

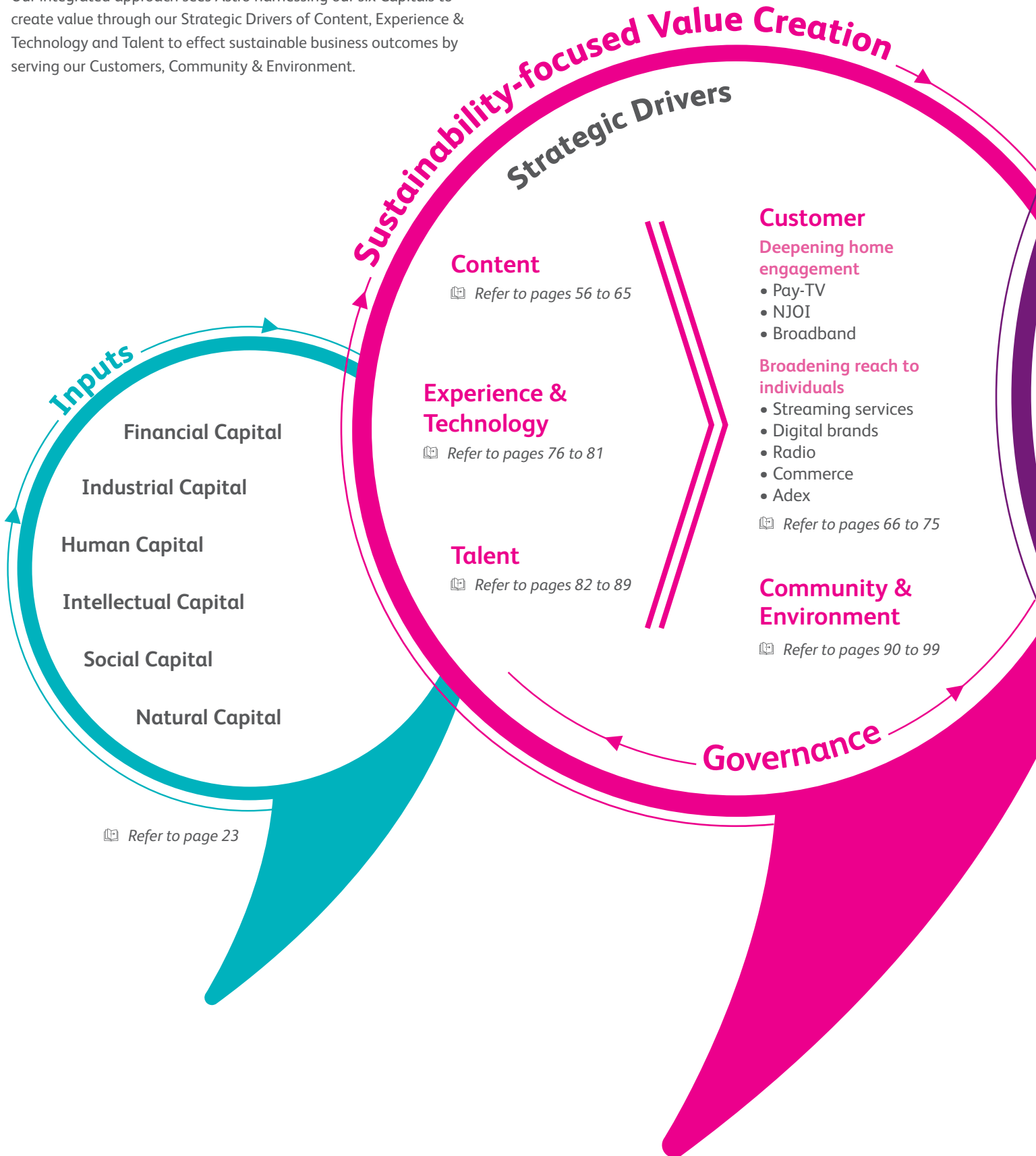
Our Value Creation

In adopting integrated reporting, we acknowledge the importance of providing relevant, qualitative and quantitative information to facilitate informed decision-making by our stakeholders. Our six main contributory Capitals are utilised as inputs in our value creation process shown on page 24.



Our Value Creation

Our integrated approach sees Astro harnessing our six Capitals to create value through our Strategic Drivers of Content, Experience & Technology and Talent to effect sustainable business outcomes by serving our Customers, Community & Environment.



