

Abby Fana, Salih Yaccob & Kak Engku

Hosts of SINAR Pagi

Jack Lim, Mei Yan & Jeff Chin

Hosts of MY FM Breakfast Show

Johan, Haniff & Ray

Hosts of JoHaRa Pagi ERA

To complement our on-air and online presence and reinforce our brand equity, numerous on-ground events were held during the year. hitz.fm celebrated its 15th birthday anniversary at a packed Stadium Putra, Bukit Jalil, with a concert featuring the best of Malaysia's local talents. The MY FM birthday bash, a much talked-about annual event, was attended by more than 25,000 fans with a lineup of artistes which included singers from Taiwan, China and local artists. Birthday bashes were also held in Kuching and Kota Kinabalu to celebrate hitz.fm, MY FM and ERA FM's 2-year presence in East Malaysia. In October 2012, ERA FM was the title sponsor for Piala Malaysia and in conjunction with the final match of the tournament, we organised a mini concert for more than 10,000 football fans. Over the year, we have also worked with corporate clients to produce brand campaign events which incorporated on-air and on the ground events.

360˚ content ideation

In order to enhance the standard of our services to clients, internal client-specific discussions were held on a daily basis, with representation from Integration, Sales and Content teams. We worked with our TV, Publications and Digital colleagues from the wider Astro group in campaign proposals, examples of which include the Shell Fuel Save campaign, Wall's Cornetto Uda & Dara, ERA Piala Malaysia and Maharaja Lawak.

Annual client satisfaction studies were also conducted to gauge and measure the standard of Astro Radio's services delivered to our client base. These studies helped pinpoint areas for improvements and benchmarked us against other operators in a continuous effort to out-serve our clients. In addition, weekly internal music research was conducted in partnership with an Australian research company, leading to an annual listener-driven music and perceptual study for all Astro Radio stations to ensure that the highest standard of content is consistently delivered to our listeners.

Astro's homegrown radio talent

We actively develop our own radio hosts, whom we believe contribute to the quality of our in-house radio content production. Almost all of our radio hosts appear exclusively on our radio programming across a variety of genres, including general entertainment, music, news and sports programming. Some of our radio hosts such as Johan, who has developed a funny and spontaneous character which has made him one of the most famous local comedians in Malaysia. Jack Lim and Mei Yan are the all-time favourites on the Chinese radio scene and also regularly appear in local Chinese movies. Johan, Jack and Mei also star on Astro TV programmes. Jin Lim, or more popularly known as Jin from hitz.fm has taken the social media platform by storm with his hilarious video "Abuden" which has generated over 1.5 million views on JinnyboyTV. Aanantha, formerly a music rock star, where he sang and played a string of musical instruments, is now involved in stage and film acting.

Sarimah & The Rod

Hosts of MIX Breakfast with Sarimah & The Rod

Aanantha & Uthaya

Hosts of THR Raaga Kalakkal Kaalai

Chui Ling & Jentzhen

Hosts of MELODY FM Morning Boss

Richard & Sara

Hosts of Lite FM's The Lite Breakfast

Nasa & Suzana

Hosts of THR Gegar's Ceria Pagi

Publications

We continue to refresh our publications portfolio by adding new titles and interactive digital formats that enhance our value proposition to existing and prospective readers, as well as increase our relevance to advertisers.

Overview

With 8 commercial magazines and AstroView, Astro Publications continues to develop itself as a major player in publications.

Our TV viewing guide, AstroView is published in 3 languages, and is Malaysia's most widely circulated magazine with more than 5 million copies circulated per annum. At the 6th Magazine Publishers Association (MPA) Magazine Awards 2012, our magazines bagged gold, silver and bronze awards. Our English titles – FourFourTwo, FHM and Style won Gold awards in their respective categories. iFeel and Men's Uno won Silver awards, whilst InTrend and AstroView won Bronze awards in their categories.

Added to this is our latest stamp in the digital space which includes flourishing websites and the development of e-magazines. Astro Publications is vitally geared for the future of content consumption in the new media scene.

New publications

During the financial year, we launched three new publications.

CAR, a UK-based premium motoring magazine, was launched in December 2012. Established as a benchmark motoring title that affluent car enthusiasts gravitate towards, advertisers' confidence in CAR Malaysia in the lead-up to the inaugural issue was highly encouraging.

Following on from Astro's successful TV series and No. 1 educational brand, Oh My English!, we launched a print version of the series in October 2012. Largely based on its TV counterpart, the bookazine aims to inject fun in learning and improving the use of the English language by using topics that centre on food, health, career and money. We have also distributed 50,000 free copies of the bookazine to 50 schools nationwide as part of our corporate responsibility initiatives.

Working hand in hand with Astro TV, we published the Go Beyond coffee table book. The book aims to encourage all Malaysians to embrace the Go Beyond spirit.

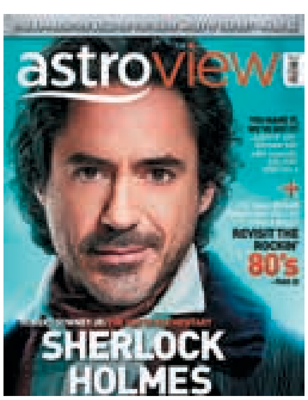
Astro Publications is targeting to further grow its publications portfolio, in both local and international titles, in 2013.

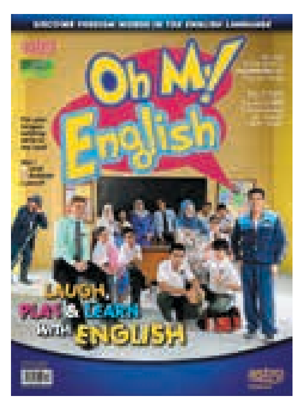
An evolving commercial proposition

Astro Publications continues to provide synergies and significant media-bundling opportunities with our TV, radio and digital initiatives.

Whilst our publication business is currently small relative to the other business units in terms of advertising revenue generation, it enables us to provide an option for advertisers to advertise via print and e-media, thereby building upon our strategy of providing an integrated media advertisement solution to our advertisers.

We also envisage significant growth through leveraging our base of 3.5 million TV customers. By providing targeted, value-





added bundled offers, Astro Publications can help to supplement our customers' media experience and increase our share of their wallets.

360˚ in content publication

The publications scene has expanded to the digital space, and Astro Publications is uniquely positioning itself to ride this wave of growth.

Four brand new websites were launched in December 2012 – www.intrend.com.my, www.ifeel.com.my, www.fhm.com.my and www.carmalaysia.my, the latter being ready in time for the launch date of the print version. Over and above this, the team is currently working on at least three stand-alone e-magazines, two of which are original intellectual properties targeted to launch by the end of 2013.

We will activate an e-version of all our current and future print properties, and bring to bear the Group's investments in content and in technology to create compelling digital brands. These interactive e-versions will include engaging features to fully involve our consumers, and will be complemented by video and audio content from within the group.

Publications is integral in our work to create complete digital brands that combine video, audio and editorial content.

Digital

We are setting the stage for a new wave of integrated and transformative content experiences.

Extending beyond

Today, the digital space is catalysing growth in content consumption and engagement. While TV viewing in households still stays strong and continues to grow, we see that Malaysians are increasingly connected and equipped with smart devices; and they are using these devices to enhance their viewing experience and also significantly grow their personal engagement with content brands that they trust and love.

'Go Beyond' for Astro is more than just making our TV, radio and publications content multi-platform and accessible anytime, anywhere. Digital is a route to innovating how we deliver content, engage customers and enhance our customer experience, as well as an opportunity to increase our share of the individual's media consumption.

Content 360°

Through our websites and mobile applications, we have continued to hone our approach to delivering 360° content experiences across our TV, radio and print content brands.

In January 2013, we had 2.2 million unique users to our websites, a 33% increase from one year ago for astro.com.my. Page views grew more than two-fold, from 7.2 million to 15.5 million. This growth was driven by the continued evolution and development of our astro.com.my portal, Stadium Astro, Astro Radio websites and other vernacular content portals such as Gempak, Zhongwen and Ulagam. Improvements like our development of the first online Malaysian FA Football Fantasy League and our Astro Chef mobile app captured users' interest, and delivered increased audiences. There are over 129,000 registered football fantasy players and our mobile apps have recorded 2.7 million total downloads through the year.

Digital video and audio consumption was a key development for Astro during the year. AOTG was launched in June 2012, and saw over 250,000 registered users and over 4.1 million video views by the end of January 2013. On YouTube, we were able to expand the reach of our NJOI channels and promote key content brands, to deliver over 91 million video views from March 2012 to the end of January 2013. Our digital radio stations are available in AOTG, mobile apps and online, with over 287 million streamed listening sessions.

The growth in engagement came from a focus on delivering 360° experiences for signature content such as Oh My English!, Maharaja Lawak, Barclays Premier League, Malaysian FA football, Celebrity Masterchef, and more.

Our digital ambition

We are focused on ensuring that we are at the forefront of exploring and making digital a profitable platform for content monetisation in the future.

Our digital investments are targeted at making our TV, radio, publications, and interactive content experiences increasingly seamless and integrated. Our roadmap includes enhancing the digital user experience for all of our products, as well as investing in advertising infrastructure and customer insight tools to deliver multi-platform digital campaigns. While the digital space in Malaysia is still in its infancy, with print spend still the largest segment of adex, we are intent on positioning Astro to be the winner in the migration to digital advertising spend that is highly likely to materialise.

In order to ensure we are increasing our share of digital audiences this year, we aim to deliver great companion apps that allow customers to not just watch on their smart devices but also control their TV experience or engage with interactive content while watching on TV. We will continue to create more mobile and online experiences for our signature content, such as Oh My English!, Adam & Hawa, and more. In addition, we will increasingly enable customers to transact virtually all their service needs online at their convenience.

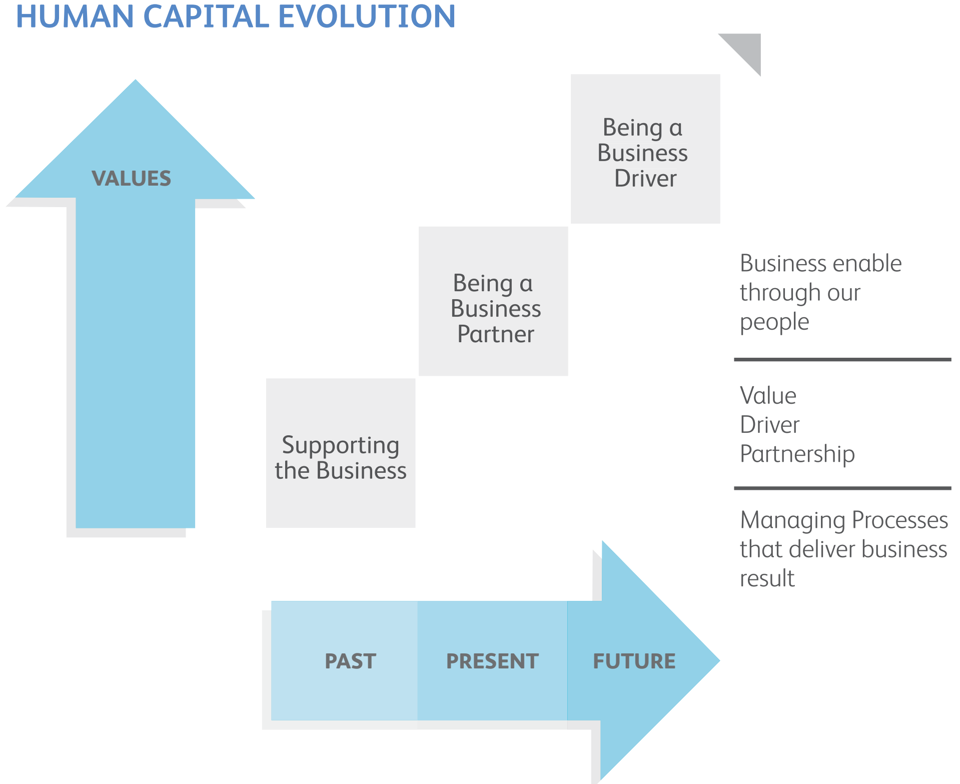
Ultimately, digital is an opportunity for Astro to advance our core mission with customers – give them fantastic content through great product and service experiences, via any platform that we can. We see a tremendous potential to innovate those experiences for customers, and to put Astro in a stronger position to satisfy future consumer needs and desires.

Human Capital

At Astro, we aspire to be the employer of choice and to play a key role in developing talent both on and off-air, embracing diversity as our key strength.

To this end, we remain committed to building a high performing and engaged workforce. Our focus is to successfully nurture and build talent, who are empowered to innovate, to drive best in class operations and to execute on our strategic imperatives.

HUMAN CAPITAL EVOLUTION



Employee Value Proposition

We have been awarded the Most Popular Graduate Employer in Broadcasting/Media at Malaysia's 100 Leading Graduate Employers Award for two consecutive years, 2011 and 2012.

At Astro, we believe in providing employees a continuous learning and high performing environment as part of our talent philosophy. We encourage our employees to acquire different skill sets so that they are better prepared to adapt to an evolving competitive landscape. During the year, our employees attended various training and development programmes in the area of leadership, management, subject matter expertise, as well as people development.

At Astro, we keep our employees continuously engaged on new developments within the organisation and on new strategies in the media and broadcast industries through regional meetings and town halls briefings to all levels of staff and our strategic management forums.

During the year, over 4,000 employees participated in the 'Leading and Living The Go Beyond Experience' workshops. The "Go Beyond" programme was one of Astro's largest employee engagement programmes ever conducted, where employees were inspired to go beyond in everything that they do. The programme has received very positive feedback from our employees.

We also have a comprehensive and attractive benefits programme, myChoice@Astro for our employees. myChoice@Astro offers our employees the flexibility to customise their preferred benefits ranging from healthcare, vacations, wellness packages, fitness equipment, to gadgets.

At Astro, we believe in contributing to the community. Astro Kasih offers employees a variety of volunteer programmes where they can contribute to make a difference in the area of corporate social responsibility.

Investing in the Future Leaders

Astro Scholarship Awards

The Astro Scholarship Awards provides opportunities to worthy young students to pursue their ambitions at higher learning institutions. To date, we have awarded over RM15.3 million to 49 young scholars in local and foreign universities. 23 of our scholars have completed their course and are now working in the company under the Astro Management Programme.

4A's Scholarship

The Astro – 4A's Scholarship was first established in 2008 to provide opportunities to deserving young professionals to pursue post-graduate studies with the Berlin School of Creative Leadership. The scholarship has benefited 5 professionals who are now raising the standards in the advertising industry.

Astro Broadcast Traineeship (ABT)

ABT started in 2011 to equip diploma holders in broadcasting skills. The programme has 8 modules to equip the trainees with the required skill as technical operators. Successful trainees will be issued a certificate by the TAFE Technical Operators Centre which is recognised in Malaysia and Australia. To date, 43 employees have graduated from the programme.

Continuous Higher Learning

Our constant endeavour to grow our leaders of tomorrow focuses on all levels of management. Some of our key 2012 programmes include “Emerging Leaders” focusing on middle management and above as well as “Leading Leaders” and “Ross Business Leadership”, both focusing on senior management and above. In addition, 70 of our employees have successfully completed our in-house Harvard Business School programme, which was conducted and facilitated by professors from Harvard Business School. The intention of all programmes is to create a step process of leadership development in classroom settings that are backed up by projects aligned to business oriented direction for measurable leadership growth.

We continue to invest in our high potential individuals through MBA programme scholarships and participation in the Advanced Management Programme at Harvard Business School.

Skim Latihan 1Malaysia (SL1M)

In 2011 and 2012, we hired 200 applicants from the SL1M programme to be placed at our call centres. Prior to their placement the applicants had an opportunity to undergo an 8-week training programme. In 2013, we have committed to employ another 40 applicants from SL1M.

Critical Training for Media Personnel

As a responsible media broadcaster, we ensure our journalists and technical crew are trained before being deployed to cover news in regions experiencing hostile conditions. The course equips participants with the essential knowledge and skills to perform their tasks in events such as war, conflict and natural disaster. 20 participants from Astro Awani and our Security and Safety units have successfully completed the training, which was conducted by AKE Consultants.

No	Training Category	No of Sessions	No of Employees Trained	Total Training Hours	Avg. Training Hours per Employee
1	Corporate Programmes	60	4,572	38,377	8.4
	This includes COBE, OBA, Go Beyond				
2	Development Programmes	53	1,060	15,104	14.2
	Soft Skill www (i.e. Achieving Result Through People; Horenso; Communication etc)				
3	Emerging Leaders Development Programmes	12	308	4,392	14.3
	Development Program for Talent Pool				
4	Functional Programs (Internal)	146	2,809	24,510	8.7
	Programs required by business unit (i.e. Sales; Customer Service, Broadcast Technology)				
5	OSHE	36	1,003	6,810	6.8
TOTAL		**307**	**9,752**	**89,193**	

Talent Pool

The Talent Pool is used to identify and groom high-performing employees who have the potential to strengthen our leadership pipeline. Our succession framework has identified key and critical positions based on organisational changes and business needs. Identified successors are assessed on their readiness to assume these positions. At present, 327 employees have been identified and included into the Talent Pool where they are provided with world-class training to build their leadership and managerial capabilities.

On-Air Talent Management

Astro is committed to develop on-air talent pool, which includes TV presenters, news anchors and radio presenters. Datuk Aznil Haji Nawawi is tasked with identifying, developing and managing our on-air talent, which also includes discovering new talent. They are provided with training, career guidance and airtime exposure on Astro integrated media platforms.

Since its formation in May 2012, we have successfully developed 11 on-air talent who are currently attached to Astro Awani.

VOICES OF OUR ON AND OFF-AIR TALENT

We are very stringent in our designs. All our digital products have to have high commercialisation potential to meet Astro's core business strategy of an enhanced user experience that goes beyond the ordinary.

Prashant

My team has one goal – to get Astro content into the hands of **every Malaysian with a smart device.**

Sophie

Standing still is not an option for me. To 'go beyond' means continuously improving to exceed the boundaries and deliver the best customer experience for a competitive advantage.

Phuah

We Go Beyond in teaming together and pushing the limits of our creativity, and we Go Beyond in rallying around each other to celebrate our successes.

Jastina

If there's one thing that has revolutionised TV viewing, it is HD content. **Today, close to 1.26 million customers are enjoying their favourite programmes in sharper clarity.**

Khazalin

I am excited to be part of the team which achieved another **'first" with NJOI, our subscription-free satellite TV service for all Malaysians.**

Shaiful

I look forward to coming to work every day because **I have an awesome team with a single-minded focus to ENGAGE and ENTERTAIN Malaysians.**

Khai

Sebagai artis, saya harus bersedia menempuhi apa jua rintangan dalam industri ini. Saya perlu berfikiran jauh untuk pergi lebih jauh dan mencabar keupayaan saya sehingga mampu mengukir nama di beberapa negara Asia seperti Korea, Indonesia dan Singapura.

Hafiz

Saya pernah menempuhi kegagalan, pernah ditertawakan dan diperkecilkan apabila saya cuba memperkenalkan idea baharu. Namun saya tidak berputus asa dan terus yakin. Walaupun tidak semua idea saya itu berjaya, ada yang mendengarnya. Apapun, kegagalan itu tidak bererti segala-galanya telah berakhir. Saya tidak menangis kerana kegagalan tetapi menangis selepas berjaya kerana kejayaan menuju ke puncak itulah yang lebih bermakna.

Datuk Aznil

The values I've learned from my time at Astro have changed the way I approach work and, to a certain extent, life. Everyone here goes beyond what is expected to produce results beyond the norm.

Kumaresan

I'm forever shooting, editing, script-writing or hosting but I love my job and wouldn't swap it for anything else. I think the most powerful weapon on earth is the human soul on fire. When I'm at work, I can definitely feel a burning passion that makes me go on, and on.

Hui Mei

Managers at Astro live and breathe the "Go Beyond" motto. We believe that no matter how challenging a situation, there is always a way! Often we find ourselves picking up where others have left off, being positive about it, and driving ourselves until we achieve our mission.

Shaymanne

Astro journalists are a breed apart. We are driven to unveil the truth, and to encourage each other to go beyond the surface to present the story in a holistic, no-holds-barred manner. Why? Because we believe our audience deserves no less.

Ashwad

I believe it's important to be true to one's self in order to "Go Beyond". I am inspired by people I meet and I hope to share my aspirations with people surrounding me.

Rafidah

I live my life as it comes. And by the quote "you'll never know until you try". There will always be haters to put you down. But as long as you don't deceive and hurt anyone around you, put your chin up high and live your dreams.

Jinny Boy

GOBEYOND EXPECTATIONS

After setting the Malaysia Book of Records in 2011 for the most corals transplanted in Sabah, Astro took a step further in marine conservation awareness by setting a new Guinness World Records title for the Longest Underwater Cleanup. We remain committed to creating a sustainable, clean and Beautiful Malaysia.

CORPORATE

RESPONSIBILITY

For 17 years, Astro has been inspired by fellow Malaysians. It is the support of our viewers, listeners, readers and website visitors that has made us a leading integrated consumer media entertainment group that is present in the homes of 3.5 million Malaysian families. Your support has also placed Astro in a unique position to make a difference in the community – a position which we view as a privilege and a responsibility.

We recognise that the sustainability of our business goes hand-in-hand with employee well-being, community development and environmental responsibility. In the past 12 months, we continue to serve and deliver value to our stakeholders through the Community, Workplace, Marketplace and Environment to ensure the long-term sustainability of our business while helping to elevate the condition of the communities and environment that we operate in.

ASTRO IN THE COMMUNITY

At Astro, we believe in playing a key role in the communities that we serve as well as in sharing their aspirations. We have identified four main pillars – Lifelong Learning, Sports & Wellness, Community Development and Environment, where all of our corporate responsibility (CR) programmes have been designed to focus on. It is also with this belief that we encourage our employees to be involved as ambassadors, role models and motivators among the people that we serve and assist. The Astro Kasih employee volunteer programme was initiated in August 2009 to encourage employees to contribute their time and talents in the service of the community. To date, our people have contributed more than 67,000 hours through 600 activities via Astro Kasih.

Lifelong Learning

- **Kampus Astro**

  Our flagship Learning programme, Kampus Astro, aspires to provide access to world-class educational content such as the Kampus Astro Learning System. This consists of an Astro STB, a television set and access to 17 international and local learning channels, as well as the Kampus Astro Bersama Komuniti Sekolah programmes to over 10,000 schools and Teacher Activity Centres nationwide.

- **Astro Hostel**

  As part of the Astro Kasih Employee Volunteer programme, our employees have built three hostels equipped with basic amenities, utilities and the Kampus Astro learning system to support students living in remote areas, who are unable to attain basic education due to transport challenges. One of the long term goals of the Astro Hostel is to engage students to strive towards academic excellence. In addition, Astro Kasih partnered the schools' teachers to create and implement an intensive UPSR revision programme that tests students' mastery through an exclusive tutorial booklet based on examination syllabus and educational TV programmes.

  In May 2011, Astro Hostel opened its doors to over 170 students at SK Magandai, Sabah. By November 2011, the students of SK Magandai, Sabah achieved more than 100% improvement in the 2011 UPSR examinations with an 87.5% passing rate. Construction of the second Astro Hostel in SK Sungai Paku, Sarawak began in December 2011 and was completed in March 2012.

  In the 2012 UPSR examination, SK Magandai, Sabah increased the number of "A" grades for the Malay composition paper while the number of "A" grades in the Malay language composition paper and Science paper for SK Sungai Paku rose by 33.3% and 11.1% respectively.

  Construction of the third Astro Hostel at SK Malinsau, Ranau, Sabah has commenced in May 2013 and is expected to be completed in August 2013.

Sports and Wellness

- **1MCC – Astro Kem BOLA**

  In collaboration with 1Malaysia Cardiff City (1MCC), Astro organised Kem BOLA to inspire young Malaysian football enthusiasts to excel in this sport. A total of 2,530 boys and girls had participated in the six 1MCC – Astro Kem BOLA selection camps where 64 boys and girls were selected to undergo the Advanced Training Camp between the 1st and 8th December. Upon completion of the Advanced Training Camp, the best 16 boys and 16 girls were engaged with weekly assignments, visits by coaches and matches to keep the participants sharp and fit in the run-up to the trip to Cardiff in March 2013.

- **Kem Badminton Astro**

  In partnership with Badminton Association Malaysia, Astro held training programmes for young Malaysians to improve their skills in the sport. 120 selected participants underwent badminton training under the Badminton Association Malaysia (BAM) coaches over six weekends. Upon completion of the training programme, 20 of the best players were selected to undergo a three-day intensive training programme. From this, the 10 most promising participants will undergo training with the South Korea Badminton Association.

- **Astro Arena**

  Astro Arena features live local sport, comprehensive daily coverage of local and international sports news, informative and relevant local league highlights, magazine programming, and interactive viewer involvement.

  The channel creates over 1,000 hours of live, local sports content each year, with an additional 1,000 unique hours created in supplementary programming. This has massively expanded the level of coverage for local sport available in the country.

  Arena provides coverage of on average 50 hours per week of Malaysians competing at international level, or of the best world sport with most relevance and interest to a Malaysian audience.

Community Development

- Astro holds an annual Astro Kasih Jalinan Kasih Aidilfitri event to share the festive joy with the underprivileged community. Besides schools, we also extend our Kampus Astro Learning System to paediatric wards nationwide, through the Astro Kasih Bersama Wad Pediatrik programme. This programme enables our employee volunteers to transform the hospital experience for young patients with educational fun and games. Since its inception, the programme has reached out to over 370 paediatric patients. With the aim of encouraging reading among the young, we commenced with the Astro Kasih Knowledge Zone project in November 2012 with the setting up of a reading corner, complete with an Astro STB and TV set at a children's home in Kuantan, Pahang. Similar mini libraries with the Astro package will be implemented in 24 more children's homes across the country by end 2013.

- Astro Radio is also committed to community-related initiatives through on-air, on-line and on the ground efforts. In 2012, our radio stations had been involved in the following initiatives:

  1. MY FM and Mix FM joined forces with World Vision's 30-Hour Famine campaign to raise awareness of hunger and poverty. The stations provided on-air support and radio announcers hosted an event which saw participation from more than 25,000 Malaysians;

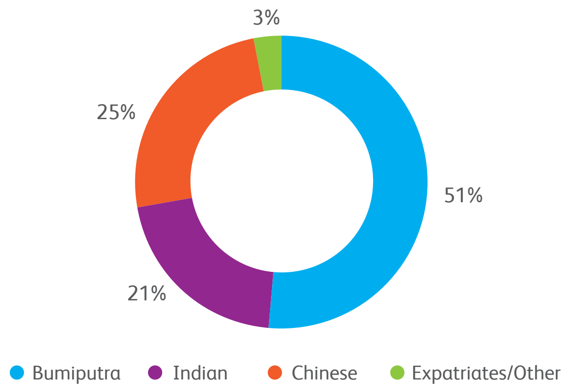
  2. Radio announcers Ross, Rex and Richard shaved their heads to support the National Cancer Council Malaysia (MAKNA) – Jom Botak campaign to encourage listeners to support efforts to fight cancer;

  3. Three stations – ERA FM, Gegar FM and SINAR FM broadcasted Community Service Announcements (CSAs) on air and posted FB updates to support the Flood Rescue efforts in the East Coast. In addition, announcers from these stations visited several affected villages to distribute items and give moral support to families of flood victims.

ASTRO IN THE WORKPLACE

Empowering Our People

Our diverse audience is a reflection of our own workplace – a blend of individuals from various nationalities, races and religions. Astro is committed to creating a conducive working environment for our employees. We offer competitive rewards and benefits to attract and retain the best talent, as well as emphasise on their training and development to deliver a high-performing and progressive workforce.



Gender/Age Group	< 20	21 – 30	31 – 40	41 – 50	> 51	Grand Total	Percentage
Female	2	1,254	802	211	20	2,289	51%
Male	2	969	810	334	50	2,165	49%
Grand Total	**4**	**2,223**	**1,612**	**545**	**70**	**4,454**	**100%**
Percentage of Age Group	**0.09%**	**49.91%**	**36.19%**	**12.24%**	**1.57%**	**100%**	

Benefits

We offer our employees flexible benefit arrangements via myChoice@Astro which allows employees to choose benefits that meet their needs while working with the company. The elements of myChoice@Astro range from Core Benefits which are compulsory and include Life and Health insurance; Flexible Spending Accounts which enable employees to use flexi points allocated to them to spend on health and wellness, lifestyle options, technology and financial planning needs; Annual Leave flexibility and Medical Leave incentives. In addition, our employees have one free and two further subsidised subscriptions to our main pay-TV service.

Facilities

We offer transportation such as bus services for employees living in satellite towns nearby, van shuttles to and from nearby train stations, taxi services for shift staff as well as courtesy transport.

Our in-house café, Café Ceria, provides a variety of dining options for our employees based at All Asia Broadcast Centre (ABC). Meals are subsidised through a monthly allowance deposited into employee tags.

Although ABC is a no-smoking zone, there are designated smoking areas within our premises to ensure that the building remains smoke-free. Lactation rooms are provided for nursing mums. Male and female prayer rooms are available on the ground floor. Designated parking bays are also provided for the disabled and those who carpool.

Training and Development

We believe in lifelong learning hence various development opportunities are continuously provided to all employees across all levels to acquire knowledge, skills and competencies to perform at the highest standards. The training programmes, which can be followed internally or externally, are all based on our values, functional/technical requirements and developmental needs to ensure a high level of performance.

Occupational Safety and Health

Putting safety first has always been a top priority at Astro. Our Safety and Health Policy goes above and beyond complying with the Occupational Safety and Health Act 1994. Our efforts in ensuring that our employees can work safely in conditions exclusive to the broadcasting industry translates into the unique safety, health and wellness programmes conducted by our in-house Occupational Safety and Health team.

Astro operates by an internally established occupational safety, health and environmental management system which is compliant with OSHAS18001 and ISO14001 international standards. The certification of these standards is recognition of our commitment to continuously improving our management systems to create a safe and healthy environment for our employees and stakeholders.

Communication

Our company's intranet, Astronet, enables internal communications across our group. Astronet also provides a one-stop center for information on our products as well as staff information, including paperless HR-related procedures which enable employees to perform tasks such as applying for leave, volunteer opportunities, training enrolment, benefits selection and performance monitoring. Our Townhalls aim to not only share the company's progress and growth with our employees, but to also allow a cross-dialogue with senior management in a candid and transparent manner. The event is also broadcasted on our internal TV channel.

ASTRO IN THE MARKET PLACE

Going Beyond to Keep Customers Delighted

Every customer expects a great experience, excellent service and world-class content. As part of our commitment and efforts to continuously improve and innovate, we engage with our customers through a myriad of customer touch points to help us drive improvements to our customer experience. This is further complemented with the understanding of customer feedback, profile and customer behaviour; and applying what is learned inside the organisation to drive the improvements.

Doing Business with Astro

Our Code of Business Ethics outlines the practice and standards for our vendors, contractors and suppliers must undertake in their dealings with us and covers matters related to business ethics, record keeping, questionable payments, conflict of interest, dealing with business interest or relationships outside the company, confidential information, gifts and entertainment and harassment.

Where required, suppliers need to have a robust business continuity plan to ensure minimal disruption in the supply of goods and services as well as to comply with Environmental Preferable Procurement guidelines by utilising alternative materials whenever cost effective.

Creating Responsible Content

We endeavour to comply with the Communications & Multimedia Act 1998, to ensure all content broadcasted via our TV channels and radio channels adheres to the Content Code. We also take into consideration the nature of the broadcasting channels, the theme of the content and the likely audience. User self-regulation tools like the Electronic Programming Guide and parental lock are also available to ensure that our customers are able to make an informed choice as to the content they wish to view or block from viewing. In order to address the diversity of our audience, programmes can be subtitled into four languages, namely Bahasa Malaysia, English, Mandarin and Tamil. Regulatory compliance training are held at least twice a year, where relevant employees are briefed on the governing regulations. Our publications also go through equally stringent filtering procedures during the editorial process.

Public Service Announcements ("PSA") and Community Service Announcement ("CSA") Hours

Throughout the year 2012, Astro has broadcasted 2,764 hours of PSAs, not including announcements made via crawler texts. Astro's PSAs highlight the various Astro Kasih community programmes as well as various general announcements and campaign messages for the community. We also broadcast PSAs for the Government on public or national interests in compliance with our licence conditions.

The CSAs aired on radio are also made in accordance to regulatory requirements, which is a minimum of 432 minutes across the nine stations per day. Astro Radio also supports community projects organised by the government and other agencies/NGOs by broadcasting their CSAs for their events on air and on line via our Info-zone segment. Traffic reports, which average 15 minutes per day per station, and travel advisories, are included as CSAs too.

Parental Lock and Classification Systems

Given our wide range of content and its accessibility, our customers who are parents may wish to have control over their children's TV viewing. Our Parental Lock feature of the Astro decoder allows parents to manage their children's viewing by blocking access to certain channels by setting a Personal Identification Number (PIN) to lock or unlock these channels. Our content rating systems are also attached to our television programmes to give viewers an idea of the suitability of each show.

ASTRO AND THE ENVIRONMENT

- **Beautiful Malaysia**

  Our Beautiful Malaysia initiative demonstrates our ongoing commitment to marine conservation and ecotourism. Since 2010, Astro has been actively involved in various coral restoration and rehabilitation projects in Sabah and in 2011, we broke the Malaysia Book of Records for the most corals transplanted. In April 2013, we continued to make a difference by setting a new Guinness World Records title for the Longest Underwater Cleanup at the Tunku Abdul Rahman Marine Park in Kota Kinabalu, Sabah. The Astro Kasih volunteer divers collected over three tonnes of marine debris. We will continue the efforts to educate the community on the importance of marine conservation.

- **ISO14001 Environment Management Systems**

  Using the International Organisation for Standardisation's ("ISO") 14001 standards for environmental management systems, we closely monitor the impact that our operations have on the environment and we endeavour to reduce any adverse impact on the environment by having in place systems and processes to reduce waste. The Environmental Management System acts as an internal control to ensure the environment is put in the forefront in our day-to-day activities and our efforts led to Astro being awarded with the ISO14001 certification in 2009. The certification was then renewed in 2012, helping to generate greater awareness, not only among our employees but also among our business partners and vendors about the virtues of conserving resources and protecting the environment.

ASTRO KASIH FOUNDATION

As an extension of our commitment to develop the community, we have incorporated in 2012, a non-profit organisation known as the Astro Kasih Foundation dedicated to initiating and executing all of our corporate responsibility programmes. The Foundation aims to build on our existing corporate responsibility projects for the community while launching new projects to benefit the community. The Foundation will initiate projects with specific and measurable outcomes and works either independently or in collaboration with strategic partners whose interests and directions are aligned with those of the Foundation.

Financial Statements

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 2013.

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, television content, creation, aggregation and distribution, magazine publication and distribution and multimedia interactive services. The principal activities of the subsidiaries are set out in Note 14 to the financial statements.

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.

CHANGE OF STATUS

The Company had on 18 July 2012 converted its status from a private limited company to a public limited company and henceforth, its name has been changed to Astro Malaysia Holdings Berhad ("AMH" or "the Company") pursuant to Section 26 of the Companies Act, 1965.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	419,793	620,045
Attributable to:		
Equity holders of the Company	417,999	620,045
Non-controlling interests	1,794	–
	419,793	620,045

DIVIDENDS

The dividends on ordinary shares paid or declared by the Company since 31 January 2012 were as follows:

	RM'000
In respect of the financial year ended 31 January 2013:	
First interim single-tier dividend of RM2,738.25 per share on 98,238 ordinary shares declared on 30 April 2012 and paid on 30 August 2012	269,000
Interim single-tier dividend of RM0.015 per share on 5,198,300,000 ordinary shares declared on 5 December 2012 and paid on 11 January 2013	77,975
Interim single-tier dividend of RM0.015 per share on 5,198,300,000 ordinary shares declared on 14 March 2013 and paid on 18 April 2013	77,975
	424,950

The Directors also recommended a final single-tier dividend payment of RM0.01 per share estimated at RM51,983,000 in respect of the financial year ended 31 January 2013 subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting. The final single-tier dividend will be paid at a date to be determined.

RESERVES AND PROVISIONS

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

SHARE CAPITAL

On 30 April 2012, the Company redeemed 1,500 redeemable preference shares ("RPS") with a par value of RM0.10 each and issued at a premium of RM999,999.90 each registered in the name of Astro Networks (Malaysia) Sdn. Bhd. ("ANM"), at a redemption price of RM1,000,000 per RPS for a total redemption amount of RM1,500,000,000.

During the financial year, the Company implemented the following transactions as part of its initial public offering ("IPO") exercise:

(i) On 19 September 2012, full redemption of all 5,200 RPS with a par value of RM0.10 each and issued at a premium of RM999,999.90 each registered in the name of ANM, at a redemption price of RM1,000,000 per RPS for a total redemption amount of RM5,200,000,000 ("RPS Redemption");

(ii) On the same day, reorganisation and classification of the Company's authorised share capital into one class of ordinary shares divided into 100,000 ordinary shares of RM1.00 each, and the sub-division of each of the Company's ordinary shares from 100,000 ordinary shares of RM1.00 each into 1,000,000 ordinary shares of RM0.10 each;

(iii) Following that, the Company subdivided all of the existing 98,238 issued and paid-up ordinary shares of RM1.00 each to 982,380 ordinary shares of RM0.10 each and increased its authorised share capital from RM100,000 comprising 100,000 ordinary shares of RM1.00 each to RM1,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each by the creation of 9,999,000,000 ordinary shares of RM0.10 each;

SHARE CAPITAL (CONT'D.)

(iv) Simultaneously, the Company issued 4,722,017,620 ordinary shares of RM0.10 each to ANM at a total subscription price of RM5,200,000,000 or approximately RM1.10 per share ("Share Issuance"). The redemption amount payable by the Company to ANM for the RPS Redemption as set out in (i) above was set-off against the total subscription amount payable by ANM to the Company for the Share Issuance;

(v) On 21 September 2012, the Company issued a Prospectus in conjunction with the IPO of up to 1,518,300,000 ordinary shares of RM0.10 each in the Company, comprising an offer for sale of up to 1,044,000,000 existing ordinary shares of RM0.10 each and a public issue of 474,300,000 new ordinary shares of RM0.10 each to retail and institutional investors at the final retail price of RM3.00 per share; and

(vi) In conjunction with the IPO, for the purpose of driving employee retention, creation of value and aligning shareholders' interests, the Company also established a Management Share Scheme ("MSS") in relation to the grant of share awards to Eligible Employees (as defined in the By-Laws governing the MSS) which include the Chief Executive Officer and employees of the Company and its subsidiaries of up to 50,700,000 new ordinary shares of RM0.10 each, to be issued and allotted under a Restricted Share Award and/or a Performance Share Award, upon the terms and conditions of the By-Laws of the MSS.

The entire enlarged issued and paid up ordinary share capital of RM519,730,000 comprising 5,197,300,000 ordinary shares of RM0.10 each were listed and quoted on the Official List of the Main Market of Bursa Malaysia Securities Berhad on 19 October 2012.

On 19 November 2012, as disclosed in the Prospectus, the Company issued and allotted 1,000,000 ordinary shares of RM0.10 each to a Director, Dato' Rohana Binti Tan Sri Datuk Haji Rozhan, pursuant to a Letter of Offer dated 11 October 2012 ("Offer Letter") for the grant of 3,200,000 ordinary shares of RM0.10 each in the Company pursuant to the terms of the Offer Letter and in accordance with the By-Laws of the MSS of the Company.

The issued and paid-up share capital of the Company currently stands at RM519,830,000 comprising 5,198,300,000 ordinary shares of RM0.10 each.

DIRECTORS

The Directors who have held office since the date of the last report and at the date of this report are:

Tun Dato' Seri Zaki Bin Tun Azmi	(appointed on 15.08.2012)
Augustus Ralph Marshall	
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	
Chin Kwai Yoong	
Dato' Mohamed Khadar Bin Merican	
Bernard Anthony Cragg	
Hisham Bin Zainal Mokhtar	(appointed on 15.08.2012 and ceased as alternate director to Dato' Haji Badri Bin Haji Masri on 15.08.2012)
Lim Ghee Keong (alternate to Augustus Ralph Marshall)	
Dato' Haji Badri Bin Haji Masri	(resigned on 15.08.2012)

In accordance with the Company's Articles of Association, Chin Kwai Yoong and Dato' Mohamed Khadar Bin Merican retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with the Company's Articles of Association, Tun Dato' Seri Zaki Bin Tun Azmi and Hisham Bin Zainal Mokhtar who were appointed during the financial year, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for election.

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 as disclosed as Directors' remuneration in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest.

Directors' Interests in Shares and Debentures

According to the Register of Directors' shareholdings, particulars of interest of Directors who held office at the end of the financial year in shares in the Company are as follows:

	Number of ordinary shares of RM0.10 each				
	As at 1.2.2012	**Granted***	**Acquired**	**Disposed**	**As at 31.1.2013**
Tun Dato' Seri Zaki Bin Tun Azmi	–	–	1,000,000	–	1,000,000
Augustus Ralph Marshall	–	–	8,500,000	–	8,500,000
Dato' Mohamed Khadar Bin Merican	–	–	1,000,000	–	1,000,000
Chin Kwai Yoong	–	–	1,000,000	–	1,000,000
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	–	1,000,000	2,600,000	–	3,600,000
Lim Ghee Keong (alternate to Augustus Ralph Marshall)	–	–	1,000,000	–	1,000,000

Other than as disclosed above and under Share Capital, 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.

* Issued and allotted in accordance with the terms of the Offer Letter and the By-Laws of the MSS of the Company as disclosed under Share Capital.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements, statements of comprehensive income and balance sheets of the Group and Company were made out, 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, other than debts, 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.

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.

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, other than as disclosed in Note 42 to the financial statements.

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.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONT'D.)

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, other than as disclosed in Note 41 to the financial statements; 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, other than as disclosed in Note 44 to the financial statements.

SIGNIFICANT AND POST BALANCE SHEET EVENTS

The significant and post balance sheet events are as disclosed in Note 41 and Note 44 respectively to the financial statements.

ULTIMATE AND IMMEDIATE HOLDING COMPANIES

The Directors regard AHSB and ANM, both companies are incorporated in Malaysia, as the ultimate and immediate holding companies respectively.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with the approval granted at the Board Meeting held on 10 May 2013.

TUN DATO' SERI ZAKI BIN TUN AZMI
DIRECTOR

DATO' ROHANA BINTI TAN SRI DATUK HAJI ROZHAN
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS
Pursuant to Section 169(15) of the Companies Act, 1965

We, Tun Dato' Seri Zaki Bin Tun Azmi and Dato' Rohana Binti Tan Sri Datuk Haji Rozhan, the Directors of Astro Malaysia Holdings Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 115 to 224 are drawn up so as to give a true and fair view of the financial position of the Group and Company as at 31 January 2013 and of their financial performance and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 1965.

The supplementary information set out in Note 48 have been prepared in accordance with the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board of Directors in accordance with the approval granted at the Board Meeting held on 10 May 2013.

TUN DATO' SERI ZAKI BIN TUN AZMI
DIRECTOR

DATO' ROHANA BINTI TAN SRI DATUK HAJI ROZHAN
DIRECTOR

Kuala Lumpur

STATUTORY DECLARATION
Pursuant to Section 169(16) of the Companies Act, 1965

I, Ahmad Fuaad Bin Mohd Kenali, 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 115 to 224 are, in my opinion, 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.

AHMAD FUAAD BIN MOHD KENALI

Subscribed and solemnly declared by the above named
Ahmad Fuaad Bin Mohd Kenali at Kuala Lumpur
in Malaysia on 10 May 2013, before me.

No. W 540
LEE CHOON HEE
MALAYSIA

COMMISSIONER FOR OATHS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Astro Malaysia Holdings Berhad on pages 115 to 224, which comprise the balance sheets as at 31 January 2013 of the Group and of the Company, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on Notes 1 to 47.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements 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, 1965, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 January 2013 and the financial performance and cash flows for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 48 on page 225 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF-1146)
Chartered Accountants

SRIDHARAN NAIR
(No. 2656/05/14 (J))
Chartered Accountant

Kuala Lumpur
10 May 2013

INCOME STATEMENTS
for the financial year ended 31 January 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Revenue	5	**4,264,967**	3,846,677	**679,859**	942,423
Cost of sales		**(2,609,630)**	(2,212,657)	**(7)**	–
Gross profit		**1,655,337**	1,634,020	**679,852**	942,423
Other operating income		**34,250**	26,592	**–**	–
Marketing and distribution costs		**(490,895)**	(313,366)	**(1,543)**	(563)
Administrative expenses		**(413,586)**	(358,868)	**(15,403)**	(3,812)
Finance income	9(a)	**62,368**	68,306	**136,616**	101,831
Finance costs	9(b)	**(278,476)**	(191,438)	**(179,477)**	(111,157)
Share of post tax results from investments accounted for using the equity method		**5,940**	4,190	**–**	–
Profit before tax	6	**574,938**	869,436	**620,045**	928,722
Tax expense	10	**(155,145)**	(235,246)	**–**	–
Profit for the financial year/period		**419,793**	634,190	**620,045**	928,722
Attributable to:					
Equity holders of the Company		**417,999**	629,061	**620,045**	928,722
Non-controlling interests		**1,794**	5,129	**–**	–
		419,793	634,190	**620,045**	928,722
Earnings per share attributable to equity holders of the Company (RM):					
– Basic	11	**0.22**	6,418.99		
– Dilutive	11	**0.22**	n/a		

The consolidated Group comparatives for the period from 1 February 2011 to 14 February 2011 represent the results of MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS") and its subsidiary, MEASAT Digicast Sdn. Bhd. ("MDIG"). Please refer to the basis of preparation in Note 3A.

The accompanying notes on pages 128 to 224 form part of these financial statements.

	Group		Company	
				From 14.2.2011 (date of incorporation)
	2013	2012	2013	to 31.1.2012
	RM'000	RM'000	RM'000	RM'000
Profit for the financial year/period	**419,793**	634,190	**620,045**	928,722
Other comprehensive income:				
Cash flow hedges:				
– Net fair value gain/(loss)	**14,029**	(139,602)	**13,404**	(136,731)
– Reclassification adjustments for loss on realisation of derivative instruments included in profit or loss	**46,752**	25,840	**40,245**	25,442
Foreign currency translation	**54**	–	**–**	–
Other comprehensive income/(loss), net of tax	**60,835**	(113,762)	**53,649**	(111,289)
Total comprehensive income	**480,628**	520,428	**673,694**	817,433
Attributable to:				
Equity holders of the Company	**478,834**	515,299	**673,694**	817,433
Non-controlling interests	**1,794**	5,129	**–**	–
	480,628	520,428	**673,694**	817,433

The consolidated Group comparatives for the period from 1 February 2011 to 14 February 2011 represent the results of MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS") and its subsidiary, MEASAT Digicast Sdn. Bhd. ("MDIG"). Please refer to the basis of preparation in Note 3A.

CONSOLIDATED BALANCE SHEETS
as at 31 January 2013

Group

	Note	31.1.2013 RM'000	31.1.2012# RM'000	1.2.2011# RM'000
Non-current Assets				
Property, plant and equipment	13	**1,915,824**	1,654,231	1,427,499
Investment in associates	15	**46,243**	39,429	–
Investment in joint ventures	16	**8,890**	8,678	–
Other investment	17	**5,825**	–	–
Prepayments	23	**136,224**	134,762	–
Advances to immediate holding company	19	**–**	1,500,000	–
Financial assets	20	**–**	–	10,000
Deferred tax assets	29	**21,265**	–	–
Intangible assets	21	**1,857,057**	1,770,735	258,441
		3,991,328	5,107,835	1,695,940
Current Assets				
Inventories	22	**23,624**	13,291	15,363
Receivables and prepayments	23	**890,212**	798,159	699,086
Derivative financial instruments	27	**3,504**	–	–
Advances to former holding company		**–**	–	257,958
Advances to ultimate holding company	24	**–**	105,060	–
Financial assets	20	**–**	10,000	–
Tax recoverable		**1,389**	1,283	2,723
Deposits, cash and bank balances	25	**1,607,767**	478,202	598,336
		2,526,496	1,405,995	1,573,466
Current Liabilities				
Payables	26	**1,416,781**	1,580,660	1,013,882
Advances from ultimate holding company	24	**–**	66,200	–
Derivative financial instruments	27	**970**	3,627	1,154
Borrowings	28	**125,228**	43,484	32,444
Tax liabilities		**32,657**	82,914	–
		1,575,636	1,776,885	1,047,480
Net Current Assets/(Liabilities)		**950,860**	(370,890)	525,986

Comparative balance sheets are prepared in accordance with Malaysian Financial Reporting Standards. Please refer to the basis of preparation in Note 3A.

The accompanying notes on pages 128 to 224 form part of these financial statements.

Group

	Note	31.1.2013 RM'000	31.1.2012# RM'000	1.2.2011# RM'000
Non-current Liabilities				
Payables	26	**706,378**	323,013	256,976
Derivative financial instruments	27	**37,831**	102,350	–
Borrowings	28	**3,556,384**	3,666,447	731,526
Deferred tax liabilities	29	**125,503**	153,690	82,537
		4,426,096	4,245,500	1,071,039
NET ASSETS		**516,092**	491,445	1,150,887
Capital and reserves attributable to equity holders of the Company				
Share capital	30	**519,830**	98	98
Share premium	30	**6,165,374**	6,798,136	6,798,136
Redeemable preference shares	31	**–**	1^	1^
Exchange reserve		**27**	(27)	–
Capital redemption reserve		**1@**	–*	–
Capital reorganisation reserve	32	**(5,470,197)**	(5,470,197)	(5,351,615)
Hedging reserve	33	**(54,135)**	(114,916)	(1,154)
Share scheme reserve	34	**4,025**	–	–
Accumulated losses		**(653,090)**	(730,204)	(294,579)
		511,835	482,891	1,150,887
Non-controlling interests		**4,257**	8,554	–
TOTAL EQUITY		**516,092**	491,445	1,150,887

* Denotes RM7.50
^ Denotes RM670
@ Denotes RM677.50
\# Comparative balance sheets are prepared in accordance with Malaysian Financial Reporting Standards. Please refer to the basis of preparation in Note 3A.

The accompanying notes on pages 128 to 224 form part of these financial statements.

Company

	Note	31.1.2013 RM'000	31.1.2012# RM'000
Non-current Assets			
Property, plant and equipment	13	**666**	–
Investment in subsidiaries	14	**6,803,885**	6,803,885
Prepayments	23	**605**	–
Advances to subsidiaries	18	**2,084,839**	1,504,592
Advances to immediate holding company	19	**–**	1,500,000
		8,889,995	9,808,477
Current Assets			
Receivables and prepayments	23	**155,338**	390,002
Advances to subsidiaries	18	**–**	17,056
Tax recoverable		**1,722**	314
Deposits, cash and bank balances	25	**1,061,114**	24,506
		1,218,174	431,878
Current Liabilities			
Payables	26	**33,702**	319,994
Derivative financial instruments	27	**970**	–
Borrowings	28	**75,336**	–
		110,008	319,994
Net Current Assets		**1,108,166**	111,884
Non-current Liabilities			
Derivative financial instruments	27	**37,831**	102,350
Borrowings	28	**2,895,097**	2,970,491
		2,932,928	3,072,841
NET ASSETS		**7,065,233**	6,847,520

Comparative balance sheets are prepared in accordance with Malaysian Financial Reporting Standards. Please refer to the basis of preparation in Note 3A.

The accompanying notes on pages 128 to 224 form part of these financial statements.

Company

	Note	31.1.2013 RM'000	31.1.2012# RM'000
Capital and reserves attributable to equity holders of the Company			
Share capital	30	**519,830**	98
Share premium	30	**6,165,374**	6,798,136
Redeemable preference shares	31	**–**	1^
Capital redemption reserve		**1^**	–
Hedging reserve	33	**(57,640)**	(111,289)
Share scheme reserve	34	**4,025**	–
Retained earnings		**433,643**	160,574
TOTAL EQUITY		**7,065,233**	6,847,520

^ Denotes RM670

\# Comparative balance sheets are prepared in accordance with Malaysian Financial Reporting Standards. Please refer to the basis of preparation in Note 3A.

The accompanying notes on pages 128 to 224 form part of these financial statements.

	← Attributable to equity holders of the Company									→		
Year ended 31 January 2013	Share capital (Note 30) RM'000	Share premium (Note 30) RM'000	Redeemable preference shares (Note 31) RM'000	Exchange reserve RM'000	Capital redemption reserve RM'000	Capital reorganisation reserve (Note 32) RM'000	Hedging reserve (Note 33) RM'000	Share scheme reserve (Note 34) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
At 1 February 2012	98	6,798,136	1^	(27)	0*	(5,470,197)	(114,916)	–	(730,204)	482,891	8,554	491,445
Profit for the financial year	–	–	–	–	–	–	–	–	417,999	417,999	1,794	419,793
Other comprehensive income for the year	–	–	–	54	–	–	60,781	–	–	60,835	–	60,835
Total comprehensive income for the year	–	–	–	54	–	–	60,781	–	417,999	478,834	1,794	480,628
Issuance of ordinary shares	519,632	6,064,349	–	–	–	–	–	–	–	6,583,981	–	6,583,981
Redemption of RPS	–	(6,699,999)	(1)^	–	1^	–	–	–	(1)^	(6,700,000)	–	(6,700,000)
Ordinary shares dividends declared (Note 12)	–	–	–	–	–	–	–	–	(346,975)	(346,975)	–	(346,975)
Share grant exercised	100	2,888	–	–	–	–	–	(2,988)	–	–	–	–
Share-based payment transaction (Note 7(a))	–	–	–	–	–	–	–	7,013	–	7,013	–	7,013
Changes in ownership holdings in a subsidiary&	–	–	–	–	–	–	–	–	6,091	6,091	(6,091)	–
Transactions with owners	519,732	(632,762)	(1)^	–	1^	–	–	4,025	(340,885)	(449,890)	(6,091)	(455,981)
At 31 January 2013	519,830	6,165,374	–	27	1#	(5,470,197)	(54,135)	4,025	(653,090)	511,835	4,257	516,092

* Denotes RM7.50
^ Denotes RM670
\# Denotes RM677.50
& On 15 June 2012, the shares of Perfect Excellence Waves Sdn. Bhd. ("PEW") were transferred to a subsidiary of the Company.

The accompanying notes on pages 128 to 224 form part of these financial statements.

Year ended 31 January 2012	Share capital (Note 30) RM'000	Merger relief reserve RM'000	Share premium (Note 30) RM'000	Redeemable preference shares (Note 31) RM'000	Exchange reserve RM'000	Capital redemption reserve RM'000	Capital reorganisation reserve (Note 32) RM'000	Hedging reserve (Note 33) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
	← Attributable to equity holders of the Company →											
At 1 February 2011	98	–	6,798,136	1^	–	–	(5,351,615)	(1,154)	(294,579)	1,150,887	–	1,150,887
Profit for the financial year	–	–	–	–	–	–	–	–	629,061	629,061	5,129	634,190
Other comprehensive loss for the year	–	–	–	–	–	–	–	(113,762)	–	(113,762)	–	(113,762)
Total comprehensive (loss)/ income for the year	–	–	–	–	–	–	–	(113,762)	629,061	515,299	5,129	520,428
Effect of capital reorganisation following acquisition of Radio Group through equity issue by MBNS	–	218,582	–	–	–	–	631,418	–	–	850,000	–	850,000
Effect of capital reorganisation following acquisition of other businesses	–	–	–	–	(27)	–	–	–	47,853	47,826	–	47,826
Ordinary shares dividends declared by MBNS prior to capital reorganisation (Note 12)	–	(218,582)	–	–	–	–	–	–	(344,391)	(562,973)	–	(562,973)
Redemption of RPS	–	–	–	–	–	0*	(750,000)	–	(0)*	(750,000)	–	(750,000)
Ordinary shares dividends declared (Note 12)	–	–	–	–	–	–	–	–	(768,148)	(768,148)	–	(768,148)
Issuance of shares to non-controlling interests	–	–	–	–	–	–	–	–	–	–	3,425	3,425
Transactions with owners	–	–	–	–	(27)	0*	(118,582)	–	(1,064,686)	(1,183,295)	3,425	(1,179,870)
At 31 January 2012	98	–	6,798,136	1^	(27)	0*	(5,470,197)	(114,916)	(730,204)	482,891	8,554	491,445

* Denotes RM7.50
^ Denotes RM670

The accompanying notes on pages 128 to 224 form part of these financial statements.

COMPANY STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 31 January 2013

	← Non-distributable					→	Distributable	
Year ended 31 January 2013	Share capital (Note 30) RM'000	Share premium (Note 30) RM'000	Redeemable preference shares (Note 31) RM'000	Capital redemption reserve RM'000	Hedging reserve (Note 33) RM'000	Share scheme reserve (Note 34) RM'000	Retained earnings RM'000	Total RM'000
At 1 February 2012	98	6,798,136	1^	–	(111,289)	–	160,574	6,847,520
Profit for the financial year	–	–	–	–	–	–	620,045	620,045
Other comprehensive income for the year	–	–	–	–	53,649	–	–	53,649
Total comprehensive income for the year	–	–	–	–	53,649	–	620,045	673,694
Issuance of ordinary shares	519,632	6,064,349	–	–	–	–	–	6,583,981
Redemption of RPS	–	(6,699,999)	(1)^	1^	–	–	(1)^	(6,700,000)
Ordinary shares dividends declared (Note 12)	–	–	–	–	–	–	(346,975)	(346,975)
Share grant exercised	100	2,888	–	–	–	(2,988)	–	–
Share-based payment transaction (Note 7(a))	–	–	–	–	–	7,013	–	7,013
Transactions with owners	519,732	(632,762)	(1)^	1^	–	4,025	(346,976)	(455,981)
At 31 January 2013	519,830	6,165,374	–	1^	(57,640)	4,025	433,643	7,065,233

^ Denotes RM670

The accompanying notes on pages 128 to 224 form part of these financial statements.

Year ended 31 January 2012	Non-distributable Share capital (Note 30) RM'000	Share premium (Note 30) RM'000	Redeemable preference shares (Note 31) RM'000	Hedging reserve (Note 33) RM'000	Distributable Retained earnings RM'000	Total RM'000
At date of incorporation*	–	–	–	–	–	–
Profit for the financial period	–	–	–	–	928,722	928,722
Other comprehensive loss for the period	–	–	–	(111,289)	–	(111,289)
Total comprehensive (loss)/income for the period	–	–	–	(111,289)	928,722	817,433
Issuance of shares	98	6,798,136	1^	–	–	6,798,235
Ordinary shares dividends (Note 12)	–	–	–	–	(768,148)	(768,148)
Transactions with owners	98	6,798,136	1^	–	(768,148)	6,030,087
At 31 January 2012	98	6,798,136	1^	(111,289)	160,574	6,847,520

* 2 ordinary shares of RM1.00 each were issued on the date of incorporation, 14 February 2011.