Outputs

Growing our ecosystem

Growing our customer reach and content capabilities amid a rapidly changing market to ensure business sustainability

> Market Reach

5.7m
Households

75%
Household penetration

2.6m
Registered users of streaming services

> Content

11,300 hours
Local content produced

RM1.4b
Total content spend

Enhancing shareholder value

Delivering positive operational performance and rewarding shareholders through dividend distributions

> Financials

RM4.9b
Revenue

RM655m
PATAMI

RM391m
Dividend declared for FY20

 Refer to pages 28 to 35

Supporting the economy

Contributing to the Malaysian economy both directly and indirectly

> Talent

RM558m
Staff costs

25,942
Training hours

> Government & Industry

RM218m
Tax

RM3.1b
Payment to vendors

Responsible corporate citizen

Operating responsibly and contributing to the betterment of our community

> Community

RM5m
Investment in community projects

> Environment

1.7m kWh
Renewable energy generated in 2019 from our solar panel system

Our Value Creation

To be the Entertainment Destination for Malaysians, we leverage our Strategic Drivers of Content, Experience & Technology and Talent to serve our Customers and empower the local Community through various touchpoints across our extensive ecosystem while driving sustainability as guided by the United Nations Sustainable Development Goals (“SDGs”).

Strategic Drivers	Content	Experience & Technology
<p>Description</p>	<p>Create, aggregate, distribute and monetise content across TV, streaming services, digital and radio by bringing the best of local, regional, sports and international content of all genres to serve our customers</p>	<p>Leverage technology to serve and care for our customers, enabling positive experience through intuitive interfaces, convenient customer care options and personal recommendations across various touchpoints</p>
<p>Market Landscape</p>	<ul style="list-style-type: none"> • Prioritise ownership of content IPs to differentiate offering and drive customer acquisition and retention • Increase in demand for local content observed locally and globally • Intensifying competition in the content space • Proliferation of strategic mergers, acquisitions and collaborations to consolidate content production and distribution 	<ul style="list-style-type: none"> • Driven by the need for ease and convenience, customers expect portability beyond geographical boundaries, flexibility, simplicity and user-centricity • Data and technology are key enablers in curating unique personalised experiences
<p>Our Strategy</p>	<ul style="list-style-type: none"> • Champion local content creation especially vernacular signatures, education and movies • Curate a comprehensive slate of content encompassing local, vernacular, regional, international and live sports offerings that underpin viewership • Foster strategic partnerships with like-minded content partners to invest in key content verticals including Nusantara, Kids, eSports and movies • Monetise content through export or overseas licensing deals, on-ground events, merchandising and commerce, amplified by leveraging social media • Advocate responsible content consumption and support regulatory measures on anti-piracy and IP protection 	<ul style="list-style-type: none"> • Ensure a seamless and intuitive customer experience throughout the customer lifecycle • Leverage data and technology to deepen customer engagement and improve customer experience while retaining the human touch in customer interactions

Guided by the United Nations



Talent	Customer	Community & Environment
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<p>Nurture and hone on-air, off-air and digital talents and embrace diversity, inclusivity, accountability and creativity</p>	<p>Cater to diverse customer preferences, spending propensities and consumption mediums through various offerings</p>	<p>Empower our community and advocate an inclusive society while being mindful of our environmental footprint</p>
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| <ul style="list-style-type: none"> • Increasing demand for strategic digital talents • Increasing focus on upskilling and reskilling talents to remain relevant and agile • Generational shift as younger digital natives transition into the workforce | <ul style="list-style-type: none"> • Shift in viewing from households to individuals through mobile/personal devices driven by enhanced connectivity • Streaming wars and direct-to-consumer digital offerings create a highly fragmented landscape • Rise of converged players focused on diversification, offering customers a multiproduct solution | <ul style="list-style-type: none"> • Growing emphasis on sustainability in response to global environmental and social issues • Heightened awareness in embedding good sustainability practices throughout business processes and culture • Improving governance framework for sustainability reporting including SDGs |
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| <ul style="list-style-type: none"> • Upskill, reskill and nurture workforce and on-air talent through organisation-wide training programmes • Introduce core corporate values of inclusivity, accountability and creativity to support a digital culture of agility and innovation • Targeted talent acquisition and management strategies to foster a sustainable and comprehensive talent pipeline | <ul style="list-style-type: none"> • Households: Enhance our Pay-TV value proposition with our 4K UHD Ultra Box and content-broadband bundles while expanding household penetration through NJOI • Individuals: Broaden our reach to individuals through our radio and digital brands such as AWANI, SYOK, Gempak, Xuan and Ulagam, as well as aggregating streaming services including Astro GO, iQIYI and HBO GO • Adex: Provide 360° marketing solutions to advertisers by amalgamating our multiplatform media reach, signature content, talent, ground activation and analytics • Commerce: Solidify Go Shop's position as a leading home shopping brand offering a multiplatform commerce experience | <ul style="list-style-type: none"> • Understand and address our stakeholders' concerns • Champion local media industry and contribute positively to the economy • Empower our community through various programmes integral to society's needs anchored by the four pillars of lifelong learning, community development, sports and environment • Mitigate our environmental impact through sustainable business practices, including reducing our carbon footprint and incorporating sustainability in all business areas |
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