^ Denotes RM670

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Cash Flows From Operating Activities					
Profit before tax		**574,938**	869,436	**620,045**	928,722
Adjustments for:					
Bad debts written off		**405**	5,037	**–**	–
Barter transactions – revenue		**(2,940)**	(5,186)	**–**	–
Dividend income – unit trust	9(a)	**–**	(2,960)	**–**	–
Dividend income		**–**	–	**(679,859)**	(942,423)
Impairment of receivables		**57,889**	45,305	**–**	–
Interest expense	9(b)	**216,283**	155,384	**139,232**	85,715
Interest income	9(a)	**(50,000)**	(62,530)	**(136,616)**	(101,831)
Inventories written down		**1,079**	5,383	**–**	–
Inventories written off		**343**	1,093	**–**	–
Programme rights					
– amortisation		**326,497**	286,812	**–**	–
– impairment		**699**	–	**–**	–
Property, plant and equipment					
– depreciation		**507,042**	336,325	**48**	–
– (gain)/loss on disposal		**(179)**	148	**–**	–
– written off		**430**	2,071	**–**	–
Recycling of hedge reserves		**(9,900)**	(8,939)	**(9,900)**	(8,939)
Share-based payments	7(a)	**7,013**	–	**–**	–
Share of post tax results from investments accounted for using the equity method		**(5,940)**	(4,190)	**–**	–
Software					
– amortisation		**95,408**	82,316	**–**	–
– impairment		**101**	–	**–**	–
– written off		**–**	3	**–**	–
Unrealised foreign exchange losses		**23,945**	20,086	**9,900**	8,939
Write back of impairment of receivables		**(7,191)**	(7,553)	**–**	–
Operating profit/(loss) before changes in working capital		**1,735,922**	1,718,041	**(57,150)**	(29,817)

		Group		Company	
					From 14.2.2011 (date of incorporation)
	Note	2013	2012	2013	to 31.1.2012
		RM'000	RM'000	RM'000	RM'000
Cash Flows From Operating Activities					
Changes in working capital:					
Intangible assets – acquisition of programme rights		**(335,440)**	(321,534)	**–**	–
Inventories		**(11,755)**	(1,987)	**–**	–
Receivables and prepayments		**(21,568)**	108,244	**(46,687)**	(46,299)
Payables		**30,165**	(307,056)	**92,754**	94,902
Cash from operations:		**1,397,324**	1,195,708	**(11,083)**	18,786
Dividend received		**–**	–	**860,692**	482,880
Interest received		**19,135**	6,517	**6,765**	441
Tax paid		**(251,319)**	(163,723)	**(1,409)**	(314)
Net cash from operating activities		**1,165,140**	1,038,502	**854,965**	501,793
Cash Flows From Investing Activities					
Acquisition of other investment		**(5,825)**	–	**–**	–
Acquisition of subsidiaries and businesses, net of cash and cash equivalents acquired	40	**–**	(314,192)	**–**	–
Advances to immediate holding company		**–**	(1,500,000)	**–**	(1,500,000)
Advances to subsidiaries		**–**	–	**(556,725)**	(1,521,647)
Dividend received – unit trust		**57**	2,960	**–**	–
Financial assets:					
– proceeds from disposal		**10,000**	–	**–**	–
Intangible assets – software:					
– purchase		**(171,184)**	(56,424)	**–**	–
Interest received		**1,514**	50,543	**96,779**	87,080
Investment in subsidiaries		**–**	–	**–**	(5,650)
Payment of set–top boxes		**(229,987)**	(188,235)	**–**	–
Property, plant and equipment:					
– purchase		**(143,073)**	(197,889)	**(714)**	–
– proceeds from disposal		**280**	133	**–**	–
Repayment from subsidiaries		**–**	–	**38,395**	–
Net cash used in investing activities		**(538,218)**	(2,203,104)	**(422,265)**	(2,940,217)

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Cash Flows From Financing Activities					
Dividends paid		**(632,550)**	(1,045,795)	**(632,550)**	(482,822)
Interest paid		**(136,318)**	(67,294)	**(132,397)**	(58,839)
Payment of finance lease interest		**(54,487)**	(58,851)	**–**	–
Proceeds from borrowings		**492,000**	3,004,591	**492,000**	3,004,591
Proceeds from issuance of shares, net of issuing expenses		**1,386,855**	–	**1,386,855**	–
Repayment of borrowings		**(510,000)**	–	**(510,000)**	–
Repayment of finance lease liabilities		**(42,912)**	(37,763)	**–**	–
Redemption of RPS		**–**	(750,000)	**–**	–
Net cash from financing activities		**502,588**	1,044,888	**603,908**	2,462,930
Net increase/(decrease) in cash and cash equivalents		**1,129,510**	(119,714)	**1,036,608**	24,506
Effects of foreign exchange rate changes		**55**	(420)	**–**	–
Cash and cash equivalents at beginning of the financial year/period		**478,202**	598,336	**24,506**	–
Cash and cash equivalents at end of the financial year/period	25	**1,607,767**	478,202	**1,061,114**	24,506

The principal non-cash transactions are as disclosed in Note 35.

1 GENERAL INFORMATION

The principal activity of the Company is investment holding. The Company had on 18 July 2012 converted its status from a private limited company to a public limited company and henceforth, its name has been changed to Astro Malaysia Holdings Berhad ("AMH"). On 19 October 2012, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad. The Group is primarily engaged in the provision of television services, radio services, film library licensing, television content, creation, aggregation and distribution and multimedia interactive services. 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 the Company during the financial year.

The Company and its subsidiaries are collectively referred to as the Group.

The Company was incorporated and domiciled in Malaysia. The Directors regard Astro Holdings Sdn. Bhd. ("AHSB") and Astro Networks (Malaysia) Sdn. Bhd. ("ANM"), both companies incorporated in Malaysia, as the Group's and Company's ultimate and immediate holding companies respectively. Related companies in the financial statements refer to companies within the AHSB group of companies.

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 risk and cash flow 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 are used to limit exposure to currency fluctuations on foreign currency receivables, payables and borrowings, and on cash flows generated from anticipated transactions denominated in foreign currencies.

(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.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(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 short-term credit ratings and investments in unit trusts are made only in cash/money market i.e. very liquid funds.

(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 at maintaining flexibility in funding by keeping committed credit facilities available and if necessary, obtaining additional debt and equity funding.

(e) 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, new share issues as well as the issue of new debt or the repayment of existing borrowings.

(f) 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 is determined using quoted forward exchange rates at the balance sheet date.

Further details on financial risks are disclosed in Note 39.

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 ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

The financial statements of the Group and the Company for the year ended 31 January 2013 are the first annual set of financial statements prepared in accordance with the MFRS, including MFRS 1, 'First-time Adoption of Malaysian Financial Reporting Standards'. Subject to certain transition elections disclosed in Note 46, the Group and Company have consistently applied the same accounting policies in its opening MFRS statements of financial position at 1 February 2011 (transition date) and throughout all years presented, as if these policies had always been in effect. Save for the required presentation of three statements of financial position in the first MFRS financial statements, there is no other significant impact on the Group's and Company's financial results and position, and changes to the accounting policies of the Group and Company arising from the adoption of this MFRS Framework as the requirements under the previous Financial Reporting Standards ("FRS") Framework were equivalent to the MFRS Framework.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand ('000), unless otherwise indicated.

In the prior financial year, the Group's acquisitions of Measat Broadcast Network Systems Sdn. Bhd. ("MBNS") and its subsidiary, Measat Digicast Sdn. Bhd. ("MDIG"), were accounted for based on the capital reorganisation method whilst the remaining subsidiaries were acquired based on the acquisition method. The difference between the consideration and the net assets of MBNS and MDIG at the date of capital reorganisation was taken to the capital reorganisation reserve, resulting in a negative reserve balance of RM5,470,197,000 at 31 January 2013 and 31 January 2012. The acquisition of the remaining subsidiaries was recognised in accordance with section 3B(a) below. As a result of different methods used, the comparative results of the Group are based on the full period results of MBNS and MDIG whilst the remaining subsidiaries' results were recognised from the date of acquisition.

MBNS has been identified as the accounting acquirer for these business combinations. Accordingly, although the consolidated financial statements have been prepared in the name of the Company being the legal parent, they are in substance a continuation of the consolidated financial statements of the legal subsidiary, MBNS and its subsidiary MDIG. The share capital shown in the Company's consolidated financial statements, including comparatives, is the legal structure of the Company.

The preparation of financial statements in conformity with Malaysian Financial Reporting Standards 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 judgment in the process of applying the Group and Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(a) Standards, amendments to published standards and interpretations that are applicable to the Group and Company and are effective

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Group and Company's financial year beginning on or after 1 February 2012 are as follows:

- MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards"
- MFRS 2 "Share-based Payment"
- MFRS 3 "Business Combinations"
- MFRS 7 "Financial Instruments"
- MFRS 8 "Operating Segments"
- MFRS 101 "Presentation of Financial Statements"
- MFRS 102 "Inventories"
- MFRS 107 "Statement of Cash Flows"
- MFRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors"
- MFRS 110 "Events After Reporting Date"
- MFRS 112 "Income Taxes"
- MFRS 116 "Property, Plant and Equipment"
- MFRS 117 "Leases"
- MFRS 118 "Revenue"
- MFRS 119 "Employee Benefits"
- MFRS 121 "The Effects of Changes in Foreign Exchange Rates"
- MFRS 123 "Borrowing Costs"
- MFRS 124 "Related Party Disclosures"
- MFRS 126 "Accounting and Reporting by Retirement Benefit Plans"
- MFRS 127 "Consolidated and Separate Financial Statements"
- MFRS 128 "Investments in Associates"
- MFRS 131 "Interests in Joint Ventures"
- MFRS 132 "Financial Instruments: Presentation"
- MFRS 133 "Earnings Per Share"
- MFRS 134 "Interim Financial Reporting"
- MFRS 136 "Impairment of Assets"
- MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets"
- MFRS 138 "Intangible Assets"
- MFRS 139 "Financial Instruments: Recognition and Measurement"
- IC Interpretation 4 "Determining whether an Arrangement contains a Lease"
- IC Interpretation 16 "Hedges of a Net Investment in a Foreign Operation"
- IC Interpretation 17 "Distribution of Non-cash Assets to Owners"
- IC Interpretation 19 "Extinguishing Financial Liabilities with Equity Instruments"
- IC Interpretation 131 "Revenue – Barter Transactions Involving Advertising Services"

There is no significant impact on the financial results and position of the Group or Company upon adoption of the above new standards, amendments to published standards and interpretations.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(b) Standards early adopted by the Group and Company

The Group and Company did not early adopt any new accounting standards, amendments and improvements to published standards and interpretations.

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and Company but not yet effective

The Group and Company will apply the new standards, amendments to standards and interpretation in the following periods:

(i) Financial year beginning on/after 1 February 2013

- MFRS 10 "Consolidated Financial Statements" (effective from 1 January 2013) changes the definition of control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. It establishes control as the basis for determining which entities are consolidated in the consolidated financial statements and sets out the accounting requirements for the preparation of consolidated financial statements. It replaces all the guidance on control and consolidation in MFRS 127 "Consolidated and Separate Financial Statements" and IC Interpretation 112 "Consolidation – Special Purpose Entities".

- MFRS 12 "Disclosures of Interests in Other Entities" (effective from 1 January 2013) sets out the required disclosures for entities reporting under the two new standards, MFRS 10 and MFRS 11, and replaces the disclosure requirements currently found in MFRS 128 "Investments in associates". It requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

- MFRS 13 "Fair Value Measurement" (effective from 1 January 2013) aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across MFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The enhanced disclosure requirements are similar to those in MFRS 7 "Financial instruments: Disclosures", but apply to all assets and liabilities measured at fair value, not just financial ones.

- The revised MFRS 127 "Separate Financial Statements" (effective from 1 January 2013) includes the provisions on separate financial statements that are left out after the control provisions of MFRS 127 have been included in the new MFRS 10.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and Company but not yet effective (Cont'd.)

(i) Financial year beginning on/after 1 February 2013 (Cont'd.)

- The revised MFRS 128 "Investments in Associates and Joint Ventures" (effective from 1 January 2013) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of MFRS 11.

- Amendment to MFRS 101 "Presentation of Items of Other Comprehensive Income" (effective from 1 July 2013) requires entities to separate items presented in 'other comprehensive income' (OCI) in the statement of comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. The amendments do not address which items are presented in OCI.

- Amendment to MFRS 119 "Employee benefits" (effective from 1 January 2013) makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses will no longer be deferred using the corridor approach. MFRS 119 shall be withdrawn on application of this amendment.

- Amendment to MFRS 7 "Financial Instruments: Disclosures" (effective from 1 January 2013) requires more extensive disclosures focusing on quantitative information about recognised financial instruments that are offset in the statement of financial position and those that are subject to master netting or similar arrangements irrespective of whether they are offset.

(ii) Financial year beginning on/after 1 February 2014

- Amendment to MFRS 132 "Financial instruments: Presentation" (effective from 1 January 2014) does not change the current offsetting model in MFRS 132. It clarifies the meaning of 'currently has a legally enforceable right of set-off' that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and Company but not yet effective (Cont'd.)

(iii) Financial year beginning on/after 1 January 2015

- MFRS 9 "Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities" (effective from 1 January 2015) replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

  The accounting and presentation for financial liabilities and for de-recognising financial instruments has been relocated from MFRS 139, without change, except for financial liabilities that are designated at fair value through profit or loss ("FVTPL"). Entities with financial liabilities designated at FVTPL recognise changes in the fair value due to changes in the liability's credit risk directly in other comprehensive income (OCI). There is no subsequent recycling of the amounts in OCI to profit or loss, but accumulated gains or losses may be transferred within equity.

  MFRS 7 requires disclosures on transition from MFRS 139 to MFRS 9.

  The guidance in MFRS 139 on impairment of financial assets and hedge accounting continues to apply.

The Group and the Company are in the process of making an assessment of the impact of the adoption of these standards, amendments to published standards and interpretations to existing standards.

B Consolidation

(a) Subsidiaries

Subsidiaries, which are those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another 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. 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. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions with 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.

(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 obligations or amounts owing by the associate.

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.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B Consolidation (Cont'd.)

(d) Jointly controlled entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties.

The Group's interests in jointly controlled entities are accounted for using the equity method of accounting. Equity accounting involves recognising in the income statement the Group's share of the results of jointly controlled entities for the period. The Group's investments in jointly controlled entities are carried in the balance sheet at an amount that reflects its share of the net assets of the jointly controlled entities and includes any long term interests.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless costs cannot be recovered.

Where necessary, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those of the Group.

C Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

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	4 – 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 specific HD set-top boxes remain the property of the Group after installation, and are recovered if the subscriber contract is terminated. 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

C Property, plant and equipment (Cont'd.)

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 off.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the income statement.

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.

Assets acquired under finance leases are depreciated according to the basis set out in Note 3(C).

(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 cost of an acquisition of a subsidiary/associate/jointly controlled entity over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate/jointly controlled entity 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 charged to the income statement as it arises. 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

E Intangible assets (Cont'd.)

(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.

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 – 7 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 used.

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 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 income statement as it arises.

The useful lifes 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 library is 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.)

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.

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 Turnaround channel transmission rights

The cost of turnaround channels (programme provider fees), where the Group has immediate transmission rights is expensed as incurred.

G Impairment of non-financial assets

Assets that have an indefinite useful life 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).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

G Impairment of non-financial assets (Cont'd.)

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 tapes, set-top boxes used in the provision of non-subscription services and other materials are stated at the lower of cost and net realisable value.

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 reflects the value to the business of the set-top boxes in the hands of the customer.

I Borrowings

Borrowings are stated at amortised cost using the effective yield method; any difference between the initial carrying value and the redemption value is recognised in the income statement using the effective yield method over the period of the borrowings.

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.

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 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

J Current and deferred taxation (Cont'd.)

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 period in which the associated services are rendered by employees of the Group.

(b) Defined contribution plans

The Group pays contributions to publicly administered pension plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The regular contributions are accounted for on the accruals basis.

(c) Termination benefits

Termination benefits may be paid whenever an employee's employment is terminated before the normal retirement date. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an invitation made to encourage voluntary redundancy.

(d) Share-based payment transactions

The Group and Company operate an equity settled share-based compensation plan. 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 non-market vesting conditions. At the end of each financial reporting period, the Company revises its estimates of the number of share awards that are expected to vest and recognises the impact of the revision of original estimates, if any, in the income statement with a corresponding adjustment to equity.

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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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 Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(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.

M Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, cash at bank and deposits held at call with banks and investments in unit trust cash/money market funds.

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 Company has a present legal or constructive obligation as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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 shown in equity as a deduction, net of tax, from proceeds.

(c) Dividends

Dividends on ordinary shares are recognised as liabilities when declared, other than final dividends which are recognised when approved by the members at the Annual General Meeting.

(d) Redeemable Preference Shares ("RPS")

RPS are classified as equity and/or liability according to the economic substance of the particular instrument.

Q Revenue recognition

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 period the services are provided.

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 service taxes and discounts.

Advertising revenues from sale of advertising space in magazines are recognised in the period during which advertisings are published, net of service taxes and discounts.

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 otherwise expensed. Services received in exchange are expensed over the service period.

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 film library and programme rights is recognised in the period the rights are available to the licensee.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Q Revenue recognition (Cont'd.)

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.

Interest income is recognised using the effective interest method.

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, payables and borrowings. The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual 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.

S Financial assets

(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 and held-to-maturity ("HTM"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification 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.

(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 from the balance sheet date, which are classified as non-current assets. They are included in Receivables and Prepayments in the balance sheet at amortised cost.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

S Financial assets (Cont'd.)

(a) Classification (Cont'd.)

(iii) Available-for-sale financial assets ("AFS")

Available-for-sale 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.

(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.

(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 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

S Financial assets (Cont'd.)

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

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 asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. 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 and Company may measure impairment on the basis of an instrument's fair value using an observable market price.

(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 and Company have 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 profit or loss.

T Financial liabilities

Financial liabilities within the scope of FRS139 "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. Other financial liabilities (except for financial guarantee) 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. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are 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 Statements 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 twelve months and as a current asset or liability when the remaining maturity of the hedged item is less than twelve months. Trading derivatives are classified as current assets or liabilities.

(a) 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 equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. However, when a forecast transaction that is hedged results in the recognition of a non-financial asset, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(b) Derivatives at FVTPL

Changes in the fair value of derivative financial instrument that do not qualify for hedge accounting are recognised in the income statement as they arise.

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risk and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in the income statement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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.

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) Property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over the assets' useful lives. The useful lives of these assets estimated by the management are as disclosed in Note 3(C) to the financial statements. The assets' residual values are reviewed and adjusted if appropriate, at each balance sheet date.

In relation to the HD set-top boxes, the capitalised costs are depreciated over the estimated useful life of the equipment, which is based on management's judgement of the risk of technical obsolescence and expected churn rates. Due to the inherent difficulty of making the estimate, the estimated useful life of the HD set-top boxes may change based on, amongst other things, changes in technology as well as responses to competitive conditions.

(b) Programme rights

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 as disclosed in Note 3E(e). The estimated benefits to be received are based on the management's estimates of the number of times a programme will be broadcast and the relative value associated with each broadcast.

During the financial year, the Group revised its estimates in relation to the amortisation of certain programme rights based on the forecast period for the consumption of the rights licensed from a third party. The impact of the change on the Group's income statement for the year is an increase of RM20.5 million in profit before tax.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

(c) Impairment test for goodwill and brands

Goodwill and brands 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 and brands are disclosed in Note 21 to the financial statements.

CGU	Brands (Note 21) RM'000	Goodwill allocated (Note 21) RM'000	Total RM'000
Television	–	464,387	464,387
Radio	328,000	600,512	928,512
Total	328,000	1,064,899	1,392,899

The goodwill and brands have been recorded following various acquisitions as highlighted in Note 21 to the financial statements, which were completed in the prior financial year.

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 past experience of the transaction value for the related CGUs, including observable comparable market transactions and cash flow projections 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 five year period, after which a long term growth rate of the respective markets has been applied. The projection period has been determined to reflect the completion of the projected investment cycle of the respective businesses. 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.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

(c) Impairment test for goodwill and brands (Cont'd.)

The key assumptions applied in the impairment calculations as at 31 January 2013 include:

CGU	Pre-tax discount rate	Terminal growth assumption	Compounded revenue growth rate in the projection period
Television	11.2%	3.0%	12.9%
Radio	14.1%	3.0%	10.2%

The projection assumes the renewal of all current licences granted to the Group.

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.

5 REVENUE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Subscription	**3,637,501**	3,273,098	**–**	–
Advertising airtime sales:				
– barter	**2,940**	5,186	**–**	–
– non-barter	**482,215**	410,187	**–**	–
Provision of programme broadcast rights	**43,523**	29,367	**–**	–
Interactive services	**41,022**	58,981	**–**	–
Dividend income	**–**	–	**679,859**	942,423
Magazine advertising sales	**11,658**	14,532	**–**	–
Others	**46,108**	55,326	**–**	–
	4,264,967	3,846,677	**679,859**	942,423

Others comprise sales of non-subscription based set-top boxes, production service revenue, management fees, talent revenue, activation fee and income from rental of building.

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	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Amortisation:				
– programme rights	**326,497**	286,812	**–**	–
– software	**95,408**	82,316	**–**	–
Auditors' remuneration:				
– audit	**1,316**	1,172	**398**	291
– IPO	**2,100***	–	**2,100***	–
– quarterly review	**291**	–	**291**	–
– non–audit	**1,556**	688	**192**	37
Bad debts written off	**405**	5,037	**–**	–
Cost of set-top boxes	**141,783**	84,016	**–**	–
Corporate responsibility programme costs	**7,508**	10,223	**–**	–
Depreciation:				
– property, plant and equipment	**507,042**	336,325	**48**	–
Impairment:				
– programme rights	**699**	–	**–**	–
– software	**101**	–	**–**	–
– receivables	**57,889**	45,305	**–**	–
– inventories	**1,079**	5,383	**–**	–
Insurance	**12,528**	14,238	**–**	–
Inventories written off	**343**	1,093	**–**	–
Loss on disposal of property, plant and equipment	**–**	148	**–**	–
Maintenance expenses	**65,895**	65,020	**–**	–
Professional, consultancy and other related expenses	**111,574**	97,671	**–**	–
Programme provider fees	**895,820**	835,376	**–**	–
Property, plant and equipment written off	**430**	2,071	**–**	–
Realised foreign exchange losses (net)	**3,626**	–	**–**	–
Rental:				
– buildings	**19,345**	19,748	**–**	–
– equipment	**8,863**	3,226	**–**	–
– land	**2,300**	2,300	**–**	–
– storage	**7,231**	5,627	**–**	–
Share-based payments	**7,013**	–	**–**	–
Unrealised foreign exchange losses (net)	**–**	933	**–**	–

Included in Cost of Sales are programme provider fees, costs of set-top boxes, staff related costs (Note 7), amortisation of programme rights, attributable portion of depreciation of property, plant and equipment, and other direct expenses.

* AMH's portion of IPO related fees only.

6 PROFIT BEFORE TAX (CONT'D.)

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

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Gain on disposal of property, plant and equipment	**(179)**	–	**–**	–
Realised foreign exchange gains (net)	**–**	(12,453)	**(1)**	(274)
Unrealised foreign exchange gains (net)	**(1,396)**	–	**–**	–
Write back of impairment of receivables	**(7,191)**	(7,553)	**–**	–

7 STAFF COSTS (INCLUDING DIRECTORS' SALARIES AND OTHER SHORT-TERM EMPLOYEES' BENEFITS)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Wages and salaries	**397,704**	351,365	**3,636**	3,374
Employee benefits-in-kind	**17,759**	14,277	**–**	–
Social security cost	**2,690**	2,150	**–**	–
Defined contribution plans	**57,022**	47,552	**545**	495
Staff welfare and allowances	**18,464**	15,049	**–**	–
Share-based payments (Note (a))	**7,013**	–	**–**	–

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.

7 STAFF COSTS (INCLUDING DIRECTORS' SALARIES AND OTHER SHORT-TERM EMPLOYEES' BENEFITS) (CONT'D.)

(a) Share-based payments

The Company established a Management Share Scheme ("MSS"), which came into effect on 20 September 2012 for a period of 10 years. On 11 October 2012, the Company granted a total number of 21,927,000 new ordinary shares of RM0.10 each to the eligible executives and eligible employees of the Group and of the Company.

An eligible executive or eligible employee who accepts an offer under the Share Grants ("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 Management Share Scheme, the Grantees shall be entitled to receive new ordinary shares to be issued pursuant to the Share Grants, 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 Grants, which comprise the performance targets stipulated by the Remuneration Committee of the Company.

The movement in the total number of share grants is as follows:

	2013 '000
At 1 February 2012	–
Granted	21,927
Forfeited	(728)
Exercised	(1,000)
At 31 January 2013	20,199

Details of share grants outstanding at the end of financial year:

Vesting tranche	Vesting Date	2013 Share grants '000
1st Tranche	19 October 2014	4,040
2nd Tranche	19 October 2015	4,040
3rd Tranche	19 October 2016	6,060
4th Tranche	19 October 2017	6,059
		20,199

7 STAFF COSTS (INCLUDING DIRECTORS' SALARIES AND OTHER SHORT-TERM EMPLOYEES' BENEFITS) (CONT'D.)

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

The fair value of the share awards is estimated using the Monte Carlo Simulation Model with the following inputs:

	Group and Company 2013
Fair value at grant date	**RM2.55 – RM2.99**
Share price at grant date	**RM3.00**
Expected volatility	**45.57%**
Expected dividends	**3.31%**
Risk-free interest rate (based on Malaysian Government Securities yield)	**3.19%**

8 DIRECTORS' REMUNERATION

The aggregate amount of emoluments receivable by Directors during the financial year was as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Non-Executive Directors				
Fees	**1,293**	711	**1,293**	711
Salaries and bonus*	**3,636**	–	**3,636**	–
Defined contribution plans*	**545**	–	**545**	–
Estimated money value of benefits-in-kind	**16**	–	**16**	–
	5,490	711	**5,490**	711

8 DIRECTORS' REMUNERATION (CONT'D.)

The aggregate amount of emoluments receivable by Directors during the financial year was as follows (Cont'd.):

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Executive Director				
Salaries and bonus	**6,326**	8,047	**–**	4,049
Defined contribution plans	**949**	1,095	**–**	495
Estimated money value of benefits-in-kind	**12**	21	**–**	–
Other employee benefits	**92**	366	**–**	–
Share-based payments (Note 7(a))	**3,535**	–	**–**	–
	10,914	9,529	**–**	4,544
Total Directors' remuneration	**16,404**	10,240	**5,490**	5,255

* Represents the Director's salaries, bonus and defined contribution plans during his tenure as Executive Director.

9 FINANCE INCOME AND FINANCE COSTS

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
(a) Finance income:				
Interest income	**50,000**	62,530	**136,616**	101,831
Dividend income – unit trust	**–**	2,960	**–**	–
Realised foreign exchange gains (net)	**12,368**	2,816	**–**	–
	62,368	68,306	**136,616**	101,831
(b) Finance costs:				
Interest expense:				
– Bank borrowings	**127,667**	79,181	**127,667**	79,181
– Finance lease liabilities	**53,878**	59,201	**–**	–
– Vendor financing	**17,980**	7,528	**–**	–
– Advances from ultimate holding company	**1,674**	2,349	**–**	1,505
– Advances from subsidiaries	**–**	–	**1,270**	–
– Debt service and other finance costs	**14,384**	5,440	**10,295**	5,029
– Others	**700**	1,685	**–**	–
	216,283	155,384	**139,232**	85,715
Unrealised foreign exchange losses (net)	**15,441**	10,214	**–**	–
Fair value loss on derivative recycled to income statement	**46,752**	25,840	**40,245**	25,442
	278,476	191,438	**179,477**	111,157

10 TAX EXPENSE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Current tax:				
– Malaysian income tax	**200,648**	249,546	**–**	–
– Foreign tax	**3,640**	–	**–**	–
– Under/(over) accrual in prior years	**309**	(2,230)	**–**	–
	204,597	247,316	**–**	–
Deferred tax (Note 29)	**(49,452)**	(12,070)	**–**	–
	155,145	235,246	**–**	–

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

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	From 14.2.2011 (date of incorporation) to 31.1.2012 RM'000
Profit before tax	**574,938**	869,436	**620,045**	928,722
Tax at the Malaysian corporate tax rate of 25% (2012: 25%)	**143,735**	217,359	**155,011**	232,180
Share of post tax results from investments accounted for using the equity method	**(1,485)**	(1,048)	**–**	–
Expenses not deductible for tax purposes	**28,254**	17,594	**14,954**	3,494
Income not subject to tax	**(574)**	(5,469)	**(169,965)**	(235,674)
Effect of tax rates in foreign jurisdictions	**3,640**	–	**–**	–
Utilisation of previously unrecognised tax losses	**(30,079)**	–	**–**	–
Under/(over) accrual in prior years	**309**	(2,230)	**–**	–
Unrecognised deferred tax assets	**11,345**	9,040	**–**	–
Tax expense	**155,145**	235,246	**–**	–

11 EARNINGS PER ORDINARY SHARE

The calculation of basic earnings per ordinary share for the year ended 31 January 2013 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding.

The calculation of diluted earnings per ordinary shares for the year ended 31 January 2013 was based on profit attributable to ordinary shareholders and a 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 for the year ended 31 January:

	Group	
	2013 RM'000	**2012 RM'000**
Profit for the year attributable to ordinary shareholders used in the computation of basic/diluted earnings per share	**417,999**	629,061

(a) Basic earnings per share

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

	Group	
	2013	**2012**
Weighted average number of ordinary shares for basic earnings per share computation* ('000)	**1,878,982**	98
Basic earnings per ordinary share (RM)	**0.22**	6,418.99

(b) Dilutive earnings per share

	Group	
	2013	**2012**
Weighted average number of ordinary shares for basic earnings per share computation* ('000)	**1,878,982**	n/a^
Adjustment for:		
Grant of share award under the management share scheme ('000)	**2,507**	n/a^
Weighted average number of ordinary shares for diluted earnings per share ('000)	**1,881,489**	n/a^
Diluted earnings per ordinary share (RM)	**0.22**	n/a^

* The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares issued during the year.

^ n/a denotes "Not Applicable" as there were no dilutive ordinary shares.

12 DIVIDENDS

The followings dividends were declared and paid by the Group for the financial year ended:

	2012 RM'000
In respect of the financial year ended 31 January 2011:	
Second interim single-tier dividend of 86.0 sen per share, based on 255,217,142 ordinary shares declared on 7 February 2011 and paid on 28 February 2011 by MBNS	219,487
Third interim single-tier dividend of 48.0 sen per share, based on 260,217,142 ordinary shares declared on 1 April 2011 and paid on 10 June 2011 by MBNS	124,904
	344,391
In respect of the financial period ended 31 January 2012:	
First interim single-tier dividend of 84.0 sen per share, based on 260,217,142 ordinary shares declared out of merger relief reserve on 4 April 2011 and paid on 14 April and 3 May 2011 by MBNS	218,582
Dividends declared by MBNS prior to Capital Reorganisation	562,973
First interim single-tier dividend of RM14,998,916 per share, based on 2 ordinary shares declared on 7 June 2011 and paid on 10 June 2011 by AMH	29,998
Second interim single-tier dividend of RM100,000,000 per share, based on 2 ordinary shares declared on 30 June 2011 and paid on 4 July 2011 by AMH	200,000
Third interim single-tier dividend of RM545.105 per share, based on 98,238 ordinary shares declared on 14 November 2011 and paid on 18 November 2011 by AMH	53,550
Fourth interim single-tier dividend of RM1,526.905 per share, based on 98,238 ordinary shares declared and paid on 23 December 2011 by AMH	150,000
Fifth interim single-tier dividend of RM3,406.01 per share, based on 98,238 ordinary shares declared on 31 January 2012 and paid on 20 February 2012, 12 April 2012 and 30 August 2012	334,600#
Dividends declared by the Company subsequent to Capital Reorganisation	768,148
	1,331,121

Included in this amount is a sum of RM49,274,000 which represents non-cash dividend to ANM as settlement of inter-company debts on 31 January 2012.

12 DIVIDENDS (CONT'D.)

The followings dividends were declared and paid by the Group for the financial year ended (Cont'd.):

	2013 RM'000
In respect of the financial year ended 31 January 2013:	
First interim single-tier dividend of RM2,738.25 per share on 98,238 ordinary shares declared on 30 April 2012 and paid on 30 August 2012	**269,000***
Interim single-tier dividend of RM0.015 per share on 5,198,300,000 ordinary shares declared on 5 December 2012 and paid on 11 January 2013	**77,975**
	346,975

Subsequent to the financial year, on 14 March 2013, the Directors declared an interim single-tier dividend of RM0.015 per share on 5,198,300,000 ordinary shares in respect of the financial year ended 31 January 2013, amounting to RM77,974,500 which was paid on 18 April 2013.

The Directors also recommended a final single-tier dividend payment of RM0.01 per share estimated at RM51,983,000 in respect of the financial year ended 31 January 2013 subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting. The final single-tier dividend will be paid at a date to be determined.

* Included in this amount is a sum of RM16,756,000 which represents non-cash dividend to ANM as settlement of inter-company debts on 31 January 2013.

13 PROPERTY, PLANT AND EQUIPMENT

	+Freehold land RM'000	Buildings RM'000	*Satellite transponders RM'000	*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 2012	10,586	107,608	695,021	111,078	676,913	53,025	1,654,231
Additions	–	166	–	38,993#	690,366@	39,688	769,213
Disposal	–	–	–	(76)	(26)	–	(102)
Transfers between classes	–	–	–	12,067	53,488	(65,555)	–
Transfers to related companies	–	–	–	–	(2)	–	(2)
Reclassification from/(to) intangible assets (Note 21)	–	–	–	3,924	(14)	(3,954)	(44)
Written off	–	–	–	(734)	5	299	(430)
Depreciation charge	–	(4,327)	(65,258)	(32,145)	(405,312)	–	(507,042)
At 31 January 2013	10,586	103,447	629,763	133,107	1,015,418	23,503	1,915,824
At 31 January 2013							
Cost	10,586	111,668	954,297	350,036	2,401,656	23,503	3,851,746
Accumulated depreciation	–	(8,221)	(324,534)	(216,929)	(1,386,238)	–	(1,935,922)
Net book value	10,586	103,447	629,763	133,107	1,015,418	23,503	1,915,824

13 PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	+Freehold land RM'000	Buildings RM'000	*Satellite transponders RM'000	*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 2011	10,586	110,045	760,279	76,477	440,885	29,227	1,427,499
Acquisition of subsidiaries (Note 40)	–	1,199	–	29,546	65,246	575	96,566
Additions	–	684	–	45,210#	395,858@	46,814	488,566
Disposal	–	–	–	(12,586)	(110)	(399)	(13,095)
Disposal of subsidiaries	–	–	–	(1,103)	(15)	–	(1,118)
Transfers between classes	–	–	–	10,330	7,071	(17,401)	–
Reclassification to intangible assets (Note 21)	–	–	–	–	–	(5,791)	(5,791)
Written off	–	–	–	(2,066)	(5)	–	(2,071)
Depreciation charge	–	(4,320)	(65,258)	(34,730)	(232,017)	–	(336,325)
At 31 January 2012	10,586	107,608	695,021	111,078	676,913	53,025	1,654,231
At 31 January 2012							
Cost	10,586	111,503	954,297	319,695	1,668,440	53,025	3,117,546
Accumulated depreciation	–	(3,895)	(259,276)	(208,617)	(991,527)	–	(1,463,315)
Net book value	10,586	107,608	695,021	111,078	676,913	53,025	1,654,231

13 PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	+Freehold land RM'000	Buildings RM'000	*Satellite transponders RM'000	*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 2010	10,586	114,334	875,706	71,399	195,532	62,834	1,330,391
Additions	–	–	–	22,177	326,530@	23,421	372,128
Disposal	–	–	–	(327)	1,170	–	843
Derecognition of a M3 transponder	–	–	(47,382)	–	–	–	(47,382)
Transfers between classes	–	–	–	3,852	46,810	(50,662)	–
Reclassification to intangible assets (Note 21)	–	–	–	–	–	(6,366)	(6,366)
Depreciation charge	–	(4,289)	(68,045)	(20,624)	(129,157)	–	(222,115)
At 31 January 2011/1 February 2011	10,586	110,045	760,279	76,477	440,885	29,227	1,427,499
At 31 January 2011/ 1 February 2011							
Cost	10,586	171,575	954,297	233,678	1,154,305	29,227	2,553,668
Accumulated depreciation	–	(61,530)	(194,018)	(157,201)	(713,420)	–	(1,126,169)
Net book value	10,586	110,045	760,279	76,477	440,885	29,227	1,427,499

+ 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.

* Assets held under a finance lease liability as disclosed in Note 28(a).

Includes significant non-cash transactions of RM6,783,000 (31.1.2012: RM4,184,000, 1.2.2011: RM Nil) as disclosed in Note 35.

@ Includes significant non-cash transactions of RM619,267,000 (31.1.2012: RM276,596,000; 1.2.2011: RM241,908,000) as disclosed in Note 35.

13 PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Equipment, fixtures and fittings RM'000
Company	
Net book value	
At 1 February 2012	–
Additions	714
Depreciation charge	(48)
At 31 January 2013	666
At 31 January 2013	
Cost	714
Accumulated depreciation	(48)
Net book value	666

14 INVESTMENT IN SUBSIDIARIES

	Company	
	2013 RM'000	2012 RM'000
Unquoted shares, at cost	**6,803,885**	6,803,885

14 INVESTMENT IN SUBSIDIARIES (CONT'D.)

The details of the subsidiary are as follows:

Name of subsidiaries	Country of incorporation	Group's effective interest^ 31.1.2013 %	Group's effective interest^ 31.1.2012 %	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 Shaw Sdn. Bhd. ("ASSB")	Malaysia	**100**	100	Production and distribution of films
MBNS Multimedia Technologies Sdn. Bhd. ("MMTSB")	Malaysia	**100**	100	Research and development of multimedia related technologies
MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS")	Malaysia	**100**	100	Provision of television services
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**	–*	Operation of a licensed commercial radio station
Radio Lebuhraya Sdn. Bhd. ("RLSB")	Malaysia	**100**	100	Establish, operate and maintain a radio broadcasting station
Yayasan Astro Kasih ("YAK")	Malaysia	**–&**	–	Advancing and benefitting the community

14 INVESTMENT IN SUBSIDIARIES (CONT'D.)

Name of subsidiaries	Country of incorporation	Group's effective interest^ 31.1.2013 %	31.1.2012 %	Principal activities
Subsidiaries 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	Inactive
Subsidiaries held by ASSB				
Karya Anggun Sdn. Bhd. ("KASB")	Malaysia	**100**	100	Film production, acquisition, commissioning and distribution
Nusantara Films Sdn. Bhd. ("NFSB")	Malaysia	**100**	100	Production, acquisition, commissioning and distribution of films
Tayangan Unggul Sdn. Bhd. ("TUSB")	Malaysia	**100**	100	Film production, acquisition, commissioning and distribution
Subsidiaries held by ADSB				
Astro Digital 5 Sdn. Bhd. ("AD5SB")	Malaysia	**100**	100	Development and licensing of multimedia and interactive applications
Astro Publications Sdn. Bhd. ("APUB")	Malaysia	**100**	100	Magazine publication and distribution

^ As at 1 February 2011, the Group represents MBNS and its wholly owned subsidiary, MDIG.

* The Group exercises control over the operations of PEW through the decisions made by the Board of Directors. The financial results of PEW have been fully recognised in the Group's financial statements. The issued shares of PEW were transferred to MBNS on 15 June 2012.

& In accordance with IC 112 – Consolidation: "Special Purpose Vehicles", YAK is consolidated in the Group as the substance of the relationship between the Company and the special purpose entity indicates that the entity is controlled by the Company.

15 INVESTMENT IN ASSOCIATES

	Group 31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Share of net assets and reserves	**8,056**	3,762	–
Long term advances and receivables	**38,187**	35,667	–
	46,243	39,429	–

The financial information of equity accounted associates are as follows:

	Group 31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Assets and liabilities			
Current assets	**184,537**	148,813	–
Non-current assets	**33,053**	33,482	–
Total assets	**217,590**	182,295	–
Current liabilities	**35,114**	27,316	–
Non-current liabilities	**160,593**	150,077	–
Total liabilities	**195,707**	177,393	–
Income and expenses			
Income	**40,156**	34,712	–
Expenses	**(26,930)**	(20,672)	–

The details of the associates are as follows:

Name of associates	Country of incorporation	Group's effective interest 31.1.2013 %	31.1.2012 %	Principal activities
Associates held by ABSB				
Kristal-Astro Sdn. Bhd.	Brunei	**48.9**	48.9	Provision of television services
Associates held by MMTSB				
Advanced Wireless Technologies Sdn. Bhd. ("AWT")	Malaysia	**25**	25	Provision of wireless multimedia related services
UMTS (Malaysia) Sdn. Bhd.	Malaysia	**25**	25	Provision of wholesale 3G mobile applications and services

The Group has not recognised losses related to Kristal-Astro Sdn. Bhd. totaling RM179,000 (31.1.2012: RM511,000) in respect of the current financial year and cumulatively RM690,000 (31.1.2012: RM511,000), since the Group has no obligation in respect of these losses and the carrying value of the investment in nil.

16 INVESTMENT IN JOINT VENTURES

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Share of net assets and reserves	**5,585**	3,939	–
Long term advances and receivables	**3,305**	4,739	–
	8,890	8,678	–

The financial information of joint ventures accounted for using equity method are as follows:

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Assets and liabilities			
Current assets	**16,141**	10,181	–
Non-current assets	**12,172**	9,728	–
Total assets	**28,313**	19,909	–
Current liabilities	**14,520**	13,087	–
Non-current liabilities	**7,000**	4,777	–
Total liabilities	**21,520**	17,864	–
Income and expenses			
Income	**38,448**	18,827	–
Expenses	**(33,700)**	(19,874)	–

16 INVESTMENT IN JOINT VENTURES (CONT'D.)

The details of the joint ventures are as follows:

Name of joint ventures	Country of incorporation	Group's effective interest 31.1.2013 %	Group's effective interest 31.1.2012 %	Principal activities
Joint Ventures held by AESB				
Endemol Malaysia Entertainment Group Sdn. Bhd.	Malaysia	**49.99**	49.99	Developing, producing and exploiting television programmes and digital formats
Astro Awani Network Ltd	Mauritius	**–**	20	Inactive
Joint Ventures held by ASSB				
Nusantara Edaran Filem Sdn. Bhd.	Malaysia	**50**	50	Film production, acquisition, commissioning and distribution

On 27 July 2012, AESB disposed off 212,500 ordinary shares of USD1.00 each, representing 20% of the issued and paid-up share capital of Astro Awani Network Ltd to ASTRO All Asia Entertainment Networks Ltd at a cash consideration of USD1.00.

17 OTHER INVESTMENT

	Group 31.1.2013 RM'000	Group 31.1.2012 RM'000	Group 1.2.2011 RM'000
Available-for-sale financial assets			
– Series A-1 preference shares in unquoted company	**5,825**	–	–

The Series A-1 preference shares are convertible to ordinary shares on a 1:1 ratio.

The financial asset is neither past due or impaired.

18 ADVANCES TO SUBSIDIARIES

Non-current

Advances to subsidiaries are unsecured, 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 at the end of the financial year ranges from 4.2% to 5.8% (2012: 4.7% to 5.4%) per annum.

Current

In the prior year, advances to subsidiaries were unsecured, with no fixed terms of repayment and were subject to interest ranging from 5.3% to 5.4% per annum.

19 ADVANCES TO IMMEDIATE HOLDING COMPANY

On 30 April 2012, the Company redeemed 1,500 RPS of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM1,500,000,000 to ANM. The amount payable to the immediate holding company arising from this redemption has been offset against the advances to immediate holding company (Note 31).

20 FINANCIAL ASSETS

		Group	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Held-to-maturity investments			
Non-current Asset			
Bonds	–	–	10,000
Current Asset			
Bonds	–	10,000	–

The investment in Bonds matured on 30 March 2012.

21 INTANGIBLE ASSETS

	Goodwill RM'000	Brand RM'000	Film library and programme rights RM'000	Computer software RM'000	Software development RM'000	Total RM'000
Group						
Net book value						
At 1 February 2012	1,064,899	328,000	162,956	179,548	35,332	1,770,735
Additions	–	–	335,440	92,826#	80,717	508,983
Reclassification from/(to) property, plant and equipment (Note 13)	–	–	–	3,967	(3,923)	44
Transfer between classes	–	–	–	43,766	(43,766)	–
Impairment	–	–	(699)	(101)	–	(800)
Amortisation charge	–	–	(326,497)	(95,408)	–	(421,905)
At 31 January 2013	1,064,899	328,000	171,200	224,598	68,360	1,857,057
At 31 January 2013						
Cost	1,064,899	328,000	1,471,083	526,334	68,360	3,458,676
Accumulated amortisation	–	–	(1,299,883)	(301,736)	–	(1,601,619)
Net book value	1,064,899	328,000	171,200	224,598	68,360	1,857,057

21 INTANGIBLE ASSETS (CONT'D.)

	Goodwill RM'000	Brand RM'000	Film library and programme rights RM'000	Computer software RM'000	Software development RM'000	Total RM'000
Group (Cont'd.)						
Net book value						
At 1 February 2011	–	–	33,705	214,624	10,112	258,441
Acquisition of subsidiaries (Note 40)	1,086,243	328,000	95,364	10,270#	–	1,519,877
Additions	–	–	320,700	23,585	32,839	377,124
Reclassification from property, plant and equipment (Note 13)	–	–	–	13,410	(7,619)	5,791
Written off	–	–	–	(3)	–	(3)
Disposal of a subsidiary	(21,344)	–	–	–	–	(21,344)
Disposals	–	–	(1)	(22)	–	(23)
Amortisation charge	–	–	(286,812)	(82,316)	–	(369,128)
At 31 January 2012	1,064,899	328,000	162,956	179,548	35,332	1,770,735
At 31 January 2012						
Cost	1,064,899	328,000	1,246,408	390,143	35,332	3,064,782
Accumulated amortisation	–	–	(1,083,452)	(210,595)	–	(1,294,047)
Net book value	1,064,899	328,000	162,956	179,548	35,332	1,770,735

Includes significant non-cash transactions of RM2,446,000 (31.1.2012: RM9,897,000, 1.2.2011: RM Nil) as disclosed in Note 35.

21 INTANGIBLE ASSETS (CONT'D.)

	Programme rights RM'000	Computer software RM'000	Software development RM'000	Total RM'000
Group (Cont'd.)				
Net book value				
At 1 February 2010	13,134	89,554	73,574	176,262
Additions	212,426	95,813	13,766	322,005
Reclassification from property, plant and equipment (Note 13)	–	83,594	(77,228)	6,366
Impairment	–	(8,021)	–	(8,021)
Amortisation charge	(191,855)	(46,316)	–	(238,171)
At 31 January 2011/1 February 2011	33,705	214,624	10,112	258,441
At 31 January 2011/1 February 2011				
Cost	762,400	319,060	10,112	1,091,572
Accumulated amortisation	(728,695)	(104,436)	–	(833,131)
Net book value	33,705	214,624	10,112	258,441

The remaining amortisation period of film library, programme rights and software at the end of the financial year ranged from 1 month to 7 years (31.1.2012 and 1.2.2011: 1 month to 7 years).

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.

Impairment testing of goodwill and brands

Goodwill arising from business combinations and brands have been allocated to two individual cash-generating units ("CGU") for impairment testing as follows:
– Television
– Radio

The carrying amounts of goodwill and brands allocated to each CGU as at 31 January 2013 and 31 January 2012 are as follows:

	Television segment RM'000	Radio segment RM'000	Total RM'000
Goodwill	464,387	600,512	1,064,899
Brands	–	328,000	328,000

21 INTANGIBLE ASSETS (CONT'D.)

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets and strategic plan approved by the Board covering a 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 five-year period are as follows:

	Television segment %	Radio segment %
As at 31 January 2013		
Pre-tax discount rates	**11.2**	**14.1**
Terminal growth assumption	**3.0**	**3.0**
Compound revenue growth rate in the projection period	**12.9**	**10.2**

	Television segment %	Radio segment %
As at 31 January 2012		
Pre-tax discount rates	11.9	13.7
Terminal growth assumption	3.0	3.0
Compound revenue growth rate in the projection period	12.5	8.0

The calculations of value in use for the CGUs are most sensitive to pre-tax discount rates. 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 with Malaysia's long term CPI.

22 INVENTORIES

	Group		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
At cost			
Set-top boxes	**12,322**	4,071	9,328
Tape and other materials	**9,497**	7,665	6,035
At net realisable value			
Set-top boxes	**1,805**	1,555	–
	23,624	13,291	15,363

23 RECEIVABLES AND PREPAYMENTS

	Group			Company	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Non-current					
Prepayments	**136,224**	134,762	–	605	–
Current					
Trade receivables	**609,439**	556,537	436,509	–	–
Impairment of trade receivables (Note 39(a))	**(178,747)**	(167,260)	(115,100)	–	–
	430,692	389,277	321,409	–	–
Other receivables, net of impairment	**90,050**	149,499	116,973	7,693	14
Amounts due from associate	**–**	11	–	–	–
Amounts due from ultimate and immediate holding companies	**18,168**	–	–	16,426	–
Amounts due from related companies, net of impairment	**20,036**	28,642	60,030	3	–
Amounts due from related parties, net of impairment	**119,210**	103,836	89,195	–	–
Amount due from subsidiaries	**–**	–	–	108,294	375,678
Amount due from subsidiaries – interest on advances	**–**	–	–	22,792	14,310
Prepayments	**212,056**	126,894	111,479	130	–
	890,212	798,159	699,086	155,338	390,002

Included in the other receivables, amounts due from related companies and amounts due from related parties of the Group and Company is an impairment of RM19,098,000 (31.1.2012: RM7,889,000; 1.2.2011: RM7,384,000), RM Nil (31.1.2012: RM Nil; 1.2.2011: RM54,924,000) and RM4,511,000 (31.1.2012: RM4,201,000; 1.2.2011: RM3,968,000) respectively.

The impairment amount recognised in the current financial year was RM11,209,000 (31.1.2012: RM505,000; 1.2.2011: RM1,217,000) and RM310,000 (31.1.2012: RM233,000; 1.2.2011: RM188,000) for other receivables and amounts due from related parties respectively.

The amounts due from ultimate and immediate holding companies, related companies, related parties and subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment. Interest from subsidiaries are based on the terms as disclosed in Note 18.

Credit terms of trade receivables range from payment in advance to 60 days (31.1.2012 and 1.2.2011: payment in advance to 60 days) (Note 39(a)).

Concentrations of credit risk with respect to trade receivables are limited due to the Group's large number of customers. The Group's historical experience in collection of accounts receivable falls within the recorded allowances.

24 ADVANCES TO/(FROM) ULTIMATE HOLDING COMPANY

Advances to/(from) utimate holding company are unsecured, repayable within the year end and are subject to interest ranging from 4.7% to 5.4% per annum (31.1.2012: 4.7% to 5.4% per annum).

25 DEPOSITS, CASH AND BANK BALANCES

	Group			Company	
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000	31.1.2013 RM'000	31.1.2012 RM'000
Unit trust in cash/money markets	**–**	–	239,502	**–**	–
Deposits with licensed banks	**1,487,107**	403,987	314,770	**1,060,985**	24,360
Cash and bank balances	**120,660**	74,215	44,064	**129**	146
Cash and cash equivalents	**1,607,767**	478,202	598,336	**1,061,114**	24,506

Investment in unit trust cash/money markets made by the Group can be purchased or liquidated with one day's notice.

Deposits of the Group and Company have an average maturity of 145 days and 152 days respectively (31.1.2012: 21 days; 1.2.2011: 59 days).

The effective interest rates per annum on deposits for the Group and Company range from 2.2% to 3.4% (31.1.2012: 2.2% to 3.6%; 1.2.2011: 2.0% to 3.6%).

Cash and bank balances include an amount of RM49,172,000 (31.1.2012: RM9,494,000; 1.2.2011: RM Nil) under an auto-placement arrangement for collections which earned overnight interest of 3.0% (31.1.2012: 1.3%; 1.2.2011: RM Nil) per annum.

26 PAYABLES

	Group			Company	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Current					
Trade payables and accruals*	**493,758**	515,190	346,262	**–**	–
Other payables and accruals	**657,558**	526,789	309,632	**31,854**	31,450
Amounts due to related parties	**75,359**	70,310	51,830	**–**	–
Amounts due to subsidiaries	**–**	–	–	**773**	37
Amounts due to related companies	**12,333**	25,419	118,448	**1,075**	3,181
Amount due to immediate/former holding company	**–**	285,326	7,191	**–**	285,326
Amount due to former holding company – Interest payable on subordinated advances	**–**	–	41,120	**–**	–
Unearned revenue	**177,773**	157,626	139,399	**–**	–
	1,416,781	1,580,660	1,013,882	**33,702**	319,994
Non-current					
Trade payables and accruals*	**706,378**	323,013	256,976	**–**	–

Credit terms granted by vendors generally range from 0 to 90 days (31.1.2012 and 1.2.2011: 0 to 90 days). Vendors of set-top boxes have granted extended payment terms of 24 and 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% (31.1.2012 and 1.2.2011: USD LIBOR or Ringgit Cost of Fund + margin of between 0.5% 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 1.05% and 1.1% (31.1.2012: USD LIBOR or Ringgit Cost of Fund + margin of between 0.5% and 1.05%; 1.2.2011: USD LIBOR + 0.5%) per annum calculated at 360 or 365 days respectively from issuance date.

As at 31 January 2013, the Group had a total of RM23,223,000 (31.1.2012: RM118,829,000; 1.2.2011: RM271,302,000) in undrawn multi-trade facilities to facilitate ULCP issuance as well as RM388,365,000 (31.1.2012: RM107,678,000; 1.2.2011: RM Nil) and USD563,000 (31.1.2012 and 1.2.2011: USD Nil) vendor financing facilities made available by the vendors to enable payments using the PN.

The effective interest rates at the end of the financial year ranged between 1.4% and 4.6% (31.1.2012: 0.9% and 4.6%; 1.2.2011: 0.9% and 3.8%) per annum.

* Included in trade payables is vendor financing of RM831,763,000 (31.1.2012: RM433,626,000; 1.2.2011: RM365,569,000) comprising current portion of RM194,352,000 (31.1.2012: RM181,343,000; 1.2.2011: RM144,918,000) and non-current portion of RM637,411,000 (31.1.2012: RM252,283,000; 1.2.2011: RM220,651,000).

26 PAYABLES (CONT'D.)

Unearned revenue mainly comprised of subscription fees billed prior to services being provided.

The amounts due to the related parties, subsidiaries, related companies, the immediate holding and the former holding company are unsecured, non-interest bearing and have no fixed terms of repayment.

27 DERIVATIVE FINANCIAL INSTRUMENTS

	Group			Company	
	31.1.2013 Assets RM'000	**31.1.2012 Assets RM'000**	**1.2.2011 Assets RM'000**	**31.1.2013 Assets RM'000**	**31.1.2012 Assets RM'000**
Current					
Forward foreign currency exchange contracts – cash flow hedges	**3,504**	–	–	**–**	–

	Group			Company	
	31.1.2013 Liabilities RM'000	**31.1.2012 Liabilities RM'000**	**1.2.2011 Liabilities RM'000**	**31.1.2013 Liabilities RM'000**	**31.1.2012 Liabilities RM'000**
Current					
Forward foreign currency exchange contracts – cash flow hedges	**–**	3,627	1,154	**–**	–
Interest rate swap	**892**	–	–	**892**	–
Cross-currency interest rate swap	**78**	–	–	**78**	–
	970	3,627	1,154	**970**	–
Non-current					
Interest rate swap	**34,789**	53,506	–	**34,789**	53,506
Cross-currency interest rate swap	**3,042**	48,844	–	**3,042**	48,844
	37,831	102,350	–	**37,831**	102,350

27 DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D.)

Forward foreign currency exchange contracts

Forward foreign currency exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables and payables denominated in currencies other than the functional currencies of the Group. Most of the forward foreign currency exchange contracts have maturities of less than one year after the balance sheet date. The notional principal amounts of the outstanding forward foreign currency exchange contracts at 31 January 2013 were USD85,949,000 (31.1.2012: USD46,010,000; 1.2.2011: USD41,640,000).

Interest rate swap

Interest rate swap is used to achieve an appropriate mix of fixed and floating interest rate exposure within the Group's policy. The Group has entered into interest rate swap with notional principal amounts of RM1,500,000,000 (31.1.2012: RM2,010,000,000) to hedge the cash flow risk in relation to the floating interest rate of a bank loan, as disclosed in Note 28. The interest rate swap was entered into for a period of 2 years and 10 years and had an average fixed swap rate of 4.01% (31.1.2012: 4.01%).

Cross-currency interest rate swap

To mitigate financial risks arising from adverse fluctuations in interest and exchange rates, the Company has entered into cross-currency interest rate swap with notional principal amounts of USD330,000,000 (31.1.2012: USD330,000,000). The cross-currency interest rate swap was entered into for a period of 10 years and had an average fixed swap rate and exchange rate of 4.19% (inclusive of margin of 1%) (31.1.2012: 4.19% (inclusive of margin of 1%)) and USD/RM3.0189 (31.1.2012: USD/RM3.0189) respectively.

The maturity profiles of the derivative financial instruments are disclosed in Note 39(b) to the financial statements.

28 BORROWINGS

	Group			Company	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Unsecured:					
Current					
Finance lease liabilities (Note (a))	**49,892**	43,484	32,444	**–**	–
Term loans:					
– RM Term Loan (Note (b))	**50,000**	–	–	**50,000**	–
– USD Term Loan – USD330 million (Note (b))	**25,336**	–	–	**25,336**	–
	125,228	43,484	32,444	**75,336**	–
Non-current					
Finance lease liabilities (Note (a))	**661,287**	695,956	731,526	**–**	–
Term loans:					
– RM Term Loan (Note (b))	**1,950,000**	2,010,000	–	**1,950,000**	2,010,000
– USD Term Loan – USD330 million (Note (b))	**988,094**	1,003,530	–	**988,094**	1,003,530
	2,938,094	3,013,530	–	**2,938,094**	3,013,530
Less: Debt issuance costs	**(42,997)**	(43,039)	–	**(42,997)**	(43,039)
Term loans, net of debt issuance costs	**2,895,097**	2,970,491	–	**2,895,097**	2,970,491
	3,556,384	3,666,447	731,526	**2,895,097**	2,970,491
	3,681,612	3,709,931	763,970	**2,970,433**	2,970,491

The borrowings in relation to the lease of transponder capacity as disclosed in Note (a) below are denominated in USD.

(a) Finance lease liabilities

Finance lease liabilities include the lease of transponders on the MEASAT 3 ("M3") and MEASAT 3a ("M3a") satellite from MEASAT Satellite Systems Sdn. Bhd., a related party. The effective interest rate of the finance lease at the end of the financial year is 6.2% (31.1.2012 and 1.2.2011: 6.2%) and 12.5% (31.1.2012 and 1.2.2011: 12.5%) per annum for M3 and M3a respectively.

28 BORROWINGS (CONT'D.)

(a) Finance lease liabilities (Cont'd.)

The following is a summary of the minimum lease payments:

	Group		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Lease rental obligation			
Minimum lease payments:			
– Not later than 1 year	**104,590**	99,832	91,343
– Later than 1 year and not later than 2 years	**218,452**	100,764	97,035
– Later than 2 years and not later than 5 years	**213,168**	316,428	304,828
– Later than 5 years	**515,877**	616,094	724,174
	1,052,087	1,133,118	1,217,380
Future finance charges	**(340,908)**	(393,678)	(453,410)
Present value of finance lease obligations	**711,179**	739,440	763,970

(b) Term Loans (unsecured and interest bearing)

The Company had on 12 May 2011 obtained financing to facilitate completion of the reorganisation as disclosed in Note 30. 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 tenor maturing on 19 May 2021 and 8 June 2021 respectively, were fully drawndown on 10 June 2011.

On 18 May 2012, RM500,000,000 was drawndown from the 1B tranche. The remaining undrawn amount of RM500,000,000 was voluntarily left to lapse on the last extended availability period of 16 November 2012 (originally, 18 May 2012). The Company did not bear any penalty charges in accordance with the term loan facilities agreement.

On 19 November 2012, the Company prepaid a sum of RM510,000,000 of its Ringgit term loan facilities of RM2,010,000,000 which was part of a syndicated loan obtained in prior financial year. Following the prepayment, the Company has also unwound the interest rate swap facility of RM510,000,000 with a mark-to-market loss of RM1,790,000.

28 BORROWINGS (CONT'D.)

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

The amounts drawndown under the 2B RM and USD Term Loan Facilities had been fully hedged as at 31 January 2013. The floating KLIBOR under the 2B RM Term Loan Facilities had been swapped into a fixed instrument at an average fixed rate of 4.01% (31.1.2012: 4.01%) and the USD Term Loan Facilities had been swapped into Ringgit at an average exchange and fixed interest rates of USD/RM3.0189 (31.1.2012: USD/RM3.0189) and 4.19% (inclusive of margin of 1%) (31.1.2012: 4.19% (inclusive of margin of 1%)). The RM510,000,000 2-year swap was unwound on 19 November 2012 due to prepayment of principal loan under 2B RM Term Loan Facilities. The RM500,000,000 drawndown from the 1B RM Term Loan Facilities remained unhedged. The applicable interest margins under both the RM and USD term loan facilities vary from 1.0% to 1.75% (2012: 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 (2012: less than 2.0 times to greater than 4.0 times).

The following is a summary of the repayment terms:

	Group and Company		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Term loans repayments (including finance charges):			
– Not later than 1 year	**187,358**	137,484*	–
– Later than 1 year and not later than 2 years	**337,251**	296,281	–
– Later than 2 years and not later than 5 years	**1,406,768**	1,482,066	–
– Later than 5 years	**1,704,280**	2,081,647	–
	3,635,657	3,997,478	–
Future finance charges	**(622,227)**	(983,948)	–
Present value of term loans	**3,013,430**	3,013,530	–

* Comprise interest portion only.

29 DEFERRED TAX (LIABILITIES)/ASSETS

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	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Subject to income tax:					
Deferred tax assets	**21,265**	–	–	**–**	–
Deferred tax liabilities	**(125,503)**	(153,690)	(82,537)	**–**	–
Net deferred tax liabilities	**(104,238)**	(153,690)	(82,537)	**–**	–
At beginning of financial year/period	**(153,690)**	(82,537)	4,468	**–**	–
Credited/(charged) to income statement (Note 10):					
Provisions and accruals	**9,624**	3,810	5,932	**–**	–
Tax losses	**19,462**	5,884	–	**–**	–
Property, plant and equipment	**22,244**	(13,245)	(52,681)	**–**	–
Intangible assets	**(8,291)**	4,344	(33,551)	**–**	–
Impairment of receivables	**6,413**	11,277	(925)	**–**	–
Capital allowance	**–**	–	(5,780)	**–**	–
	49,452	12,070	(87,005)	**–**	–
Other movement:					
Acquisition of subsidiaries	**–**	(83,223)*	–	**–**	–
At end of financial year/period	**(104,238)**	(153,690)	(82,537)	**–**	–

* Comprise deferred tax liabilities and deferred tax assets of RM83,276,000 and RM53,000 respectively.

29 DEFERRED TAX (LIABILITIES)/ASSETS (CONT'D.)

	Group			Company	
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000	31.1.2013 RM'000	31.1.2012 RM'000
Subject to income tax:					
Deferred tax assets (before offsetting):					
Provisions and accruals	**31,947**	22,323	18,514	**–**	–
Tax losses	**25,346**	5,884	–	**–**	–
Property, plant and equipment	**1,091**	133	–	**–**	–
Impairment of receivables	**49,303**	42,890	31,613	**–**	–
	107,687	71,230	50,127	**–**	–
Offsetting	**(86,422)**	(71,230)	(50,127)	**–**	–
Deferred tax assets (after offsetting)	**21,265**	–	–	**–**	–
Deferred tax liabilities (before offsetting):					
Property, plant and equipment	**(70,482)**	(91,768)	(77,167)	**–**	–
Intangible assets	**(141,443)**	(133,152)	(55,497)	**–**	–
	(211,925)	(224,920)	(132,664)	**–**	–
Offsetting	**86,422**	71,230	50,127	**–**	–
Deferred tax liabilities (after offsetting)	**(125,503)**	(153,690)	(82,537)	**–**	–

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

	Group		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Tax losses carried forward	**192,040**	267,764	–
Capital allowances carried forward	**59,724**	37,168	20,501
Other temporary differences carried forward	**18,652**	22,652	–
Unabsorbed investment tax allowances	**25,613**	25,613	–
	296,029	353,197	20,501

The benefits of unutilised tax losses, capital allowances, other temporary differences and investment tax allowances can be carried forward indefinitely and will be obtained when the relevant subsidiaries derive future assessable income of a nature and of an amount sufficient for these carried forward tax losses, capital allowances, other temporary differences and investment tax allowances to be utilised respectively.

30 SHARE CAPITAL

	Group and Company					
	Number of shares 31.1.2013 '000	Amount 31.1.2013 RM'000	Number of shares 31.1.2012 '000	Amount 31.1.2012 RM'000	Number of shares 1.2.2011# '000	Amount 1.2.2011# RM'000
Authorised:						
Ordinary shares of RM1.00 each						
At beginning of financial year	**100**	**100**	100	100	100	100
Sub-division	**(100)**	**(100)**	–	–	–	–
Issued during the financial year	**–**	**–**	–	–	–	–
	–	**–**	100	100	100	100
Ordinary shares of RM0.10 each						
At beginning of financial year	**–**	**–**	–	–	–	–
Sub-division	**1,000**	**100**	–	–	–	–
Issued during the financial year	**9,999,000**	**999,900**	–	–	–	–
	10,000,000	**1,000,000**	–	–	–	–
RPS of RM0.10 each	**10**	**1**	10	1	10	1
Issued and fully paid up:						
Ordinary shares of RM1.00 each						
At beginning of financial year	**98**	**98**	–+	–+	–	–
Sub-division	**(98)**	**(98)**	–	–	–	–
Issued during the financial year	**–**	**–**	98	98	98	98
	–	**–**	98	98	98	98

30 SHARE CAPITAL (CONT'D.)

	Group and Company					
	Number of shares 31.1.2013 '000	Amount 31.1.2013 RM'000	Number of shares 31.1.2012 '000	Amount 31.1.2012 RM'000	Number of shares 1.2.2011# '000	Amount 1.2.2011# RM'000
Issued and fully paid up (Cont'd.):						
Ordinary shares of RM0.10 each						
At beginning of financial year	**–**	**–**	–	–	–	–
Sub-division	**982**	**98**	–	–	–	–
Issued during the financial year:						
– Issue of new share from IPO	**5,196,318**	**519,632**	–	–	–	–
– Share grant exercised	**1,000**	**100**	–	–	–	–
	5,198,300	**519,830**	–	–	–	–
RPS of RM0.10 each						
At beginning of financial year	**7**	**1**	–	–	–	–
Redemption during the financial year	**(7)**	**(1)**	7	1	7	1
	–	**–**	7	1	7	1

Share Premium

	Group and Company		
	31.1.2013 RM'000	31.1.2012# RM'000	1.2.2011# RM'000
At 1 February/Date of Incorporation	**6,798,136**	–	–
Movement during the year:			
– Issuance of ordinary shares	**6,103,268**	6,798,136	–
– IPO expenses capitalised	**(38,919)**		
– Redemption of RPS	**(6,699,999)**	–	–
– Share grant exercised	**2,888**	–	–
At 31 January	**6,165,374**	6,798,136	–

\+ Denotes RM2

\# Pursuant to the basis of preparation disclosed in Note 3A, the share capital disclosed in the consolidated financial statements, including comparatives, is the legal structure of the Company. The ordinary shares and RPS of the Company issued on completion of the capital reorganisation as part of the AHSB Group Reorganisation are included at the comparative dates.

30 SHARE CAPITAL (CONT'D.)

The salient terms relating to the issuance of RPS of the Company are disclosed in Note 31 to the financial statements.

As part of AHSB Group Reorganisation, the Company recapitalised its debts owing to AHSB to offset an amount of RM6,798,235,328 arising from the Company's acquisition of the entire issued and paid-up share capital of MBNS, ASSB, AGS and MMTSB. The recapitalisation exercise entailed subscription by ANM of 98,235 ordinary shares of RM1.00 each issued at RM1,000 per share, 1 ordinary share of RM1.00 issued at RM328 and 6,700 redeemable preference shares of RM0.10 each issued at RM1,000,000 per RPS in the Company (Note 31), consequently resulting in creation of a share premium account of RM6,798,136,422.

During the financial year, the Company had undertaken a pre-IPO restructuring which comprised the following:

(i) Redeemed 1,500 and 5,200 Redeemable Preference Shares ("RPS") of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM1,500,000,000 and RM5,200,000,000 on 30 April 2012 and 19 September 2012 respectively;

(ii) Sub-divided the authorised share capital of the Company of RM100,000 divided into 100,000 ordinary shares of RM1.00 each into 1,000,000 ordinary shares of RM0.10 each, and each new ordinary share of RM0.10 nominal value shall have the same rights as the existing ordinary shares of RM1.00 each;

(iii) Sub-divided the entire issued and paid-up ordinary share capital comprising 98,238 fully paid ordinary shares of RM1.00 each into 982,380 new ordinary shares of RM0.10 each and such new shares be issued to the immediate holding company, Astro Networks (Malaysia) Sdn. Bhd. ("ANM"), on the basis of 10 new ordinary shares of RM0.10 each for every existing 1 ordinary share of RM1.00 each;

(iv) Increased the authorised share capital of the Company from RM100,000 comprising 100,000 ordinary shares of RM1.00 each to RM1,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each, by the creation of 9,999,000,000 new ordinary shares of RM0.10 each to rank pari-passu in all respects with the existing ordinary shares of the Company;

(v) Alloted and issued 4,722,017,620 new ordinary shares with a par value of RM0.10 each to ANM for a total subscription price of RM5,200,000,000 or approximately RM1.10 per new ordinary share.

On 11 October 2012, the Company offered Share Awards in respect of a total number of 21,927,000 new ordinary shares of RM0.10 each under the Management Share Scheme to the eligible executives and eligible employees of the Group.

On 19 October 2012, the entire issued and paid-up share capital of the Company was listed on the Main Market of Bursa Malaysia Securities Berhad, comprising an offer for sale of 1,044,000,000 ordinary shares of RM0.10 each by ANM and public issue of 474,300,000 new ordinary shares of RM0.10 each.

On 19 November 2012, the Company issued and allotted 1,000,000 ordinary shares of RM0.10 in the Company to a Director, Dato' Rohana Binti Tan Sri Datuk Haji Rozhan ("RR"), pursuant to a letter of offer dated 11 October 2012 ("Offer Letter") for the grant of 3,200,000 ordinary shares of RM0.10 each in the Company to RR pursuant to the terms of the Offer Letter and in accordance with the By-laws of the Management Share Scheme of the Company.

31 REDEEMABLE PREFERENCE SHARES ("RPS")

On 5 April 2011 and 30 September 2011, as part of AHSB Group Reorganisation, the Company issued 6,700 RPS of RM0.10 each at RM1,000,000 per RPS to ANM. The salient terms relating to the issuance of RPS of the Company are as follows:

(i) The holders of the RPS shall be entitled to receive dividends at such rate as declared by the Board of Directors at their discretion having regard to the working capital needs of the Company and any restrictive covenants binding on it prior to any payment of dividends on ordinary shares.

(ii) On a return of capital on winding up, the holders of RPS shall have preference over holders of any other shares in the capital of the Company, for an amount equal to the amount paid plus any arrears of declared or accrued but unpaid dividends.

(iii) The Company shall redeem, at the discretion of the Company, the RPS by paying in cash an amount equal to RM1,000,000 per share of the RPS plus any declared but unpaid dividends.

(iv) The Company shall redeem, at the discretion of the Company, giving to the holders of the RPS not less than three (3) days' notice.

(v) The holders of the RPS shall not have the right to vote with the holders of ordinary shares except as provided under Section 148(2) of the Act.

On 30 April 2012, the Company redeemed 1,500 RPS of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM1,500,000,000. The total nominal value of RM150 was redeemed out of profits available for dividends and the total premium payable amounting to RM1,499,999,850 was provided out of the share premium account. The amount payable to the immediate holding company has been offset against the advances to immediate holding company.

On 19 September 2012, the Company redeemed the remaining 5,200 RPS of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM5,200,000,000. The amount payable to the immediate holding company, ANM, was offset against the total subscription price payable by ANM to the Company for the subscription of 4,722,017,620 ordinary shares of RM0.10 each in the Company by ANM at the total subscription price of RM5,200,000,000.

32 CAPITAL REORGANISATION RESERVE

The Company acquired the entire issued and paid up share capital of MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS") comprising 260,217,142 ordinary shares of RM1.00 each and 10,000 Class A Redeemable Preference Shares 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 by AMH and the net assets of MBNS acquired was accounted for as capital reorganisation reserve.

33 HEDGING RESERVE

This represents changes in the fair value of the hedging instrument, represented by the interest rate swap and the cross-currency interest rate swap which the Company entered into during the financial year, which is deferred in the hedging reserve until the hedged item affects the income statements (Note 27).

34 SHARE SCHEME RESERVE

This represents the cumulative value of employee services rendered for the grant of share awards. When the grant is exercised, the amount from the share scheme reserve is transferred to share premium and increases share capital. When the share grants expire, the amount from the share scheme reserve is transferred to retained earnings. The share grant is disclosed in Note 7(a).

35 NON-CASH TRANSACTIONS

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

(a) On 30 April 2012, the Company redeemed 1,500 RPS of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM1,500,000,000. The amount payable to the immediate holding company, ANM, was offset against the amount receivable from ANM for the same amount.

(b) On 30 April 2012, an amount of RM16,800,000 representing non-cash dividend to ANM as settlement of inter-company debts.

(c) On 19 September 2012, the Company redeemed the remaining 5,200 RPS of RM0.10 each at a redemption price of RM1,000,000 per RPS for a total amount of RM5,200,000,000. The amount payable to the immediate holding company, ANM, was offset against the total subscription price payable by ANM to the Company for the subscription of 4,722,017,620 ordinary shares of RM0.10 each in the Company by ANM at the total subscription price of RM5,200,000,000.

(d) Acquisition of property, plant and equipment and intangible assets by means of finance lease of RM6,783,000 and RM2,446,000 respectively (31.1.2012: RM4,184,000 and RM9,897,000; 1.2.2011: RM Nil).

(e) Acquisition of property, plant and equipment by means of vendor financing of RM619,267,000 (31.1.2012: RM276,596,000; 1.2.2011: RM241,908,000).

36 CAPITAL COMMITMENTS

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

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Approved and contracted for	**1,816,456**	105,021	76,200
Approved but not contracted for	**469,578**	1,956,998	354,721
	2,286,034	2,062,019	430,921

Included in the approved and contracted for commitments as at 31 January 2013 is satellite transponders of RM1,652,905,000.

Included in the approved but not contracted for commitments as at 31 January 2012 is satellite transponders of RM1,636,058,000.

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

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Approved and contracted for	**1,492,003**	841,133	197,860
Approved but not contracted for	**451,404**	589,150	404,307
	1,943,407	1,430,283	602,167

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

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Approved and contracted for	**9,693**	62,089	69,739
Approved but not contracted for	**27,364**	40,458	49,064
	37,057	102,547	118,803

37 NON-CANCELLABLE OPERATING LEASE COMMITMENTS

	Group		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Payable within 1 year	**2,039**	1,905	11,054
Payable between 1 and 5 years	**6,956**	5,895	5,895
Payable after 5 years	**55,267**	12,527	5,158
	64,262	20,327	22,107

On 3 August 2012, the Group entered into a Sub-Lease Agreement with Technology Park Malaysia Corporation Sdn Bhd for the sub-lease of the land known as HS(D) 116030 PT 13820 Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan, for a term of 60 years commencing from 1 September 1996 and expiring on 31 August 2056 at a total estimated consideration of RM88,426,800 which will supersede the Agreement to Sub Lease dated 25 August 2004.

38 SIGNIFICANT RELATED PARTY DISCLOSURES

During the year, the Group has entered into the following related party transactions with parties whose relationships are set out below.

Usaha Tegas Sdn. Bhd. ("UTSB"), Khazanah Nasional Berhad ("KNB") and Harapan Terus Sdn. Bhd. are parties related to the Company, by virtue of having joint control over ANM via AHSB (the Company's ultimate holding company), pursuant to a shareholders' agreement in relation to AHSB. ANM is the immediate holding company of the Company.

UTSB is ultimately controlled by PanOcean Management Limited ("PanOcean"), via Excorp Holdings N.V. and Pacific States Investment Limited, the intermediate and immediate holding companies of UTSB respectively. PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam ("TAK") and foundations including those for charitable purposes. Although PanOcean and TAK are deemed to have an interest in the shares of the Company through UTSB's deemed interest in AHSB and ANM, they do not have any economic or beneficial interest in the 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 AHSB 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.

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

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

Related Companies	Relationship
All Asia Multimedia Networks FZ-LLC	Subsidiary of ultimate holding company
Astro All Asia Entertainment Networks Limited	Subsidiary of ultimate holding company
Astro Awani Network Ltd	Subsidiary of ultimate holding company
ASTRO Overseas Limited ("AOL")	Subsidiary of ultimate holding company
Celestial Enterprises Limited	Subsidiary of ultimate holding company
Goal TV Asia Limited	Subsidiary of ultimate holding company
Astro All Asia Networks Limited ("AAAN")	Subsidiary of ultimate holding company and former holding company
Astro Awani Network Sdn. Bhd. ("AANSB")	Subsidiary of the Company
Astro Digital 5 Sdn. Bhd. ("AD5SB")	Subsidiary of the Company
Astro Entertainment Sdn. Bhd. ("AESB")	Subsidiary of the Company
Astro Group Services Sdn. Bhd. ("AGS")	Subsidiary of the Company
Astro Productions Sdn. Bhd. ("APSB")	Subsidiary of the Company
Astro Publications Sdn. Bhd. ("APUB")	Subsidiary of the Company
Astro Shaw Sdn. Bhd. ("ASSB")	Subsidiary of the Company
Astro Arena Sdn. Bhd. ("AASB")	Subsidiary of AESB
Astro Radio Sdn. Bhd. ("ARSB")	Subsidiary of MBNS
Maestra Broadcast Sdn. Bhd. ("MBSB")	Subsidiary of MBNS
MEASAT Radio Communications Sdn. Bhd. ("MRC")	Subsidiary of MBNS
Tayangan Unggul Sdn. Bhd. ("TUSB")	Subsidiary of ASSB
Kristal-Astro Sdn. Bhd.	Associate of a subsidiary of the Company
Celestial Movie Channel Limited	Associate of ultimate holding company
Tiger Gate Entertainment Limited	Associate of ultimate holding company
AETN All Asia Networks Pte Ltd	Jointly controlled entity of ultimate holding company
Sun TV Network Limited	Joint venture partner of a subsidiary of ultimate holding company

Related Parties	Relationship
Maxis Broadband Sdn. Bhd.	Subsidiary of Maxis Berhad ("Maxis")
Maxis Mobile Services Sdn. Bhd.	Subsidiary of Maxis
Maxis Mobile Sdn. Bhd.	Subsidiary of Maxis
SRG Asia Pacific Sdn. Bhd.	Subsidiary of UTSB
UTSB Management Sdn. Bhd.	Subsidiary of UTSB
UT Projects Sdn. Bhd.	Subsidiary of UTSB
MEASAT Satellite Systems Sdn. Bhd.	Company ultimately controlled by TAK
Measat International (South Asia) Ltd.	Company ultimately controlled by TAK
RHB Investment Bank Berhad	Common Director with AMH

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(a) Sales of goods and services

	Group 2013 RM'000	Group 2012 RM'000
Multimedia and interactive sales to:		
Maxis Mobile Services Sdn. Bhd.	**14,643**	20,833
Programme right sales to:		
Kristal-Astro Sdn. Bhd.	**16,759**	11,999
Technical support services to:		
Kristal-Astro Sdn. Bhd.	**2,201**	1,953
Playout channel services to:		
AETN All Asia Networks Pte Ltd	**1,734**	2,922
Smartcard rental and operating arrangement to:		
Kristal-Astro Sdn. Bhd.	**676**	140
Programme services to:		
Kristal-Astro Sdn. Bhd.	**2,300**	–
Subtitling services to:		
AETN All Asia Networks Pte Ltd	**955**	1,766
Airtime sales to:		
Maxis Mobile Sdn. Bhd.	**3,710**	2,249
Interest income on advances from:		
ANM	**18,270**	–
AAAN	**–**	858
AHSB	**2,793**	2,111
Management fees charged to:		
AOL	**14,487**	11,803

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(b) Purchases of goods and services

	Group 2013 RM'000	Group 2012 RM'000
Personnel, strategic and other consultancy and support services from:		
UTSB Management Sdn. Bhd.	**18,280**	17,390
UT Projects Sdn. Bhd.	**615**	176
Marketing and advertising services from:		
SRG Asia Pacific Sdn. Bhd.	**–**	1,847
Telecommunication services from:		
Maxis Broadband Sdn. Bhd.	**34,520**	30,882
Maxis Mobile Sdn. Bhd.	**2,126**	1,469
Interaction call center services from:		
Maxis Mobile Sdn. Bhd.	**–**	851
Interest expense on advances to:		
AAAN	**–**	1,085
AHSB	**1,674**	1,265
Programme broadcast rights from:		
Celestial Movie Channel Limited	**13,778**	12,895
Goal TV Asia Limited	**9,101**	7,708
AETN All Asia Networks Pte Ltd	**13,212**	11,102
Celestial Enterprises Limited	**610**	7,453
Astro Awani Network Ltd	**–**	14,008
Sun TV Network Limited	**28,587**	19,726
Tiger Gate Entertainment Limited	**8,836**	–
Expenses related to finance lease:		
MEASAT Satellite Systems Sdn. Bhd.	**61,650**	67,196
Rental of building from:		
MEASAT Satellite Systems Sdn. Bhd.	**2,706**	2,706
Advisor and IPO related fees:		
RHB Investment Bank Berhad	**5,565***	–

* AMH's portion of IPO related fees only.

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

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

	Group			Company	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Receivable from related parties*					
Maxis Broadband Sdn. Bhd.	**84**	20,605	–	**–**	–
Maxis Mobile Services Sdn. Bhd.	**5,904**	3,332	9,621	**–**	–
MEASAT Satellite Systems Sdn. Bhd.	**69,974**	68,850	70,626	**–**	–
Measat International (South Asia) Ltd.	**30,845**	–	–	**–**	–
Receivable from related companies*					
Kristal-Astro Sdn. Bhd.	**8,035**	5,933	5,006	**–**	–
APUB	**–**	–	51,974	**–**	–
ARSB	**–**	–	4,189	**–**	–
AD5SB	**–**	–	18,831	**–**	–
ASSB	**–**	–	11,515	**–**	–
TUSB	**–**	–	17,089	**–**	–
AOL	**15,317**	13,693	–	**–**	–
All Asia Multimedia Networks FZ-LLC	**2,259**	8,066	–	**–**	–
AETN All Asia Networks Pte Ltd	**2,786**	2,910	2,159	**–**	–
Receivable from a subsidiary					
MBNS	**–**	–	–	**106,860**	375,678
Advances to immediate holding company					
ANM	**–**	1,500,000	–	**–**	1,500,000
Advances to ultimate holding company					
AHSB	**–**	105,060	–	**–**	–
Payable to related parties					
UTSB Management Sdn. Bhd.	**5,103**	16,141	10,937	**–**	–
Maxis Broadband Sdn. Bhd.	**8,960**	8,555	3,359	**–**	–
MEASAT Satellite Systems Sdn. Bhd.	**28,176**	27,751	25,385	**–**	–

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(c) Year end balances arising from significant sales/purchases of goods and services (stated at gross) (Cont'd.)

	Group			Company	
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000	31.1.2013 RM'000	31.1.2012 RM'000
Payable to related companies					
AETN All Asia Networks Pte Ltd	**7,044**	3,776	5,119	**–**	–
All Asia Multimedia Networks FZ-LLC	**1,101**	11,681	8,843	**–**	–
Astro Awani Network Ltd	**–**	394	43,281	**–**	–
Celestial Movie Channel Limited	**2,438**	2,268	2,164	**–**	–
Celestial Enterprises Limited	**–**	1,264	1,186	**–**	–
Sun TV Network Limited	**14,999**	6,438	–	**–**	–
Tiger Gate Entertainment Limited	**1,130**	–	–	**–**	–
APSB	**–**	–	5,770	**–**	–
AASB	**–**	–	8,058	**–**	–
AESB	**–**	–	38,915	**–**	–
Payable to immediate holding company					
ANM	**–**	285,326	–	**–**	285,326
Advances to subsidiaries					
MBNS	**–**	–	–	**1,656,020**	1,148,673
APSB	**–**	–	–	**344,973**	333,475
AASB	**–**	–	–	**10,109**	10,105
AGS	**–**	–	–	**43,222**	5,143
AANSB	**–**	–	–	**35,326**	–
MBSB	**–**	–	–	**–**	11,116
MRC	**–**	–	–	**–**	15,158
ASSB	**–**	–	–	**16,885**	5,089
AD5SB	**–**	–	–	**–**	7,199
Advances from ultimate holding company					
AHSB	**–**	66,200	–	**–**	–

* The impairment of receivable from related parties and related companies are as disclosed in Note 23 to the financial statements.

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(d) Key management personnel's remuneration and emoluments

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

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Directors fees	**1,643**	1,131	**1,293**	711
Salaries and bonus	**37,102**	28,836	**3,636**	4,049
Defined contribution plans	**4,557**	3,233	**545**	495
Estimated money value of benefits-in-kind	**77**	104	**16**	–
Share-based payments (Note 7(a))	**4,601**	–	**–**	–
Other employee benefits	**212**	692	**–**	–
	48,192	33,996	**5,490**	5,255

Key management personnel comprise Directors and members of the senior management team who are directly responsible for the financial and operating policies and decisions of the Group and the Company.

(e) Government-related entities

Khazanah Nasional Berhad ("KNB") is a major shareholder of the Group with 29.3% indirect equity interest in AHSB via its subsidiary, Pantai Cahaya Bulan Ventures Sdn. Bhd. and is a related party of the Group. KNB is a wholly-owned entity of MOF Inc. which is in turn owned by the Ministry of Finance. KNB and entities directly controlled by KNB are collectively referred to as government-related entities to the Group.

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 or terms comparable to those with other entities that are not government-related.

(i) Individually significant transactions with KNB because of size of transaction

	Group and Company	
	2013 RM'000	2012 RM'000
Transactions during the year		
Professional fees paid to lead advisor in relation to IPO	**31,263***	–

	Group and Company		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Payables to related party	**10,600**	–	–

* AMH's portion of IPO related fees only.

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(e) Government-related entities (Cont'd.)

(ii) 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 terms comparable to those with other entities that are not government-related.

For the financial year ended 31 January 2013, management estimates that the aggregate amount of the Group's significant transactions with other government-related entities are at 2.2% (2012: 2.5%) of its total administrative expenses.

39 FINANCIAL INSTRUMENTS

(a) Credit risk

The Group and Company are exposed to credit risk arising from the financial assets of the Group, which comprise receivables, cash and cash equivalents and derivative financial instruments.

Trade receivables

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of customers. The Directors believe that there is no additional credit exposure above the amounts provided.

The credit quality of trade receivables that were neither past due nor impaired as at the balance sheet date, can be assessed by reference to historical information relating to counterparty default rates:

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Customers with no defaults in the past	**57,907**	132,308	87,630
Customers with some defaults in the past (all defaults were fully recovered)	**249,985**	127,545	112,737
	307,892	259,853	200,367

39 FINANCIAL INSTRUMENTS (CONT'D.)

(a) Credit risk (Cont'd.)

Trade receivables (Cont'd.)

As at 31 January 2013, 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 2013					
Past due but not impaired	**6,567**	**79,899**	**11,906**	**24,428**	**122,800**
Past due and impaired	**–**	**–**	**15,443**	**163,304**	**178,747**
	6,567	**79,899**	**27,349**	**187,732**	**301,547**
At 31 January 2012					
Past due but not impaired	80,329	24,973	10,264	13,858	129,424
Past due and impaired	–	–	1,126	166,134	167,260
	80,329	24,973	11,390	179,992	296,684
At 1 February 2011					
Past due but not impaired	61,721	22,385	12,930	24,006	121,042
Past due and impaired	–	–	–	115,100	115,100
	61,721	22,385	12,930	139,106	236,142

The above trade receivables are past due but not impaired as the Group uses a ratio of past experience of collection to calculate its impairment. In addition, certain specific trade receivables are concluded on a barter basis and collection is based on contracted terms between the parties.

	Group		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Trade receivables	**609,439**	556,537	436,509
Less: Impairment of receivables (Note 23)	**(178,747)**	(167,260)	(115,100)
	430,692	389,277	321,409

39 FINANCIAL INSTRUMENTS (CONT'D.)

(a) Credit risk (Cont'd.)

Trade receivables (Cont'd.)

	Group		
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**
Movement in impairment of receivables:			
At beginning of financial year	**(167,260)**	(115,100)	(120,205)
Acquisition of subsidiaries	**–**	(7,359)	–
Charged for the year	**(41,319)**	(44,801)	(60,192)
Written off	**29,832**	–	65,297
At end of financial year	**(178,747)**	(167,260)	(115,100)

Impairment of receivables has been made by considering the impact of the historical collection trend, credit term, payment terms and credit assessment towards the outstanding amount due.

Other financial assets

With respect to credit risk arising from the 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 short-term credit rating in Malaysia. Investments 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 will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

39 FINANCIAL INSTRUMENTS (CONT'D.)

(b) Liquidity risk (Cont'd.)

The table below summarises the maturity profile of the Group and Company's financial liabilities (borrowings and payables, excluding unearned revenue) at 31 January 2013 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 2013				
Borrowings	**291,948**	**2,175,639**	**2,220,157**	**4,687,744**
Payables	**1,263,121**	**736,775**	**–**	**1,999,896**
Derivative financial instruments – financial liabilities	**970**	**17,460**	**20,371**	**38,801**
	1,556,039	**2,929,874**	**2,240,528**	**6,726,441**
At 31 January 2012				
Borrowings	237,316	2,195,539	2,697,741	5,130,596
Payables	1,431,990	335,656	–	1,767,646
Derivative financial instruments – financial liabilities	3,627	3,495	98,855	105,977
	1,672,933	2,534,690	2,796,596	7,004,219
At 1 February 2011				
Borrowings	91,343	401,863	724,174	1,217,380
Payables	877,189	264,176	–	1,141,365
Derivative financial instruments – financial liabilities	1,154	–	–	1,154
	969,686	666,039	724,174	2,359,899
Company				
At 31 January 2013				
Borrowings	**187,358**	**1,744,019**	**1,704,280**	**3,635,657**
Payables	**33,702**	**–**	**–**	**33,702**
Derivative financial instruments – financial liabilities	**970**	**17,460**	**20,371**	**38,801**
	222,030	**1,761,479**	**1,724,651**	**3,708,160**
At 31 January 2012				
Borrowings	137,484	1,778,347	2,081,647	3,997,478
Payables	319,994	–	–	319,994
Derivative financial instruments – financial liabilities	–	3,495	98,855	102,350
	457,478	1,781,842	2,180,502	4,419,822

39 FINANCIAL INSTRUMENTS (CONT'D.)

(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 currency sensitivity

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.

The Group hedges its foreign currency denominated trade payables. The Group uses forward foreign currency exchange contracts to hedge its foreign currency risk. Most of the forward foreign currency exchange contracts have maturities of less than one year after the end of the balance sheet date. Where necessary, the forward foreign currency exchange contracts are rolled over at maturity. The Group has also entered into Cross-Currency Interest Rate Swap ("CCIRS") to mitigate financial risks arising from adverse fluctuations in interest and exchange rates.

The notional principal amount and maturity profiles of forward foreign currency exchange contracts outstanding as at 31 January 2013 and CCIRS are disclosed in Note 27 to the financial statements.

The following table provides the sensitivity to a reasonably possible change in the USD exchange rate, 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 2013	**+10%**	**(67,517)**	**(127,738)**
	-10%	**67,517**	**127,738**
31 January 2012	+10%	(45,261)	(114,345)
	-10%	45,261	114,345
1 February 2011	+10%	(39,575)	(12,723)
	-10%	39,575	12,723
Company			
31 January 2013	**+10%**	**(2)**	**(101,343)**
	-10%	**2**	**101,343**
31 January 2012	+10%	(77)	(100,353)
	-10%	77	100,353

39 FINANCIAL INSTRUMENTS (CONT'D.)

(c) Market risk (Cont'd.)

Interest rate sensitivity

The Group's investments in fixed rate debt securities and its fixed to floating rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

The Group adopts a base line policy to hedge between 50% and 100% of its borrowing interest rate exposure from floating to fixed rate basis. The Group has entered into an Interest Rate Swap ("IRS") contract for the RM2,010,000,000 Ringgit tranche facility to fix the floating interest rate at a weighted average rate of 4.01% and a CCIRS for the USD330,000,000 USD tranche facility to fix the floating USD interest rate at a weighted average Ringgit rate of 4.19%. The IRS and CCIRS will mature on 19 May 2021 and 8 June 2021 respectively. The notional principal amount and maturity profiles of both IRS and CCIRS are disclosed in Note 27 to the financial statements.

The following table provides the sensitivity to a reasonably possible change in interest rates, 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 2013	**+100**	**(14,539)**	**(25,134)**
	-100	**14,539**	**25,134**
31 January 2012	+100	9,540	(30,134)
	-100	(9,540)	30,134
1 February 2011	+100	(4,869)	–
	-100	4,869	–
Company			
31 January 2013	**+100**	**16,076**	**(25,134)**
	-100	**(16,076)**	**25,134**
31 January 2012	+100	32,016	(30,134)
	-100	(32,016)	30,134

39 FINANCIAL INSTRUMENTS (CONT'D.)

(d) 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 2013.

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.

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

	Group			Company	
	31.1.2013 RM'000	**31.1.2012 RM'000**	**1.2.2011 RM'000**	**31.1.2013 RM'000**	**31.1.2012 RM'000**
Total borrowings	**3,681,612**	3,709,931	763,970	**2,970,433**	2,970,491
Less: cash and cash equivalents	**(1,607,767)**	(478,202)	(598,336)	**(1,061,114)**	(24,506)
	2,073,845	3,231,729	165,634	**1,909,319**	2,945,985
Total equity	**516,092**	491,445	1,150,887	**7,065,233**	6,847,520
Total capital	**2,589,937**	3,723,174	1,316,521	**8,974,552**	9,793,505

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 4.5 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.

(e) 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 makes 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.

39 FINANCIAL INSTRUMENTS (CONT'D.)

(e) Fair values (Cont'd.)

The carrying amounts of financial assets and liabilities of the Group and Company at the balance sheet date approximated their fair values except as set out below:

	Group					
	Carrying amount 31.1.2013 RM'000	Fair value 31.1.2013 RM'000	Carrying amount 31.1.2012 RM'000	Fair value 31.1.2012 RM'000	Carrying amount 1.2.2011 RM'000	Fair value 1.2.2011 RM'000
Borrowings:						
Finance lease liabilities	**711,179**	**949,221**	739,440	961,774	763,970	982,160

Fair value hierarchy

As at 31 January 2013, the Group held the following financial instruments measured at fair value. The Group uses 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: Techiques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

(Assets)/Liabilities measured at fair value:

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
At 31 January 2013				
Forward foreign currency exchange contracts – cash flow hedges	**(3,504)**	**–**	**(3,504)**	**–**
Interest rate swap	**35,681**	**–**	**35,681**	**–**
Cross-currency interest rate swap	**3,120**	**–**	**3,120**	**–**
At 31 January 2012				
Forward foreign currency exchange contracts – cash flow hedges	3,627	–	3,627	–
Interest rate swap	53,506	–	53,506	–
Cross-currency interest rate swap	48,844	–	48,844	–
At 1 February 2011				
Forward foreign currency exchange contracts – cash flow hedges	1,154	–	1,154	–

39 FINANCIAL INSTRUMENTS (CONT'D.)

(e) Fair values (Cont'd.)

Fair value hierarchy (Cont'd.)

Liabilities measured at fair value (Cont'd.):

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Company				
At 31 January 2013				
Interest rate swap	**35,681**	**–**	**35,681**	**–**
Cross-currency interest rate swap	**3,120**	**–**	**3,120**	**–**
At 31 January 2012				
Interest rate swap	53,506	–	53,506	–
Cross-currency interest rate swap	48,844	–	48,844	–

During the financial year ended 31 January 2013, 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.

Financial Instruments by Category

	Group RM'000	Company RM'000
31 January 2013		
Available-for-sale financial asset		
Financial assets as per balance sheets		
Other investment	**5,825**	**–**
Loans and receivables		
Financial assets as per balance sheets		
Deposits, cash and bank balances	**1,607,767**	**1,061,114**
Trade and other receivables excluding prepayments	**520,742**	**7,693**
Amounts due from holding companies	**18,168**	**16,426**
Amounts due from related companies	**20,036**	**3**
Amounts due from related parties	**119,210**	**–**
Amount due from subsidiaries	**–**	**131,086**
	2,285,923	**1,216,322**

39 FINANCIAL INSTRUMENTS (CONT'D.)

(e) Fair values (Cont'd.)

Financial Instruments by Category (Cont'd.)

	Group RM'000	Company RM'000
31 January 2013 (Cont'd)		
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Trade and other payables excluding unearned revenue	**1,857,694**	**31,854**
Amounts due to related parties	**75,359**	**–**
Amounts due to subsidiaries	**–**	**773**
Amounts due to related companies	**12,333**	**1,075**
Borrowings	**3,681,612**	**2,970,433**
	5,626,998	**3,004,135**
31 January 2012		
Loans and receivables		
Financial assets as per balance sheets		
Deposits, cash and bank balances	478,202	24,506
Trade and other receivables excluding prepayments	538,776	14
Amounts due from related companies	28,642	–
Amounts due from related parties	103,836	–
Amount due from subsidiaries	–	389,988
Amounts due from associates	11	–
	1,149,467	414,508
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Trade and other payables excluding unearned revenue	1,364,992	31,450
Amounts due to related parties	70,310	–
Amounts due to subsidiaries	–	37
Amounts due to related companies	25,419	3,181
Amount due to former holding company	285,326	285,326
Borrowings	3,709,931	2,970,491
	5,455,978	3,290,485

39 FINANCIAL INSTRUMENTS (CONT'D.)

(e) Fair values (Cont'd.)

Financial Instruments by Category (Cont'd.)

	Group RM'000	Company RM'000
1 February 2011		
Loans and receivables		
Financial assets as per balance sheets		
Deposits, cash and bank balances	598,336	–
Trade and other receivables excluding prepayments	438,382	–
Amounts due from related companies	60,030	–
Amounts due from related parties	89,195	–
	1,185,943	–
Financial liabilities at amortised cost		
Financial liabilities as per balance sheets		
Trade and other payables excluding unearned revenue	912,870	–
Amounts due to related parties	51,830	–
Amounts due to related companies	118,448	–
Amounts due to former holding company	7,191	–
Amounts due to former holding company – Interest payable on subordinated advances	41,120	–
Borrowings	763,970	–
	1,895,429	–

40 ACQUISITIONS OF SUBSIDIARIES AND BUSINESSES UNDER COMMON CONTROL

In the prior financial year, a part of AHSB Group Reorganisation, the Company acquired 100% equity interests in the companies shown below. The acquisition resulted in the streamlining of the Group's domestic operations.

Companies Name	Acquisition Date
APSB	21 March 2011
ADSB	21 March 2011
AGS	1 April 2011
ABSB	5 April 2011
ASSB	5 April 2011
MMTSB	5 April 2011
APUB	5 April 2011
AD5SB	5 April 2011
AESB	11 April 2011

40 ACQUISITIONS OF SUBSIDIARIES AND BUSINESSES UNDER COMMON CONTROL (CONT'D.)

The fair values of the identifiable assets and liabilities of the subsidiaries acquired above as part of the AHSB Group Reorganisation as well as the business of Astro Awani Network Ltd were:

	Radio group of companies*		Other companies**/ businesses		Total	
	Carrying amount before combination RM'000	Recognised on date of acquisition RM'000	Carrying amount before combination RM'000	Recognised on date of acquisition RM'000	Carrying amount before combination RM'000	Recognised on date of acquisition RM'000
Property, plant and equipment (Note 13)	17,640	17,640	78,926	78,926	96,566	96,566
Intangible assets (Note 21)	22,061	350,061	104,917	104,917	126,978	454,978
Investments	–	–	35,096	35,096	35,096	35,096
Trade and other receivables	65,657	65,657	1,252,789	1,252,789	1,318,446	1,318,446
Deferred tax assets	53	53	–	–	53	53
Tax recoverable	774	774	24	24	798	798
Inventories	–	–	2,417	2,417	2,417	2,417
Cash and cash equivalents	54,870	54,870	30,938	30,938	85,808	85,808
	161,055	489,055	1,505,107	1,505,107	1,666,162	1,994,162
Trade and other payables	176,645	176,645	1,509,731	1,509,731	1,686,376	1,686,376
Deferred tax liabilities	527	82,527	749	749	1,276	83,276
Income tax payable/(recoverable)	1,739	1,739	(181)	(181)	1,558	1,558
	178,911	260,911	1,510,299	1,510,299	1,689,210	1,771,210
Net (liabilities)/assets	(17,856)	228,144	(5,192)	(5,192)	(23,048)	222,952
Cost of investment		850,000		459,195		1,309,195
Goodwill on acquisition (Note 21)		621,856		464,387		1,086,243

40 ACQUISITIONS OF SUBSIDIARIES AND BUSINESSES UNDER COMMON CONTROL (CONT'D.)

In the ten months to 31 January 2012, the subsidiaries acquired have contributed revenue of RM489,825,000 and profit from operations of RM121,348,000. If the acquisition had occurred on 1 February 2011, management estimates that consolidated revenue would have been RM3,888,801,000 and profit from operations would have been RM864,325,000.

The goodwill is attributable mainly to the synergies expected to be achieved from integrating the businesses of the acquired companies into the Group's existing television business and expertise of assembled workplace.

The effect of the acquisitions on cash flows is as follows:

	RM'000
Acquisition of Radio group of companies*	850,000
Acquisition of other companies**/businesses	459,195
Total consideration	1,309,195
Less: Non-cash consideration	(850,000)
Less: Amount due to related company	(59,195)
Cash outflow on acquisition	400,000
Less: Cash and cash equivalents of subsidiaries acquired	(85,808)
Net cash outflow on acquisition	314,192

* Comprising ARSB, RLSB, MRC, MBSB and PEW.

** Comprising ASSB, AESB, AGS, ABSB, ADSB, APSB, MMTSB, APUB and AD5SB.

41 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The following significant events occurred during the financial year:

(a) Initial Public Offering ("IPO")

On 30 June 2012, the Board of the Company ("the Board") granted approval in principle for the proposed IPO of the shares of the Company ("the Shares") and the proposed listing and quotation of the entire issued and paid up share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad. On 17 July 2012, the Board approved the Proposals (comprising the pre-IPO restructuring, the proposed IPO of shares and the proposed quotation for and listing of the Company on the Main Market of Bursa Malaysia Securities Berhad), the conversion of the Company into a public limited company ("Proposed Conversion") and the proposed Management Share Scheme ("Proposed MSS") subject to its shareholders' approval.

The approval from ANM being the Company's sole shareholder, and where required under the Amended and Restated Shareholders' Agreement dated 16 July 2012 between the Company and its shareholders, the board and Major Shareholders of the Company, were obtained for the Proposals, Proposed Conversion and MSS on 3 August 2012.

On 19 September 2012, the Board approved the following:

(i) To reorganise and classify the authorised share capital of the Company of RM101,000 comprising 100,000 ordinary shares of RM1.00 each and 10,000 redeemable preference shares of RM0.10 each, into one class of ordinary shares divided into 100,000 ordinary shares of RM1.00 each;

(ii) To sub-divide the authorised share capital of the Company of RM100,000 divided into 100,000 ordinary shares of RM1.00 each into 1,000,000 ordinary shares of RM0.10 each, and each new ordinary share of RM0.10 nominal value shall have the same rights as the existing ordinary shares of RM1.00 each;

(iii) To sub-divide the entire issued and paid-up ordinary share capital of the Company comprising 98,238 fully-paid ordinary shares of RM1.00 each into 982,380 new ordinary shares or RM0.10 each and that such new shares be issued to ANM on the basis of 10 new ordinary shares of RM0.10 each for every existing 1 ordinary share of RM1.00 each;

(iv) To increase the authorised share capital of the Company from RM100,000 comprising 100,000 ordinary shares of RM1.00 each, to RM1,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each, by the creation of 9,999,000,000 new ordinary shares of RM0.10 each to rank pari passu in all respects with the existing ordinary shares of the Company;

(v) To allot and issue 4,722,017,620 new ordinary shares with a par value of RM0.10 each in the Company to ANM at a total subscription price of RM5,200,000,000 or approximately RM1.10 per share, to be set-off against the total redemption amount payable by the Company to ANM in connection with the full redemption of all 5,200 RPS with a par value of RM0.10 each and a premium of RM999,999.90 each in the Company registered in the name of ANM, at a redemption price of RM1,000,000 per RPS for a total redemption amount of RM5,200,000,000 (Note 31).

41 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D.)

(a) Initial Public Offering ("IPO") (Cont'd.)

On 19 September 2012, approval was obtained from the Securities Commission Malaysia in respect of the Company's IPO of up to 1,518,300,000 shares and the listing of and quotation for 5,197,300,000 shares representing the entire enlarged issued and paid-up share capital of the Company on the Main Market.

On 11 October 2012, the Company offered Share Awards in respect of a total number of 21,927,000 new ordinary shares of RM0.10 each under the Management Share Scheme to the eligible executives and eligible employees of the Group and Company.

The Company was listed in the Main Market of Bursa Malaysia Securities Berhad on 19 October 2012 with enlarged 5,197,300,000 issued and paid up share capital of RM0.10 each. Arising from this, a total gross proceeds of RM4,554,900,000 was raised from the public issue from the Company and offer for sale by ANM.

On 19 November 2012, as disclosed in the Prospectus, the Company issued and allotted 1,000,000 ordinary shares of RM0.10 to a Director, Dato' Rohana Binti Tan Sri Datuk Haji Rozhan ("RR"), pursuant to a letter of offer dated 11 October 2012 ("Offer Letter") for the grant of 3,200,000 ordinary shares of RM0.10 each in the Company to RR pursuant to the terms of the Offer Letter and in accordance with the By-Laws of the Management Share Scheme of the Company.

(b) On 30 April 2012, the Company redeemed 1,500 RPS of RM0.10 each at a redemption ptice of RM1,000,000 per RPS for a total amount of RM1,500,000,000 to ANM. The amount payable to the immediate holding company arising from this redemption has been offset against the advances to immediate holding company.

(c) Supply of 18 Transponder Capacity on Measat 3b satellite

On 11 May 2012, a subsidiary of the Company, MBNS, entered into an agreement with Measat International (South Asia) Ltd for the supply of 18 Transponder Capacity on Measat 3b satellite for a total consideration of USD538,000,000 (RM1,695,507,000).

(d) On 18 May 2012, RM500,000,000 was drawndown from the 1B tranche of the Company's borrowings (Note 28). The remaining undrawn amount of RM500,000,000 was voluntarily left to lapse on the last extended availability period of 16 November 2012 (originally, 18 May 2012). The Company did not bear any penalty charges as per the term loan facilities agreement.

(e) On 11 April 2011, ARSB, a subsidiary of the Company, entered into a Sale and Purchase Agreement for the disposal of the entire registered share capital of Adrep China Advertising Services Ltd ("Adrep") to All Asia Radio Technologies Media and Sales Sdn. Bhd. ("AARTMS") subject to the approval from the relevant regulatory authorities in the People's Republic of China. On the same date, a Trust Deed was entered by ARSB and AARTMS whereby the total registered capital of Adrep and all dividends, interest bonus and any other sums or rights accrued or to be accrued from the total registered capital of Adrep is held in trust for AARTMS as beneficiary absolutely until the said approval for the transfer has been completed. The Company accounted for the disposal of Adrep on 11 April 2011. The regulatory authorities in the People's Republic of China had granted the necessary approval on 30 August 2012.

41 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D.)

(f) On 3 August 2012, APSB entered into a Sub-Lease Agreement with Technology Park Malaysia Corporation Sdn Bhd for the sub-lease of the land known as HS(D) 116030 PT 13820 Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan, for a term of 60 years commencing from 1 September 1996 and expiring on 31 August 2056 at a total estimated consideration of RM88,426,800 which will supersede the Agreement to Sub Lease dated 25 August 2004.

(g) On 30 August 2012, Maxis Broadband Sdn. Bhd. signed a strategic partnership contract with a subsidiary of the Company, MBNS, to exclusively develop and co-market unique consumer offers combining Astro B.yond IPTV and Astro-On-The-Go services with Maxis' fibre, mobile, wireless internet and Asymmetric Digital Subscriber Line service.

(h) The Company has on 14 November 2012 announced that it has won the tender for broadcast rights to the Barclays Premier League ("BPL") in Malaysia for 3 seasons starting from seasons 2013/2014 to 2015/2016. As part of this arrangement, all 380 matches of BPL will be available to be shown live on the Astro service.

(i) On 19 November 2012, the Company prepaid a sum of RM510,000,000 of its Ringgit term loan facilities of RM2,010,000,000 which was part of a syndicated loan obtained in prior financial year. Following the prepayment, the Company has also unwound the interest rate swap facility of RM510,000,000 with a mark-to-market loss of RM1,790,000.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION

(a) 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		
	31.1.2013 RM'000	31.1.2012 RM'000	1.2.2011 RM'000
Indemnity given to financial institutions in respect of bank guarantees issued – unsecured			
– Programme rights vendors[1]	**217,351**	99,361	100,921
– Others[2]	**15,028**	15,135	6,052
Other indemnities:			
– Parental guarantee to programme rights vendor[1]	**102,367**	101,367	101,850
– Indemnity to Maxis pursuant to shareholders' obligations in respect of Advance Wireless Technologies Sdn. Bhd.	**6,250**	12,500	–
	340,996	228,363	208,823

Note:

[1] Included as part of the programming commitments for programme rights as set out in Note 36(b).

[2] Consists of bank guarantees issued mainly to Royal Malaysian Customs, utility companies and for amongst others, the Health Ministry and the National Film Development Corporation.

(b) 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) Claim by AV Asia Sdn. Bhd.

On 12 October 2010, MBNS was served with a claim by AV Asia Sdn. Bhd. ("AV Asia"). Tele System Electronic (M) Sdn. Bhd. ("Tele System") was named as second defendant. AV Asia is alleging that MBNS had breached the terms of a Mutual Non Disclosure Agreement dated 1 August 2008 ("MNDA") and has sought the remedies which was detailed in the last financial statements.

On 28 August 2012 the Federal Court had dismissed AV Asia's application for leave to appeal against the stay of court proceedings pending reference to arbitration. This dispute will now have to be determined by arbitration.

The Federal Court allowed AV Asia's application for leave to appeal against the dismissal of the interlocutory injunction. The granting of such leave by the Federal Court does not in any way reflect the merits of the appeal. The date for the hearing of the appeal has not been fixed. Following consultation with its solicitors, MBNS is of the view that MBNS has good grounds to successfully oppose the substantive appeal as the principles relating to the discretion of the Court in granting an injunction are settled and have been correctly applied to the facts by both the High Court and the Court of Appeal.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) Claim by AV Asia Sdn. Bhd. (Cont'd.)

On 23 October 2012, MBNS filed a notice of arbitration at the KLRCA, seeking amongst others, a declaration that MBNS is not in breach of the MNDA and requesting for 3 arbitrators to be appointed based on the KLRCA Rules. Further to the notice of arbitration filed by MBNS, as of 31 January 2013, the arbitral tribunal has been fully constituted. Following consultation with its solicitors, MBNS is of the view that MBNS has good grounds to successfully obtain the relief sought in its notice of arbitration and a good defence to AV Asia's counter claim, which was raised in its response to the notice of arbitration. The quantum of the counter claim is believed to be unrealistic and the chances of recovery are considered remote.

(ii) PT Ayunda Prima Mitra ("PT APM") Claim

On 11 March 2005, AOL (a wholly-owned subsidiary of AAAN) and certain of its affiliate companies ("AOL Companies") and PT Ayunda Prima Mitra ("PTAPM"), PT First Media Tbk ("PTFM") and PT Direct Vision ("PTDV") entered into a conditional Subscription and Shareholders Agreement ("SSA") to set up a DTH pay-TV business in Indonesia to be launched by PTDV. PTAPM was a shareholder of PTDV and PTFM was the holding company of PTAPM.

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

The conditions precedent to the SSA was 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 PTDV in October 2008.

In September 2008, PTAPM 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, our Non-Independent Non-Executive Deputy Chairman and nine others.

PTAPM alleged that AAAN, MBNS and AAMN (collectively "Astro Defendants") along with the other defendants, have acted unlawfully and sought, among other reliefs, to compel a continuation of the provision of services and equipment to PTDV for an unlimited duration and to prohibit AAAN from ceasing the provision of services to PTDV 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 has no jurisdiction to hear the claim and that the claim falls within the scope of a binding arbitration agreement set out in the SSA.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) PT Ayunda Prima Mitra ("PT APM") Claim (Cont'd.)

On 13 May 2009, the SJDC rejected the Astro Defendants' challenge that PTAPM'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 PTAPM's claim on grounds that PTAPM had no legal standing to bring the action against the Astro Defendants.

PTAPM 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. The Astro Defendants had, in June 2012, filed an appeal against the decision of the Jakarta High Court on the issue of jurisdiction. The outcome of this appeal is still pending.

(iii) SIAC Arbitration

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 PTDV 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, the AOL Companies, AAAN, AAMN, and MBNS ("Claimants") commenced arbitration under the Arbitration Rules of the SIAC against PTAPM, PTDV and PTFM ("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 or paid to PTDV, 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 PTAPM immediately discontinue its suit at the SJDC against among others, AAAN, MBNS, AAMN and Augustus Ralph Marshall, our Non-Independent Non-Executive Deputy Chairman (see (ii) above);

(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 PTDV and that it constituted the parties' entire agreement for a PTDV joint venture, and that the Claimants themselves or through their affiliates are not bound to continue to provide cash advances or services to PTDV;

(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 cost 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;

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) SIAC Arbitration (Cont'd.)

(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, PTAPM and PTFM were held jointly and severally liable with PTDV for the sum of approximately USD98.3 million. The arbitration tribunal further ordered as a final injunction, that PTAPM discontinue its civil suit at the SJDC (see item (ii) 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 PTDV joint venture. PTAPM and PTFM were also held jointly and severally liable to Astro Nusantara International B.V. and Astro Nusantara Holdings B.V. for the sum of approximately USD695,591.96 for damages arising from the Indonesian proceedings. PTAPM and PTFM were further ordered to indemnify Astro Nusantara International B.V. and Astro Nusantara Holdings B.V. for the benefit of AAAN, AAMN and MBNS against any losses suffered by reason of PTAPM's continuance or by the 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 PTFM'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").

PTFM has refused to pay any part of the Awards, and the Awards remained unsatisfied.

The Claimants are taking 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 and/or are challenging the enforcement efforts in Singapore, Hong Kong and Indonesia.

(iv) In Indonesia, the Claimants applied to the Head of the Central Jakarta District Court ("CJDC") ("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. The outcome of that application is still pending. The Claimants are of the opinion, following consultation with its counsel, that the decisions of the Head of CJDC and the Supreme Court of Indonesia are not based on strong legal considerations. However, the decision of the Supreme Court of Indonesia is final and binding, and the chance of a favourable outcome in the judicial review is slim. In any event, this being an enforcement action, an unfavourable outcome for the judicial review would not have direct monetary implications to the Claimants.

In connection with the above, PTDV and PTAPM jointly filed a suit in June 2010 in the CJDC seeking to annul the Remaining Awards. PTDV also filed a separate suit seeking refusal of enforcement of the Remaining Awards. Both of these challenges were subsequently dismissed by the CJDC.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) PTDV and PTAPM jointly appealed against the CJDC's decision not to annul the Remaining Awards and this appeal is pending before the Supreme Court. PTDV 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 PTDV's appeal thereby upholding the CJDC's decision to dismiss PTDV's application for non-enforcement of the awards. With respect to the pending appeal before the Supreme Court, the Claimants are of the opinion, following consultation with its counsel, that the Supreme Court is likely to grant a decision in favour of the Claimants since the legal considerations made by the judges in the CJDC are strong, supported by facts and have sufficient legal grounds.

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, and the outcome of that appeal is still pending.

(v) In Singapore, leave to enforce the Awards was granted by the Singapore High Court in August and September 2010, and the Claimants entered judgment in terms of the Awards in March 2011.

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 challenge the Claimants' right to enforce the Awards as Singapore court judgments. PT FM's application to set aside the Singapore court judgments was allowed, and the Claimants filed an appeal against this decision.

In September 2011, PTFM 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 PTFM's Setting Aside Application and confirmed the enforceability of the Awards in Singapore. In the same decision, the court also dismissed the Claimants' Appeal, finding that on the facts there had not been effective service on PTFM.

Subsequently, PTFM filed an appeal to the Singapore Court of Appeal against the dismissal of its Setting Aside Application by the Singapore High Court ("PTFM's Appeal"). PTFM's Appeal was heard by the Singapore Court of Appeal from 10 to 12 April 2013. The Singapore Court of Appeal has reserved judgment and a decision is expected before September 2013. The Claimants continue to be of the view that they have reasonable prospects of success in resisting PTFM's Appeal.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) 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 judgment in terms of the Awards in December 2010.

In July 2011 the Claimants obtained a garnishee order nisi in respect of the money loaned by PTFM 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 PTFM under the Awards.

In January 2012, PTFM applied to set aside the Hong Kong orders of August and September 2010 and the December 2010 judgment enforcing the Awards. PTFM and the Garnishee are also challenging the garnishee proceedings on the basis of jurisdiction. The hearing for the setting aside application in Hong Kong was stayed pending the determination of the Singapore setting aside application (see (v) 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 PTFM 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 PTFM. 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 have been fixed to be heard from 9 to 13 September 2013.

In December 2012, by reference to the Indonesian arbitration award, PTFM 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.

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.

42 INDEMNITY, GUARANTEES AND MATERIAL LITIGATION (CONT'D.)

(b) 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) 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 has since filed its appeal. In response, PTFM submitted its representations opposing the Garnishee's appeal. A decision on the appeal is now pending.

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.

So far as the substantive Hong Kong garnishee proceedings are concerned, the Claimants consider that there are good prospects for an order absolute being made, albeit there are steps taken by the Garnishee and PT FM as more particularly set out above to attempt to undermine that possibility.

(vii) Civil Suit in Indonesia by PTDV

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 PTDV in the SJDC against AAAN and others as defendants. MBNS is named as Defendant II. The claim brought by PTDV is allegedly for an unlawful act or tort. The letter states that the Defendants are summoned to attend before the District Court of South Jakarta 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 been formally commenced.

The suit is brought by PTDV for damages for an unlawful act (i.e. a tort) alleged to have been committed by AAAN, AOL, AAMN, Augustus Ralph Marshall, our Non-Independent Non-Executive Deputy Chairman, 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"). PTDV 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 PTDV'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 PTDV'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 para (ii) to (vi) above).

43 SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services, and has two separate segments based on operating segments as follows:

i. The television segment is a provider of television services including television content, creation, aggregation and distribution;
ii. The radio segment is a provider of radio broadcasting services; and
iii. The other non-reportable segments comprise operations related to magazine publication and distribution and multimedia interactive services

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.

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.

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.

43 SEGMENT INFORMATION (CONT'D.)

	Television RM'000	Radio RM'000	Others RM'000	Corporate Function RM'000	Elimination RM'000	Total RM'000
At 31 January 2013						
Revenue						
Total revenue	4,006,760	219,936	56,507	39,917	–	4,323,120
Inter-segment revenue(1)	(3,661)	(5,214)	(27,872)	(21,406)	–	(58,153)
External revenue	4,003,099	214,722	28,635	18,511	–	4,264,967
Results						
Interest income	28,884	2,947	479	136,702	(119,012)	50,000
Interest expense	(185,746)	(1,218)	(6,550)	(141,781)	119,012	(216,283)
Depreciation and amortisation	(950,307)	(4,332)	(5,117)	(4,181)	34,990	(928,947)
Share of results of associates/joint ventures	1,646	–	4,294	–	–	5,940
Segment profit/(loss) – Profit/(loss) before tax	522,347	103,103	(4,904)	(51,107)	5,499	574,938
Assets/Liabilities						
Investment in associates/joint ventures	8,890	–	46,243	–	–	55,133
Additions to non-current assets(2)	1,263,075	1,940	480	12,701	–	1,278,196
Segment assets	4,897,828	1,745,523	92,319	1,259,581	(1,498,692)	6,496,559
Segment liabilities	3,110,128	661,326	109,721	3,070,917	(1,108,520)	5,843,572

43 SEGMENT INFORMATION (CONT'D.)

	Television RM'000	Radio RM'000	Others RM'000	Corporate Function RM'000	Elimination RM'000	Total RM'000
At 31 January 2012						
Revenue						
Total revenue	3,601,689	176,749	75,019	34,239	–	3,887,696
Inter-segment revenue[(1)]	(3,301)	(3,454)	(14,445)	(19,819)	–	(41,019)
External revenue	3,598,388	173,295	60,574	14,420	–	3,846,677
Results						
Interest income	31,656	1,990	104	101,897	(70,157)	65,490
Interest expense	(130,782)	(1,933)	(4,879)	(87,947)	70,157	(155,384)
Depreciation and amortisation	(696,115)	(3,996)	(6,568)	(4,850)	6,076	(705,453)
Share of results of associates/joint ventures	428	–	3,762	–	–	4,190
Segment profit/(loss) – Profit/(loss) before tax	809,992	77,879	(2,784)	(24,755)	9,104	869,436
Assets/Liabilities						
Investment in associates/joint ventures	8,678	–	39,429	–	–	48,107
Additions to non-current assets[(2)]	852,218	2,235	1,173	10,064	–	865,690
Segment assets	4,285,154	1,097,093	111,306	1,572,909	(552,632)	6,513,830
Segment liabilities	2,560,982	92,774	123,708	3,448,161	(439,844)	5,785,781
At 1 February 2011						
Assets/Liabilities						
Additions to non-current assets[(2)]	687,830	–	6,303	–	–	694,133
Segment assets	3,276,406	–	133,137	–	(140,137)	3,269,406
Segment liabilities	2,029,633	–	146,486	–	(140,137)	2,035,982

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 (excluding acquisition of subsidiaries).

44 SIGNIFICANT POST BALANCE SHEET EVENTS

(a) On 13 February 2013, the Group acquired two subsidiaries, Astro Retail Ventures Sdn. Bhd. ("ARV") and Astro Sports Marketing Sdn. Bhd. ("ASM") (formerly known as Astro Nostalgia Sdn. Bhd.). Both ARV and ASM are currently dormant with an issued share capital of RM100,000 and RM2 respectively.

(b) On 31 March 2013, the Company subscribed for RPS of its subsidiaries amounting to RM107.0 million. The subscription of RPS will be paid by offsetting the amounts owed to the Company of approximately the same amount.

45 COMPARATIVES BALANCES

The following comparative balances have been reclassified to conform with the current year's presentation which more accurately reflects the nature of the relevant transactions. The Company's prior results are not affected by these reclassifications.

Company Balance Sheet

	As previously stated RM'000	Reclassi-fications RM'000	As restated RM'000
Non-current assets			
Advances to subsidiaries	1,518,527	(13,935)	1,504,592
Current Assets			
Receivables and prepayments	375,692	14,310	390,002
Advances to subsidiaries	17,431	(375)	17,056

46 TRANSITION FROM FRS TO MFRS

In preparing the first set of financial statements in accordance with MFRS, MFRS provides first-time adopters certain transition elections as specified under the MFRS 1 "First-time Adoption of MFRS" from full retrospective application in the opening MFRS financial statements at 1 February 2011 (transition date). The Group and the Company have complied with the following mandatory exception:

(a) MFRS 1 Mandatory exception

(i) MFRS Estimates

MFRS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with FRS.

(ii) Hedge Accounting

Hedge accounting can only be applied prospectively from the transition date to a hedging relationship that qualifies for hedge accounting under MFRS 139 'Financial instruments: Recognition and measurement' at that date. Hedging relationships cannot be designated retrospectively.

The Group and the Company have elected for the following optional exemptions:

(b) Optional exemption for business combinations

MFRS 1 provides the option to apply MFRS 3 "Business Combinations" prospectively for business combinations that occurred from the transition date or from a designated date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date or a designated date prior to the transition date. The Group elected to apply MFRS 3 prospectively to business combinations that occurred after 1 February 2011. Business combinations that occurred prior to 1 February 2011 have not been restated. In addition, the Group has also applied MFRS 127 "Consolidated and Separate Financial Statements" from the same date.

47 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 10 May 2013.

48 SUPPLEMENTARY INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

Realised and Unrealised Profits

The following analysis of realised and unrealised retained profits at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Total (accumulated losses)/retained earnings:				
– Realised	**(213,071)**	(533,367)	**433,644**	160,574
– Unrealised	**120,126**	163,671	**–**	–
	(92,945)	(369,696)	**433,644**	160,574
Share of retained earnings of associate and joint ventures:				
– Realised	**10,130**	4,190	**–**	–
– Unrealised	**–**	–	**–**	–
	(82,815)	(365,506)	**433,644**	160,574
Less: Consolidated adjustments	**(570,275)**	(364,698)	**–**	–
Total (accumulated losses)/retained earnings	**(653,090)**	(730,204)	**433,644**	160,574

SHARE CAPITAL

Authorised : RM1,000,000,000 divided into 10,000,000,000 ordinary shares of RM0.10 each
Issued and paid-up : RM519,830,000 divided into 5,198,300,000 ordinary shares of RM0.10 each
Voting Right : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

as at 30 April 2013 (Based on the Record of Depositors of the Company)

Size of shareholdings		No. of shareholders	% of shareholders	No. of shares	% of issued shares
1	to 99	53	0.17	409	0.00
100	to 1,000	3,738	12.19	3,408,093	0.06
1,001	to 10,000	20,953	68.33	85,042,952	1.64
10,001	to 100,000	5,463	17.82	158,650,344	3.05
100,001	to 259,914,999*	458	1.49	1,278,198,202	24.59
259,915,000	and above**	1	0.00	3,673,000,000	70.66
Total		30,666	100.00	5,198,300,000	100.00

Notes:
* less than 5% of the issued share capital
** 5% and above of the issued share capital

Category of shareholders	No. of shareholders	% of shareholders	No. of shares	% of issued shares
Individuals	27,074	88.29	210,720,232	4.05
Banks/Finance Companies	28	0.09	188,350,300	3.62
Investment Trusts/Foundations/Charities	0	0.00	0	0.00
Other Types of Companies	229	0.75	3,685,152,900	70.90
Government Agencies/Institutions	6	0.02	22,020,000	0.42
Nominees	3,329	10.85	1,092,056,568	21.01
Others	0	0	0	0.00
Total	30,666	100.00	5,198,300,000	100.00

LIST OF 30 LARGEST SHAREHOLDERS
as at 30 April 2013 (Based on the Record of Depositors of the Company)

No.	Name	No. of ordinary shares	% of issued shares
1.	Astro Networks (Malaysia) Sdn Bhd	3,673,000,000	70.66
2.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (Resident USA-2)	152,069,700	2.93
3.	Amanahraya Trustees Berhad – Skim Amanah Saham Bumiputera	104,699,800	2.01
4.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for J.P. Morgan Bank Luxembourg S.A.	91,989,000	1.77
5.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.S.A)	56,614,589	1.09
6.	CIMSEC Nominees (Tempatan) Sdn Bhd – CIMB for Tiara Gateway Sdn Bhd	38,340,000	0.74
7.	HSBC Nominees (Asing) Sdn Bhd – TNTC for Saudi Arabian Monetary Agency	35,721,400	0.69
8.	HSBC Nominees (Asing) Sdn Bhd – BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund	32,378,400	0.62
9.	Amanahraya Trustees Berhad – Amanah Saham Wawasan 2020	32,000,000	0.62
10.	Citigroup Nominees (Asing) Sdn Bhd – UBS AG for Azentus Global Opportunities Master Fund Limited	26,267,000	0.51
11.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.K)	25,109,600	0.48
12.	Amanahraya Trustees Berhad – Amanah Saham Malaysia	25,000,000	0.48
13.	Lembaga Tabung Angkatan Tentera	19,950,000	0.38
14.	DB (Malaysia) Nominee (Asing) Sdn Bhd – Exempt An for Deutsche Bank AG London (Prime Brokerage)	17,671,200	0.34
15.	Cartaban Nominees (Asing) Sdn Bhd – SSBT Fund A52A for Artisan International Fund	17,462,000	0.34
16.	RHB Nominees (Tempatan) Sdn Bhd – OSK Capital Sdn Bhd for Yayasan Islam Terengganu	17,000,000	0.33

No.	Name	No. of ordinary shares	% of issued shares
17.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for the Bank of New York Mellon (Mellon Acct)	16,536,744	0.32
18.	Amanahraya Trustees Berhad – AS 1Malaysia	15,000,000	0.29
19.	Maybank Securities Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Kencana Capital Sdn Bhd (Margin)	15,000,000	0.29
20.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for J.P. Morgan Bank Luxembourg S.A. (2)	14,424,000	0.28
21.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (Nomura)	13,960,000	0.27
22.	CIMSEC Nominees (Tempatan) Sdn Bhd – Exempt An for CIMB Bank Berhad (Astro IPO SMF)	13,284,200	0.26
23.	Citigroup Nominees (Asing) Sdn Bhd – CBHK for Kuwait Investment Authority (Fund 208)	12,474,400	0.24
24.	Cartaban Nominees (Asing) Sdn Bhd – SSBT Fund PO01 for Morgan Stanley Investment Management Emerging Markets Trust	12,134,000	0.23
25.	Maybank Nominees (Asing) Sdn Bhd – Pledged Securities Account – Areca Capital Sdn Bhd for Forrester Investments Limited	10,000,000	0.19
26.	Maybank Nominees (Asing) Sdn Bhd – Pledged Securities Account – Areca Capital Sdn Bhd for Starry City Investments Limited	10,000,000	0.19
27.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board	9,606,300	0.18
28.	HSBC Nominees (Asing) Sdn Bhd – BNY Lux Invesco Funds	9,400,000	0.18
29.	HSBC Nominees (Asing) Sdn Bhd – BNY Brussels for Unisuper Limited (SSAU 2)	9,073,800	0.17
30.	HSBC Nominees (Asing) Sdn Bhd – HSBC-FS for Schroder Asian Equity Yield Fund	9,049,300	0.17
	TOTAL	**4,535,215,433**	**87.25**

SUBSTANTIAL SHAREHOLDERS

as at 30 April 2013 (Based on the Register of Substantial Shareholders of the Company)

Name		Notes	Direct No. of shares held	Direct %	Indirect No. of shares held	Indirect %
1.	Astro Networks (Malaysia) Sdn Bhd ("ANM")		3,673,000,000	70.66	–	–
2.	Astro Holdings Sdn Bhd ("AHSB")	(1)	–	–	3,673,000,000	70.66
3.	Pantai Cahaya Bulan Ventures Sdn Bhd ("PCBV")	(2)	–	–	3,673,000,000	70.66
4.	Khazanah Nasional Berhad ("KNB")	(3)	–	–	3,673,000,000	70.66
5.	All Asia Media Equities Ltd ("AAME")	(4)	–	–	3,673,000,000	70.66
6.	Usaha Tegas Entertainment Systems Sdn Bhd ("UTES")	(5)	–	–	3,673,000,000	70.66
7.	Usaha Tegas Sdn Bhd ("UTSB")	(6)	–	–	3,673,000,000	70.66
8.	Pacific States Investment Limited ("PSIL")	(7)	–	–	3,673,000,000	70.66
9.	Excorp Holdings N.V. ("Excorp")	(8)	–	–	3,673,000,000	70.66
10.	PanOcean Management Limited ("PanOcean")	(8)	–	–	3,673,000,000	70.66
11.	Ananda Krishnan Tatparanandam ("TAK")	(9)	–	–	3,673,000,000	70.66

Notes:

(1) Deemed to have an interest in all of the ordinary share of RM0.10 each in Astro Malaysia Holdings Berhad ("Shares") in which ANM has an interest, by virtue of ANM being a wholly-owned subsidiary of AHSB.

(2) Deemed to have an interest in the Shares by virtue of a shareholders' agreement entered into among the direct shareholders of AHSB.

(3) Deemed to have an interest in all the Shares in which PCBV has an interest, by virtue of PCBV being a wholly-owned subsidiary of KNB.

(4) Deemed to have an interest in all the Shares in which AHSB has an interest, by virtue of AAME's direct shareholding of 389,085,872 ordinary shares of RM0.10 each ("AHSB Shares") representing of 27.59% of the issued and paid-up ordinary share capital in AHSB.

(5) Deemed to have an interest in all of the Shares in which AAME has an interest, by virtue of UTES being entitled to exercise 100% of the votes attached to the voting shares of AAME. Please see note (4) above for AAME's deemed interest in the Shares. In addition to the deemed interest held via AAME in AHSB, UTES holds directly 90,534,101 AHSB Shares representing 6.42% of the issued and paid-up ordinary share capital in AHSB.

(6) Deemed to have an interest in all of the Shares in which UTES has an interest, by virtue of UTSB being entitled to exercise 100% of the votes attached to the voting shares of UTES. Please see note (5) above for UTES' deemed interest in the Shares.

(7) Deemed to have an interest in all of the Shares in which UTSB has an interest, by virtue of PSIL's being entitled to exercise 99.999% of the votes attached to the voting shares of UTSB. Please see note (6) above for UTSB's deemed interest in the Shares.

(8) The shares in PSIL are held by Excorp which is in turn held 100% by PanOcean. Please see note (7) above for PSIL's deemed interest in the 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 Shares, it does not have any economic or beneficial interest over such Shares, as such interest is held subject to the terms of such discretionary trust.

(9) Deemed to have an interest in all of the Shares in which AHSB has a interest, by virtue of the following:

(i) 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 339,462,935 AHSB Shares representing 24.07% of the issued and paid-up ordinary share capital in AHSB. TAK is deemed to have an interest in the AHSB Shares held by EABNS, PBS, HVL, SIL, UCSB, MUSB, MSSB, PGSB and UMSB by virtue of his 100% control of the shares in their respective ultimate holding companies viz. Tucson N.V., 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.; and

(ii) PanOcean's deemed interest in the Shares (Please see note (8) above for PanOcean's deemed interest in the Shares). Although TAK is deemed to have an interest in the Shares, he does not have any economic or beneficial interest over such Shares, as such interest is held subject to the terms of a discretionary trust referred to in note (8) above.

DIRECTORS' INTERESTS IN SHARES

as at 30 April 2013 (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	1,000,000	–	0.02	–
Augustus Ralph Marshall	8,500,000	–	0.16	–
Dato' Rohana Binti Tan Sri Datuk Rozhan(1)	3,600,000	–	0.07	–
Chin Kwai Yoong	1,000,000	–	0.02	–
Dato' Mohamed Khadar Bin Merican	1,000,000	–	0.02	–
Bernard Anthony Cragg	–	–	–	–
Hisham Bin Zainal Mokhtar	–	–	–	–
Lim Ghee Keong (alternate to Augustus Ralph Marshall)	1,000,000	–	0.02	–

Notes:

(1) DRR also has an interest over 2,200,000 unissued Shares pursuant to the Management Share Scheme of AMH. Please refer to page 108 of this Annual Report.

No.	Land title/Location	Description of Property	Approximate Age of building	Tenure	Remaining lease period (Expiry of Lease)	Current Use	Land Area (square metre)	Built-up Area (square metre)	NBV as at 31 January 2013 RM'000
1	HSD 34194 (previously held under HSD 7038), PT 12002, Mukim Dengkil, District of Sepang, State of Selangor	Vacant land	–	Freehold	Not applicable	Land area of approx- imately 1.8267 hectares	18,267	Not Applicable	10,586
2	Unit Nos. 165-1-1, 165-1-2 and 165-1-3 and 165-2-1, Wisma Mutiara (Block B), No. 165, Jalan Sungai Besi, 57100 Kuala Lumpur	Shops/ Office lots	12 years	Freehold	Not applicable	Vacant	Not applicable	753.8	1,130
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 All Asia Broadcast Centre Technology Park Malaysia Lebuhraya Puchong-Sungai Besi, Bukit Jalil, 57000 Kuala Lumpur	Land and Building	16 years	Sublease Land and Building	12 years (31 July 2025, with an option to renew for a further 30 years to July 2055)	Television, Radio and Data Media Centre and Office	126,707	32,533	103,447
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	–	Sublease	14 years (1 April 2027)	Vacant	412,780	Not Applicable	Operating lease

In accordance with the Listing Requirements of the Bursa Securities, the details of recurrent related party transactions entered into from 19 October 2012 to 31 January 2013 are as follows:-

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
1.	AMH and/or its subsidiaries	UTP	Provision of project and construction management and consultancy services to AMH and/or its subsidiaries	703	Major Shareholders MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors ARM and LGK	Please refer to Note 1
2.	AMH and/or its subsidiaries	UTSBM	Provision of consultancy and support services to AMH and/or its subsidiaries	4,932	Major Shareholders MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors ARM and LGK	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	113	Major Shareholders MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors ARM and LGK	Please refer to Note 1
			Aggregate Value of Transactions with UTSB Group	**5,748**		
4.	AMH and/or its subsidiaries	Maxis Broadband	Provision of premium telephone services to AMH and/or its subsidiaries	1,812	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
5.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of private leased circuit to MBNS and/or its affiliates	494	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
6.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of managed communications services to MBNS and/or its affiliates	7,976	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
7.	Astro Radio and/or its affiliates	Maxis Mobile	Sale of airtime, sponsorship and online web branding by Astro Radio and/or its affiliates	4,576	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
8.	Astro Radio	Maxis Mobile	Provision of SMS, Wireless Application Protocol, Multimedia Messaging Services and other services to Astro Radio	74	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
9.	MBNS and/or its affiliates	Maxis Mobile and/or its affiliates	Provision of talent for promotional activities by MBNS and/or its affiliates	15	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
10.	MBNS and/or its affiliates	Maxis Mobile and/or its affiliates	Provision of content by MBNS and/or its affiliates	370	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
11.	AMH and/or its subsidiaries	Maxis Mobile and/or its affiliates	Provision of publishing services and advertising services pursuant to a Publishing & Advertising Services Agreement	3,426	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
12.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	"Live" DNG (Digital News Gathering) via VSAT (Very Small Aperture Terminal) Broadcast Service	93	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
13.	AMH and/or its subsidiaries	Maxis Broadband and/or its affiliates	Astro 2.0 Intersite Fibre Link	586	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
14.	MBNS and/or its affiliates	Maxis and/or its affiliates	Provision of call centres services and ad-hoc services to MBNS and/or its affiliates	17	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
15.	MBNS	Maxis Broadband	Provision of server co-location and domestic private leased services (DPLS) to MBNS	3	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
16.	AMH and/or its subsidiaries	Maxis Broadband Sdn Bhd	Provision of consultancy and operation services	114	Major Shareholders DHB, THO, MSM, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB and ARM	Please refer to Note 2
			Aggregate Value of Transactions with MCB Group	**19,556**		
17.	MBNS and/or its subsidiaries	MSS	Lease of M3 satellite transponders for adhoc services by MBNS and/or its affiliates	380	Major Shareholders TAK and THO Directors ARM	Please refer to Note 3
18.	Astro Arena	MSS	Satellite connectivity for outside broadcast -coverage for live sports	191	Major Shareholders TAK and THO Director ARM	Please refer to Note 3
19.	MBNS	MSS	Provision of uplink and transponder services to MBNS	205	Major Shareholders TAK and THO Directors ARM	Please refer to Note 3
20.	AMH and/or its subsidiaries	MGB and/or its subsidiaries	Rental of building	771	Major Shareholders TAK and THO Directors ARM	Please refer to Note 3
			Aggregate Value of Transactions with MGB Group	**1,547**		

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
21.	MBNS	CTE	Provision of exclusive rights to MBNS for carriage of Kix HD & Celestial (SD & HD) channels in Malaysia & Brunei	6,911	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4
22.	MBNS	Goal TV Asia Limited ("Goal TV")	Provision of license rights for Goal TV channels to MBNS	2,513	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4
23.	MBNS	AETN	Provision of channels distribution rights to MBNS for the carriage of History, History HD, CI & BIO in Malaysia; sale of commercial airtime for local advertisements	3,708	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
24.	MBNS	AETN	Provision of channel distribution rights to MBNS for the carriage of History HD in Malaysia	223	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4
25.	AGS	AOL and its subsidiaries	Provision of corporate management charges to AOL and its subsidiaries	4,887	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4
26.	MBNS and/or its affiliates	AAMN and/or its affiliates	Content provider to MBNS and/or its subsidiaries	992	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK	Please refer to Note 4

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
27.	AMH and/or its subsidiaries	AHSB and its subsidiaries	Provision of Management Services	171	Major Shareholders AHSB, DHB, THO, MSM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK Directors DHB, ARM, HZM and LGK	Please refer to Note 4
Aggregate Value of Transactions with AHSB Group				**19,405**		
28.	Astro Awani	NDTV and/or its affiliates	Provision of consultancy services to Astro Awani	507	Major Shareholders NDTV Director Dr. Prannoy Lal Roy	Please refer to Note 5
29.	Astro Awani and/or its affiliates	NDTV Worldwide and/or its affiliates	Provision of Digital Media Services from NDTV Worldwide and/or its affiliates to Astro Awani and/or its affiliates	226	Major Shareholders NDTV Director Dr. Prannoy Lal Roy	Please refer to Note 5
30.	Astro Awani and/or its affiliates	NDTV Worldwide and/or its affiliates	Provision of Digital Media Management Services from NDTV Worldwide and/or its affiliates to Astro Awani and/or its affiliates	361	Major Shareholders NDTV Director Dr. Prannoy Lal Roy	Please refer to Note 5
Aggregate Value of Transactions with NDTV Group				**1,094**		

No	Company within our Group involved	Transacting Related Party	Nature of transaction	Actual value transacted from the Listing Date up to 31 January 2013 (RM'000)	Interested Related Party	
					Name	Nature of relationship
31.	AMH and/or its subsidiaries	Sun TV Network Limited ("Sun TV")	Provision of channel rights	8,723	Major Shareholders None Director None	Please refer to Note 6
			Aggregate Value of Transaction with Sun TV	**8,723**		

NOTES (as at 30 April 2013)**:**

1) UTSB Group

UTP and UTSBM are wholly-owned subsidiaries of UTSB. AMH is a 70.66%-owned subsidiary of Astro Networks (Malaysia) Sdn Bhd ("ANM") which in turn is wholly-owned by AHSB.

UTSB, PSIL, Excorp and PanOcean who are Major Shareholders of AMH, by virtue of their deemed equity interests (through UTES and AAME, wholly-owned subsidiaries of UTSB) in AHSB, are also major shareholders of AHSB.

Excorp is 100%-owned by PanOcean and it has a 100% direct controlling interest in PSIL, which in turn has a 99.999% direct controlling 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.

TAK who is a Major Shareholder of AMH, is also a major shareholder of AHSB. In addition, TAK is also a director of PanOcean, Excorp, PSIL and UTSB. Although TAK and PanOcean are deemed to have interests in the ordinary shares of AMH ("AMH Shares") in which PSIL has an interest, they do not have any economic or beneficial interest over these AMH Shares as such interest is held subject to the terms of the discretionary trust.

Tanjong plc is a wholly-owned subsidiary of Tanjong Capital Sdn Bhd ("TCSB"). UTSB, PSIL, Excorp, PanOcean and TAK who are Major shareholders of AMH are also major shareholders of TCSB.

Although TAK and PanOcean have deemed interest in the shares of TCSB held through UTSB, 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.

Tanjong plc is a person connected to UTSB, PSIL, Excorp, PanOcean and TAK by virtue of their interest in TCSB as set out above.

ARM who is a Director and Non-Executive Deputy Chairman of AMH, is also a director of PanOcean, Excorp, PSIL and an executive director of UTSB and Tanjong plc. In addition, ARM is also a director and group chief executive officer of AHSB and a director of other companies within the AHSB Group. ARM has a direct equity interest over 8,500,000 AMH Shares representing 0.16% of the issued and paid-up share capital of AMH. He does not have any equity interest in Tanjong plc, UTSB Group and AMH subsidiaries.

LGK, an alternate director to ARM in AMH, is also a director of AHSB, PSIL, Excorp, PanOcean, UTSBM, TCSB and several other subsidiaries of UTSB. LGK has a direct equity interest over 1,000,000 AMH Shares representing 0.02% of the issued and paid-up share capital of AMH. He does not have any equity interest in Tanjong plc, UTSB Group and AMH subsidiaries.

MSM is a major shareholder of AHSB by virtue of his 25% direct equity interest in HTSB. HTSB is deemed to have an interest in the voting shares in AHSB in which 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") have an interest, by virtue of HTSB being entitled to exercise 100% of the votes attached to the voting shares in the immediate holding companies in each of HTSB Subsidiaries.

The shares in AHSB ("AHSB Shares") held via the HTSB Subsidiaries are held under discretionary trusts for Bumiputera objects. As such, he does not have any economic interest in those shares held by the HTSB Subsidiaries as such interest is held subject to the terms of such discretionary trusts. Further, as MSM does not exercise or control the exercise of at least 15% of the votes attached to the voting shares in AHSB, he is not deemed to have an interest in the shares of AMH and its subsidiaries.

MSM has a direct equity interest over 300,000 AMH Shares representing 0.006% of the issued and paid-up share capital of AMH. He also has a deemed equity interest over 8,596,000 shares representing 4.54% of the issued and paid-up share capital of TCSB through Macroniaga Sdn Bhd. MSM is a director of certain subsidiaries of UTSB and an employee of the UTSB Group. He is also a person connected to MKM, a Director of AMH.

2) MCB Group

Maxis Broadband and Maxis Mobile are wholly-owned subsidiaries of Maxis which is in turn a 64.99% owned subsidiary of MCB. MBNS, Astro Radio and Astro Arena are wholly-owned subsidiaries of AMH.

UTSB, PSIL, Excorp, PanOcean and TAK who are Major Shareholders of AMH, are also major shareholders of Maxis, by virtue of their deemed equity interest in Binariang GSM Sdn Bhd ("BGSM") which in turn wholly-owns MCB. MCB is a major shareholder of Maxis.

ARM, who is a Director and Non-Executive Deputy Chairman of AMH and several subsidiaries of AMH including MBNS and Astro Radio, is also a director of PanOcean, Excorp, PSIL, UTSB, BGSM, MCB and Maxis. ARM has a direct equity interest over 750,000 shares representing 0.01% of the issued and paid-up share capital in Maxis. ARM does not have any equity interests in Maxis subsidiaries and AMH subsidiaries. Please refer to Note 1 for ARM's interests in AMH.

THO, DHB and MSM are major shareholders of AHSB by virtue of their respective 25% direct equity interest in HTSB. Please refer to Note 1 for MSM and HTSB's interests in AMH. The AHSB Shares held via the HTSB Subsidiaries are held under discretionary trusts for Bumiputera objects. As such, they do not have any economic interest in those shares held by the HTSB Subsidiaries as such interest is held subject to the terms of such discretionary trusts. Further, as they do not exercise or control the exercise of at least 15% of the votes attached to the voting shares in AHSB, they are not deemed to have an interest in the shares of AMH and its subsidiaries.

In addition, DHB has an indirect equity interest over 1,000,000 AMH Shares representing 0.02% of the issued and paid-up share capital in AMH held by Casa Saga Sdn Bhd ("CSSB") by virtue of his direct equity interest of 99% in CSSB. DHB who is a director of AHSB, is also a director of MBNS and several other subsidiaries of AHSB.

THO, DHB and MSM are major shareholders of Maxis by virtue of their respective 25% direct equity interest in Harapan Nusantara Sdn Bhd ("HNSB"). HNSB's deemed interest in the voting shares in Maxis in which BGSM has an interest, arises by virtue of HNSB being entitled to control the exercise of 100% of the votes attached to the voting shares in each of 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").

The shares in Maxis ("Maxis Shares") held via the HNSB Subsidiaries are held under discretionary trusts for Bumiputera objects. As such, they do not have any economic interest in those shares held by the HNSB Subsidiaries as such interest is held subject to the terms of such discretionary trusts. Further, as THO, DHB and MSM exercise or control the exercise of at least 15% of the votes attached to the voting shares in Maxis, they are deemed to have an interest in the shares of Maxis' subsidiaries.

3) MGB Group

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

TAK is a major shareholder of MGB via MEASAT Global Network Systems Sdn Bhd, a wholly-owned subsidiary of MAI Holdings Sdn Bhd in which he has a 99.999% direct equity interest. MSS is a wholly-owned subsidiary of MGB. Hence, TAK also has deemed equity interest over MSS. Please refer to Note 1 for TAK's interests in AMH.

THO is a director of MSS. Please refer to Note 2 for THO's interests in AMH. THO does not have any equity interest in the shares of MGB or MSS.

ARM is also a director of MGB. ARM does not have any equity interest in the shares of MGB or MSS. Please refer to Note 1 for ARM's interests in AMH.

4) AHSB Group

AOL and AAMN are wholly-owned subsidiaries of AHSB whilst Goal TV is a 50%-owned subsidiary of AHSB. CMCL, CTE and AETN are associate companies of AHSB. MBNS and AGS are wholly-owned subsidiaries of AMH.

PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK who are Major Shareholders of AMH, are also major shareholders of AHSB. Khazanah has a 100% direct equity interest in PCBV which in turn holds 29.34% direct equity interest in AHSB. AOL is a wholly-owned subsidiary of AHSB via AAAN. Please refer to Note 1 for the interests of AHSB, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK in AMH.

THO, DHB, MSM and HTSB are major shareholders of AHSB. DHB is a director of MBNS and several other subsidiaries of AMH, is also a director of AHSB, ANM and AOL. Please refer to Notes 1 and 2 for their respective interests in AMH.

ARM is a Director and Non-Executive Deputy Chairman of AMH, is also a director and group chief executive officer of AHSB. He does not have any equity interest in AHSB. Please refer to Note 1 for ARM's interests in AMH.

DRR is a Director and Chief Executive Officer of AMH, is also a director of AOL. She has a direct equity interest over 3,600,000 AMH Shares representing 0.07% of the issued and paid-up share capital of AMH. In addition, she has an interest in the share award over 2,200,000 unissued AMH shares pursuant to the Management Share Scheme of AMH. DRR does not have any equity interest in AHSB and AOL.

CKY, MKM and BAC are directors of AMH, are also directors of AOL. CKY and MKM each has a direct equity interest over 1,000,000 AMH Shares representing 0.02% of the issued and paid-up share capital of AMH. CKY, MKM and BAC do not have any equity interest in AHSB and AOL.

HZM is a Director of AMH, is also a director of AHSB and PCBV, an alternate director of DHB in AOL. He does not have any equity interest in AMH, AHSB and PCBV.

LGK is an alternate director of ARM in AMH and AOL, and is also a director of AHSB. Please refer to Note 1 for LGK's interests in AMH.

5) NDTV Group

NDTV is a Major Shareholder of Astro Awani, a 80%-owned subsidiary of AMH.

Dr. Prannoy is a director of Astro Awani. He is also a major shareholder and director of NDTV but he does not have any equity interest in AMH.

6) SunTV

SunTV has entered into a joint venture arrangement with a subsidiary of AOL. SunTV is deemed to be an interested person connected to our Major Shareholders. SunTV does not have any equity interest in AMH.

MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

The particulars of material contracts entered into by the Group involving directors' and major shareholders' interests which are either still subsisting as at 31 January 2013 or if not then subsisting, entered into since the end of the financial year ended 31 January 2012 are as follows[1]:

	Parties		General Nature	Consideration passing to or from the AMH Group	Date of Agreement	Mode of Satisfaction of Consideration	Relationship
	AMH Group	Transacting Party					
1.	MBNS Multimedia Technologies Sdn Bhd ("MMT")	Advanced Wireless Technologies Sdn Bhd ("AWT")	Shareholder's loan of RM33,059,601.83 granted by MMT to AWT	In relation to the shareholoder's loan granted by MMT to AWT: a loan amount of RM33,059,601.83	24 November 2005 (amended by an extension agreement dated 15 December 2010)	In relation to the shareholder's loan granted by MMT to AWT: An initial cash advance of RM24,166,666 followed by capitalisation of accrued interest of RM8,892,935.83 pursuant to an extension agreement which also extends the loan for a further period of 5 years up till 9 December 2015.	Please refer to Note 1 below.
		Maxis Berhad	Indemnity by MMT in favour of Maxis proportionate to MMT's shareholding of 25% in AWT subject to a maximum liability of RM6,250,000.00, in connection with a bank guarantee procured by Maxis on UMTS (Malaysia) Sdn Bhd's (a wholly-owned subsidiary of AWT) obligations.	In relation to the indemnity by MMT in favour of Maxis: The undertakings and indemnity by MMT contained in the said indemnity letter.	29 August 2012	In relation to the indemnity by MMT in favour of Maxis: The undertakings and indemnity by MMT contained in the said indemnity letter.	
2.	MBNS	Astro Awani Network Ltd ("AANL")	Channel Supply Agreement for the acquisition of exclusive rights of Awani Channel in SD format across all TV platform in Malaysia and Brunei	Fees payable by MBNS to AANL	10 January 2013, effective for the period 1 January 2010 to 1 June 2011.	Cash	Please refer to Note 2 below.

[1] Please note that transactions of a recurrent nature entered into by the AMH Group between 19 October 2012 (date of listing) and 31 January 2013 involving the interest of our directors or major shareholders have been disclosed on pages 232 – 241 of this Annual Report.

	Parties		General Nature	Consideration passing to or from the AMH Group	Date of Agreement	Mode of Satisfaction of Consideration	Relationship
	AMH Group	Transacting Party					
3.	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 3 below.
4.	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 3 below.
5.	MBNS	MEASAT International (South Asia) Ltd ("MISA")	Supply of capacity on 18 transponders on the MEASAT-3b satellite	Fee payable by MBNS to Measat International (South Asia) Ltd	11 May 2012	Cash	Please refer to Note 3 below.
6.	MBNS	MSS	Supply of capacity on 6 transponders on the MEASAT-3c satellite	Fee payable by MBNS to MSS	15 May 2013	Cash	Please refer to Note 3 below.

Further disclosure in relation to shareholder's loan provided by MMT to AWT identified in item 1 of the table above:

Parties		Purpose of the loan	Amount of the loan	Interest Rate	Terms as to payment of interest and repayment of principal	Relationship
Lender	Borrower					
MMT	AWT	Shareholder's loan	RM33,059,601.83	1% per annum above the base lending rate of Malayan Banking Berhad	Repayment of principal and interest on demand in accordance with the terms of loan agreement (as described below) or until so demanded, on 9 December 2015 being the 5th anniversary of the commencement of the extended term following the extension agreement for the loan. MMT may demand by giving 6 months' notice to AWT: (a) full repayment if: (i) MMT ceases to be a shareholder of AWT unless the share transfer is a permitted transfer to its affiliates pursuant to the shareholder's agreement in respect of the shares of AWT; or (ii) MMT receives legal advice that the loan is in contravention of law or government guidelines. (b) proportionate repayment if MMT reduces its shareholding in AWT proportionately.	Please refer to Note 1 below.

Notes:

1. Maxis Group

AWT is a 75%-owned subsidiary of Maxis with the remaining 25% equity interest being owned by MMT. Maxis is in turn a 64.99% owned subsidiary of MCB.

UTSB, PSIL, Excorp, PanOcean and TAK who are Major Shareholders of AMH are also major shareholders of Maxis. Please refer to Notes 1 and 2 of pages 239 and 240 for their respective interests in AMH and Maxis.

ARM, who is a Director and Non-Executive Deputy Chairman of AMH is also a director of Maxis. Please refer to Notes 1 and 2 of pages 239 and 240 for ARM's interests in AMH and Maxis.

THO, DHB and MSM who are major shareholders of AHSB, are also major shareholders of Maxis. Please refer to Notes 1 and 2 of pages 239 and 240 for their respective interests in AMH and Maxis.

2. AANL

AANL is an indirect subsidiary of AOL which in turn is wholly-owned by AAAN. AAAN is wholly-owned by AHSB. MBNS is a wholly-owned subsidiary of AMH. AMH is a 70.66%-owned subsidiary of ANM which in turn is wholly-owned by AHSB.

UTSB, PSIL, Excorp, PanOcean, TAK, PCBV, Khazanah, AAME is a shareholders of AHSB. Please refer to Note 4 of page 241 for their respective interests in AMH and AHSB.

ARM, who is a Director and Non-Executive Deputy Chairman of AMH is also a director and group chief executive officer of AHSB, but does not have any equity interest in AMH subsidiaries and AOL subsidiaries. Please refer to Note 1 of page 239 for ARM's interests in AMH.

CKY, MKM and BAC, who are Directors of AMH, are also directors of AOL and AAAN. CKY, MKM and BAC do not have any equity interest in AMH subsidiaries and AOL subsidiaries. Please refer to Note 4 of page 241 for their respective interests in AMH.

HZM is a Director of AMH and is an alternate director to DHB in AOL and AAAN. He is also a director of AHSB and PCBV but he does not have any equity interest in AMH subsidiaries and AOL subsidiaries.

DRR is a Director and Chief Executive Officer of AMH, and is also a director of AOL. Please refer to Note 4 of page 241 for DRR's interests in AMH.

LGK is an alternate director of ARM in AMH and AOL, and is also a director of AHSB, but he does not have any equity interest in AMH subsidiaries and AOL subsidiaries. Please refer to Note 1 of page 239 for LGK's interests in AMH.

3. MGB Group

MSS and MISA 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 239 and 241 for TAK's interests in AMH and MGB Group.

THO is a director of MSS. ARM is a director of MGB. Please refer to Notes 1 and 3 of pages 239 and 241 for ARM's and THO's interests in AMH and MGB Group.

UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

On 19 October 2012, the entire issued and paid-up share capital of AMH was listed on the Main Market of Bursa Securities. AMH received gross proceeds of RM1,422.9 million from the public issue. As at 14 March 2013, the gross proceeds of RM1,422.9 million from the public issue were utilised in the following manner:

Repayment of bank borrowings	RM500.0 million
Expenses for the IPO and listing	RM46.1 million

The utilisation is in accordance with the approval given by the Securities Commission dated 19 September 2012.

IMPOSITION OF SANCTIONS/PENALTIES

MCMC had on 10 April 2013 issued to MBNS, a wholly-owned subsidiary of AMH, a compound of RM20,000 for breach of Content Application Service Provider-I license conditions and Section 206(3) of the Communications and Multimedia Act 1998.

Save as disclosed above, there are no public sanctions and penalties imposed on the Group, Directors or Management by the relevant regulatory bodies.

AAAN – Astro All Asia Networks Limited

AAME – All Asia Media Equities Ltd

AAMN – All Asia Multimedia Networks FZ-LLC

AC – Audit Committee

AETN – AETN All Asia Networks Pte Ltd

Adex – Advertising expenditure. Generally used to refer to the total advertising expenditure in the market as a whole

AGM – Annual General Meeting

AGS – Astro Group Services Sdn Bhd

AHSB – Astro Holdings Sdn Bhd

Astro/AMH/Company – Astro Malaysia Holdings Berhad

AOL – ASTRO Overseas Limited

AOTG – Astro On-The-Go, Astro's over-the-top service for viewing Astro linear and on-demand content on PCs and on smart devices

App – Applications

ARM – Augustus Ralph Marshall

Astro Arena – Astro Arena Sdn Bhd

Astro Awani – Astro Awani Network Sdn Bhd

Astro Radio – Astro Radio Sdn Bhd

BAC – Bernard Anthony Cragg

Board – Board of Directors of AMH

Bursa Securities – Bursa Malaysia Securities Berhad

CAGR – Compounded annual growth rate

CAS – Conditional access system, the technology used to control subscribers' access to content, thereby ensuring that they only receive those services that they have subscribed for or which the service provider allows them to access. The CAS will scramble and encrypt content at the point of transmission, and will then ensure that the STBs only decrypts and descrambles the signal if the STBs is authorised to do so. This authorisation is done by matching a smart card or unique hardware identification to a database of entitlements and subscribers

Capex – Capital expenditure

CEO – Chief Executive Officer

CFO – Chief Financial Officer

Churn – The number of subscribers over a given period whose subscriptions have been terminated either voluntarily or involuntarily (as a result of non-payment), net of reconnections within a given period

CKY – Chin Kwai Yoong

Coaxial – Copper-based cabling that is the most commonly used cable for transmitting video signals

CRM – Customer Relationship Management. Refers to software used to manage the interactions with customers

CTE – Celestial Tiger Entertainment Limited

DHB – Dato' Haji Badri Bin Haji Masri

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-users premises. Such satellites are commonly located in geostationary orbit and use frequencies in the Ku-band at high power which permits direct reception using small, fixed satellite dish

DVB-S2 – Digital Video Broadcasting-Satellite – Second Generation, a standard set by the Digital Video Broadcasting consortiumand ratified in 2005 for transmission of sounds and images to and from satellites

DVD – Digital Video Disc or Digital Versatile Disc, an optical storage medium commonly used to package video for distribution

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

Excorp – Excorp Holdings N.V.

Fibre broadband – Broadband delivered via a fibre optic network, with practical current limits at up to 1000 Mbps, but typically used to deliver broadband below 30 to 40 Mbps

Fibre optic – A means of providing high speed data transmission using pulses of light to send signals through glass fibres

FM – Frequency modulation, commonly refers to the delivery of music and speech via terrestrial radio broadcast

GB – Gigabyte(s) i.e. one billion bytes of data

GDP – Gross domestic product

GHz – Gigahertz i.e. one billion cycles per second

Group – Astro Malaysia Holdings Berhad and its subsidiaries

HD – High-definition, commonly refers to TV or video at a resolution of either 720p, 1080i or 1080p

HD TV – HD TV referring to either a TV capable of receiving and properly displaying an HD resolution TV signal, or to HD TV services in general

HTML – Hypertext markup language, the development language for web pages

HTSB – Harapan Terus Sdn Bhd

HZM – Hisham Bin Zainal Mokhtar

IFRS – International Financial Reporting Standards

Internet – A vast computer network linking smaller computer networks worldwide. The Internet includes commercial, educational, governmental, and other networks, all of which use the same set of communications protocols

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 – IP TV, generally referring to multi-channel digital TV distributed over a managed IP network with a managed quality of service and dedicated bandwidth

IT – Information technology

Khazanah – Khazanah Nasional Berhad

Kbps – Kilobits per second i.e. one thousand bits per second

Ku-band – Microwave frequency spectrum in the range of 10.7 GHz to 14.8 GHz, typically reserved and used for satellite based communications and broadcast services, such as DTH satellite TV services

LGK – Lim Ghee Keong

Listing Requirements – Main Market Listing Requirements of Bursa Securities

MAT Churn – MAT (moving annual total) Churn is computed by dividing the sum of Churn over the last 12 months with the average active residential customer base over the same period

Maxis – Maxis Berhad

Maxis Broadband – Maxis Broadband Sdn Bhd

Maxis Mobile – Maxis Mobile Services Sdn Bhd

MBNS – MEASAT Broadcast Network Systems Sdn Bhd

MCB – Maxis Communications Berhad

MCMC – Malaysian Communications and Multimedia Commission

MFRS – Malaysian Financial Reporting Standards

MGB – MEASAT Global Berhad

MITI – Ministry of International Trade and Industry of Malaysia

MKM – Dato' Mohamed Khadar Bin Merican

MSM – Mohamad Shahrin Bin Merican

MSS – MEASAT Satellite Systems Sdn Bhd

Mbps – Megabits per second i.e. one million bits per second

MEASAT-3 – The Malaysia East Asia Satellite-3 which currently broadcasts Astro Malaysia's DTH multi-channel subscription and non-subscription TV services to Malaysia and Brunei, located at 91.5 degrees east geostationary orbit

MEASAT-3a – The satellite that is co-located with MEASAT-3

MEASAT-3b – The satellite that is planned for launch in 2014, to be colocated with MEASAT-3 and MEASAT-3a

MHz – The satellite that is planned for launch in 2014, to be colocated with MEASAT-3 and MEASAT-3a

MITI – MInistry of International Trade and Industry

MPEG-2 – Digital compression standard for the generic coding of moving pictures and associated audio information. Established by the Moving Pictures Experts group. This is the earliest generation digital coding standard capable of supporting HD video signals

MPEG-4 – A later generation follow-on standard to MPEG2, MPEG4 is a more efficient method of encoding, resulting in 20.0% to 30.0% bandwidth savings versus an MPEG2 encoding of the same signal

NBV – Net book value

NCGC – Nomination and Corporate Governance Committee

NDTV – New Delhi Television Limited

NDTV Worldwide – NDTV Worldwide Mauritius Limited

NJOI – Astro's non-subscription based free DTH satellite TV service

NVOD – Near video-on-demand, refers to transmission of a programme across a number of TV channels at staggered starting times to allow the viewer to watch the programme at a preferred time

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

PBT – Profit before taxation

PC – Personal computer

PCBV – Pantai Cahaya Bulan Ventures Sdn Bhd

Proforma – Refers to the preparation of financial statements on the assumption that AMH Group was in existence throughout the reported financial year. This is to provide a meaningful comparison of the financial and operational performance of the group between the reported periods

PSIL – Pacific States Investment Limited

PVR – Personal Video Recorder, refers to a STBs with a hard disk drive installed inside it, on which recordings of broadcast TV signals passing through the STBs can be saved and viewed at a later time

Residential 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 monthly average number of active pay-TV residential subscribers during the financial year/period

RC – Remuneration Committee

RF – Radio Frequency refers to any frequency within the electromagnetic spectrum associated with radio wave propagation. The RF signal is normally used to carry information such as data, voice, video and audio from the originating source to the destination device in a wireless form (over the air)

ROIC – Return on invested capital

RM – Ringgit Malaysia

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

SMS – Short message service; a service whereby mobile telephone users may send and receive text messages

STB – Set top box

TAK – Ananda Krishnan Tatparanandam

Tanjong plc – Tanjong Public Limited Company

Telemovie(s) – Movies made for TV

THO – Tun Dr. Haji Mohammed Hanif Bin Omar

TIME – TT dotCom Sdn Bhd

Transponder(s) – A device mounted on a satellite that receives, converts and retransmits radio frequency signals

Total Borrowings – Term loans and finance leases, excluding vendor financing

TV – Television

TV Households – Households with at least one TV set. In the Malaysian context, we only consider Malaysian citizens as part of TV households and exclude non-citizens

UTES – Usaha Tegas Entertainment Systems Sdn Bhd

UTP – UT Projects Sdn Bhd

UTSB – Usaha Tegas Sdn Bhd

UTSBM – UTSB Management Sdn Bhd

VCD – Video Compact Disc, use of a compact disc as digital storage of a video file for playback

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, versusa broadcast, which is a one-to-many delivery method

WiFi – A popular computer networking technology for the wireless transmission and receipt of data via radio waves. WiFi refers specifically to wireless networking based on the Institute of Electrical and Electronics Engineers (IEEE) 802.11 standards

2011 – The financial year ended 31 January 2012

2012 – The financial year ended 31 January 2013

24/7 – 24 hours a day, seven days a week

3D – Three dimension refers to programmes that convey depth perception to the viewer, through techniques such as stereoscopic display

NOTICE IS HEREBY GIVEN THAT the **First Annual General Meeting of ASTRO MALAYSIA HOLDINGS BERHAD** ("Company") will be held on **Wednesday, 3 July 2013** at **10.00 a.m.** at **the Grand Ballroom, Level 1, Mandarin Oriental, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia** for the following purposes:

As Ordinary Business

(1) To consider the Audited Financial Statements for the financial year ended 31 January 2013 and the Reports of the Directors and Auditors thereon.

Please refer to Explanatory Note 1

(2) To approve a final single-tier dividend of 1.0 sen per ordinary share of RM0.10 each for the financial year ended 31 January 2013. **Resolution 1**

(3) To re-elect the following Directors who retire by rotation pursuant to Article 111 of the Company's Articles of Association and being eligible, have offered themselves for re-election:-

(i) Chin Kwai Yoong **Resolution 2**

(ii) Dato' Mohamed Khadar Bin Merican **Resolution 3**

(4) To re-elect the following Directors who were appointed to the Board on 15 August 2012 pursuant to Article 118 of the Company's Articles of Association and being eligible, have offered themselves for re-election:-

(i) Tun Dato' Seri Zaki Bin Tun Azmi **Resolution 4**

(ii) Hisham Bin Zainal Mokhtar **Resolution 5**

(5) To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration. **Resolution 6**

As Special Business

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

(6) Ordinary Resolution **Resolution 7**

Retention of Independent Non-Executive Director

"THAT pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, Dato' Mohamed Khadar Bin Merican be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next annual general meeting."

Please refer to Explanatory Note 2

(7) Ordinary Resolution **Resolution 8**

Authority to issue ordinary shares pursuant to Section 132D of the Companies Act, 1965 ("the Act").

"THAT, subject to the Act, the Articles of Association of the Company and the approvals from any relevant governmental/regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered to issue and allot shares in the Company:

(i) at any time until the conclusion of the next annual general meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit; and/or

(ii) in pursuance of any offer, agreement, option, or any other instruments (collectively the "Instruments") to be made, granted, or issued by them (as the case may be), while the approval under this resolution remains in force, AND THAT the Directors be and are hereby further authorised to make, grant or issue such Instruments which would or might require new ordinary shares in the Company to be issued after the expiration of the approval hereof;

provided that

(i) the aggregate nominal value of shares to be issued pursuant to the authority granted under this resolution, and/or shares that are capable of being issued from the Instruments during the preceding 12 months (calculated in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")), does not exceed 10% of the nominal value of the issued and paid-up share capital (excluding treasury shares) of the Company at the time of issuance of the shares or issuance, making or granting of the Instruments, and

(ii) for the purpose of determining the number of shares which are capable of being issued from the Instruments, each Instrument is treated as giving rise to the maximum number of shares into which it can be converted or exercised,

and such authority under this resolution shall continue to be in force until the conclusion of the next annual general meeting of the Company or when it is required by law to be held, whichever is earlier, and that:

(a) approval and authority be and are 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 to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) in connection therewith; and

(b) the Board of Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Securities."

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the First Annual General Meeting to be held on Wednesday, 3 July 2013, a final single-tier dividend of 1.0 sen per ordinary share of RM0.10 each for the financial year ended 31 January 2013 will be paid on 2 August 2013 to Depositors whose names appear in the Record of Depositors at the close of business on 18 July 2013.

A Depositor will qualify for entitlement to the dividend only in respect of:-

(a) shares transferred to the Depositor's Securities Account before 4.00 p.m. on 18 July 2013 in respect of transfers; and

(b) shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

LIEW WEI YEE SHARON (LS7908)
Company Secretary

11 June 2013
Kuala Lumpur

NOTES:

EXPLANATORY NOTES ON SPECIAL BUSINESS:-

1) Audited Financial Statements and the Reports of the Directors and Auditors thereon

The Act requires that the Directors shall lay before the Company in general meeting the audited financial statements (comprising profit and loss account, balance sheet and the reports of the Directors and Auditors attached thereto). The audited financial statements and the Reports of the Directors and Auditors thereon will accordingly be laid before the Company at the First Annual General Meeting for consideration of the shareholders. There is no requirement for the shareholders to approve such documents and hence, the matter will not be put forward for voting.

2) Proposed Resolution 7 – Retention of Dato' Mohamed Khadar Bin Merican as Independent Non-Executive Director of the Company pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012

Dato' Mohamed Khadar Bin Merican, an Independent Non-Executive Director of the Company, has been an independent member of the Board of Directors of Astro All Asia Networks Limited ("AAAN") since 2003. AAAN is the former holding company which held the businesses of the Company prior to the establishment of the Company in March 2011. Taking into consideration the spirit and intent of Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, his appointment as an Independent Non-Executive Director would therefore be regarded as having exceeded a term of nine years.

The Nomination and Corporate Governance Committee has assessed the independence of Dato' Mohamed Khadar Bin Merican, and recommended that he continues to act as an Independent Non-Executive Director of the Company on the following basis:

(i) he continues to be able to exercise independent judgement and to act in the best interest of the Company;
(ii) he has detailed knowledge of the business and has proven commitment, experience and competency to effectively advise and oversee the management of the Company; and
(iii) he has met the criteria for independence as defined in Chapter 1 of the Listing Requirements of Bursa Securities.

The Board is therefore of the view that the retention of Dato' Mohamed Khadar Bin Merican as an Independent Non-Executive Director of the Company is in the best interests of the Company and recommends that you vote in favour of this resolution. For the purpose of clarity, in the event that shareholders' approval for Resolution 7 is withheld and subject to the passing of Resolution 3, Dato' Mohamed Khadar Bin Merican shall be re-designated as a Non-Independent Non-Executive Director of the Company and the Board remains properly constituted as required under Paragraph 15.02 of the Listing Requirements of Bursa Securities.

PROXY

(1) A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote for him/her provided that the number of proxies appointed shall not be more than two except in the circumstances set out in Notes 2 and 3. A proxy may but need not be a member of the Company, and the provision of Section 149(1)(b) of the Act shall not apply to the Company. There shall be no restriction as to the qualification of the proxy.

(2) Where a member of the Company is an authorised nominee, it may appoint one proxy in respect of each securities account it holds to which ordinary shares in the 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. For 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 the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(3) The instrument appointing a proxy shall be:
  (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.

(4) Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

(5) The instrument appointing a proxy must be deposited at the **Company's share registrar, 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, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting** or in the case of a poll, not less than 24 hours before the taking of the poll; 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) A proxy may vote on a show of hands and on a poll. If the form of proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy may exercise his discretion as to whether to vote on such matter and if so, how.

(7) 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. A proxy appointed to attend and vote at this meeting shall have the same rights as the member to speak at the meeting and the instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

MEMBERS ENTITLED TO ATTEND

For purposes of determining a member who shall be entitled to attend the First Annual General Meeting, the Company shall be requesting Bursa Securities Depository Sdn Bhd, in accordance with Article 57 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a Record of Depositors ("ROD") as at 25 June 2013. Only a depositor whose name appears on the ROD as at 25 June 2013 shall be entitled to attend the meeting or appoint a proxy(ies) to attend and/or vote on such depositor's behalf.

STATEMENT ACCOMPANYING NOTICE OF FIRST ANNUAL GENERAL MEETING OF ASTRO MALAYSIA HOLDINGS BERHAD ("Company") pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Securities

Annexure A

Further details of individuals who are standing for re-appointment as directors:

(i) Chin Kwai Yoong

Age	64
Nationality	Malaysian
Qualification	Fellow of the Institute of Chartered Accountants in England and Wales Member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants
Position in the Company	Independent Non-Executive Director (appointed on 21 March 2011) Senior Independent Director (appointed on 15 August 2012)
Working Experience and Occupation	Please refer to the director's profile on page 39 of this Annual Report
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	Deleum Berhad (listed on the Bursa Securities) Genting Berhad (listed on the Bursa Securities) Fraser and Neave Holdings Berhad (listed on the Bursa Securities)
Details of any interest in the securities of the Company and its subsidiaries	Please refer to the details of director's interests on page 230 of this Annual Report
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	None
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

(ii) Dato' Mohamed Khadar Bin Merican

Age	57
Nationality	Malaysian
Qualification	Member of the Institute of Chartered Accountants in England and Wales as well as the Malaysian Institute of Accountants
Position in the Company	Independent Non-Executive Director (appointed on 21 March 2011)
Working Experience and Occupation	Please refer to the director's profile on page 40 of this Annual Report
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	RHB Capital Berhad (listed on the Bursa Securities) AirAsia Berhad (listed on the Bursa Securities) Sona Petroleum Bhd
Details of any interest in the securities of the Company and its subsidiaries	Please refer to the details of director's interests on page 230 of this Annual Report
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	None
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

(iii) Tun Dato' Seri Zaki Bin Tun Azmi

Age	67
Nationality	Malaysian
Qualification	Barrister-at-Law, Lincoln's Inn
Position in the Company	Independent Non-Executive Chairman (appointed on 15 August 2012)
Working Experience and Occupation	Please refer to the director's profile on page 38 of this Annual Report
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	SP Setia Berhad (listed on the Bursa Securities)
Details of any interest in the securities of the Company and its subsidiaries	Please refer to the details of director's interests on page 230 of this Annual Report
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	None
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

(iv) Hisham Bin Zainal Mokhtar

Age	51
Nationality	Malaysian
Qualification	Bachelor of Science and Masters of Science in Mathematics from Illinois State University, The United States of America Masters of Business Administration from Massachusetts Institute of Technology, The United States of America
Position in the Company	Non-Independent Non-Executive Director (appointed on 15 August 2012)
Working Experience and Occupation	Please refer to the director's profile on page 41 of this Annual Report
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	None
Details of any interest in the securities of the Company and its subsidiaries	Please refer to the details of director's interests on page 230 of this Annual Report
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	None
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

PROXY FORM

ASTRO MALAYSIA HOLDINGS BERHAD
(INCORPORATED IN MALAYSIA)
(932533-V)

Number of shares held	CDS account no.

*I/*We, ______________________________ *NRIC (new and old)/*Passport/*Company No. ______________________
(FULL NAME OF MEMBER APPOINTING PROXY IN BLOCK LETTERS) (COMPULSORY)

of ____
(FULL ADDRESS IN BLOCK LETTERS)

and telephone no. ______________________________ being a member of Astro Malaysia Holdings Berhad ("the Company"),

hereby appoint ______________________________ *NRIC/*Passport No. ______________________
(FULL NAME OF PROXY IN BLOCK LETTERS) ("Proxy 1") (COMPULSORY)

of ____
(FULL ADDRESS IN BLOCK LETTERS)

and/or ______________________________ *NRIC/*Passport No. ______________________
(FULL NAME OF PROXY IN BLOCK LETTERS) ("Proxy 2") (COMPULSORY)

of ____
(FULL ADDRESS IN BLOCK LETTERS)

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 **First Annual General Meeting of the Company to be held on Wednesday, 3 July 2013** at **10.00 a.m.** at the **Grand Ballroom, Level 1, Mandarin Oriental, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia** 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
1.	Approval of final single-tier dividend of 1.0 sen per ordinary share of RM0.10 each for the financial year ended 31 January 2013		
2.	Re-election of Chin Kwai Yoong as Director		
3.	Re-election of Dato' Mohamed Khadar Bin Merican as Director		
4.	Re-election of Tun Dato' Seri Zaki Bin Tun Azmi as Director		
5.	Re-election of Hisham Bin Zainal Mokhtar as Director		
6.	Re-appointment of Messrs PricewaterhouseCoopers as Auditors of the Company		
7.	Retention of Dato' Mohamed Khadar Bin Merican as Independent Non-Executive Director		
8.	Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965		

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 __________________ 2013

The proportions of shareholdings to be represented by *my/*our proxies are as follows:-

	No. of Shares	Percentage
Total shares held		100%
Proxy 1		
Proxy 2		

____

Signed by hand (if Individual)/by Affixation of Common Seal (if Corporation)

Notes:

(1) A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote for him/her provided that the number of proxies appointed shall not be more than two except in the circumstances set out in Notes 2 and 3. A proxy may but need not be a member of the Company, and the provision of Section 149(1)(b) of the Companies Act, 1965 (the "Act") shall not apply to the Company. There shall be no restriction as to the qualification of the proxy.

(2) Where a member of the Company is an authorised nominee, it may appoint one proxy in respect of each securities account it holds to which ordinary shares in the 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. For 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 the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(3) The instrument appointing a proxy shall be:

(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.

(4) Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

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STAMP

Symphony Share Registrars Sdn Bhd
Level 6 Symphony House, Pusat Dagangan Dana 1,
Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor
Malaysia

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ASTRO MALAYSIA HOLDINGS BERHAD (932533-V)

All Asia Broadcast Centre, Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi, Bukit Jalil, 57000 Kuala Lumpur, Malaysia
Tel : +603 9543 6688 Fax : +603 9543 6877

www.astro.com.my / www.astromalaysia.com.my