

**Astro Malaysia Holdings Berhad**  
(Incorporated in Malaysia – 932533-V)

Minutes of the Fifth Annual General Meeting of ASTRO MALAYSIA HOLDINGS BERHAD (“AMH” or “Company”) held at the **Grand Ballroom, Level 3A, Connexion Conference & Event Centre at Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur** on **Thursday, 15 June 2017 at 9.30 a.m.**

- PRESENT** : YBhg Tun Zaki Bin Tun Azmi (*Chairman*)  
YBhg Dato’ Rohana Rozhan (*Executive Director/Group Chief Executive Officer*)  
YBhg Datuk Chin Kwai Yoong  
YBhg Dato’ Mohamed Khadar bin Merican  
YBhg Datuk Yau Ah Lau @ Fara Yvonne (Datuk Yvonne Chia)  
Ms. Quah Bee Fong  
Mr. Lim Ghee Keong  
Mr. Simon Cathcart
- ABSENT WITH APOLOGIES** : Mr. Augustus Ralph Marshall (*Deputy Chairman*)
- MEMBERS AND PROXIES** : *As per Attendance List*
- BY INVITATION** : *As per Attendance List*
- IN ATTENDANCE** : Ms. Sharon Liew (Company Secretary)

**1.0 CHAIRMAN**

Tun Zaki Bin Tun Azmi chaired the Meeting and called the Fifth Annual General Meeting (“AGM” or “Meeting”) of the Company to order at 9.30 a.m.

**2.0 QUORUM**

Having met the requisite quorum of at least two (2) members present in person or by proxy pursuant to Article 86 of the Company’s Articles of Association, the Chairman declared the Meeting duly convened and constituted.

**3.0 INTRODUCTIONS AND VIDEO PRESENTATION**

The Meeting commenced with an introduction of the Directors, senior management and corporate advisers who were present. The Chairman informed that Deputy Chairman, Mr. Augustus Ralph Marshall, sent his apologies for being unable to attend the Meeting owing to an unavoidable travel plan. The introductions were followed by a video presentation focusing on continuous enrichment of content and product proposition, coupled with best-in-class customer experience critical to the growth of Astro operations.

A presentation by the Group Chief Executive Officer (“GCEO”), Dato’ Rohana Rozhan on the key strategic imperatives as well as the operational and financial performance in the past financial year ended 31 January 2017 ensued and was duly noted.

Upon conclusion of the GCEO’s presentation, the Chairman shared that the AMH Group’s continued success would not have been possible without the support from many parties and took the opportunity, on behalf of the Board and Management, to thank the Ministry of Communications and Multimedia, the Malaysian Communications and Multimedia Commission and other government bodies, as well as business and content partners for their support.

The Chairman specifically thanked Mr. Bernard Anthony Cragg, who has resigned as Non-Independent Non-Executive Director on 31 March 2017. He further placed on record the Board’s sincere appreciation to Datuk Chin Kwai Yoong who has decided not to seek re-election as a Director of the Company.

#### **4.0 NOTICE OF MEETING**

The Chairman informed that the Notice convening the Meeting and the 2017 Annual Report were sent on 17 May 2017 i.e. 28 days before the Meeting, to members who were entitled to attend and vote based on the Record of Depositors issued by Bursa Malaysia Depository Sdn Bhd as at 8 June 2017. With the consent of the members and proxies present, the Notice convening the Meeting as set out in the 2017 Annual Report was taken as read.

The Chairman explained the manner of voting.

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Article 91 of the Articles of Association, all the resolutions as set out in the Notice of Meeting will be conducted by way of a poll. Every member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every share held by him/her.

The Company had appointed Symphony Share Registrars Sdn Bhd as Poll Administrator to conduct the poll by way of e-voting and Symphony Corporatehouse Sdn Bhd as independent scrutineers to verify the poll results. E-voting for each of the resolutions as set out in the Notice of Meeting was to be conducted upon conclusion of the deliberations of the business to be transacted.

#### **5.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2017 AND THE REPORTS OF THE DIRECTORS AND AUDITORS**

The first item on the agenda was to consider the Audited Financial Statements for the financial year ended 31 January 2017 and the Reports of the Directors and Auditors thereon.

The Chairman explained that the Directors were required to lay before the company in general meeting the audited financial statements of the company (comprising profit and loss account, balance sheet and the reports of the Directors and Auditors) (collectively, "Financial Statements") pursuant to Section 340 of the Companies Act 2016, but as there was no requirement for the shareholders to approve the Financial Statements, the matter would not be tabled for voting.

En. Shafiq Abdul Jabbar (Group Chief Financial Officer) addressed the questions received from the Minority Shareholders' Watchdog Group prior to the Meeting, a copy of the questions and responses is appended are in Appendix I (Part A). This was followed by questions from the members and proxies present, which were responded to by the Chairman, GCEO and members of the management team. A summary of the questions and responses is appended in Appendix I (Part B).

#### **6.0 RESOLUTION NO. 1 FINAL SINGLE-TIER DIVIDEND OF 0.5 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2017**

Ordinary Resolution 1 as set out in the Notice of the Meeting was to approve a final single-tier dividend of 0.5 sen per ordinary share for the financial year ended 31 January 2017. If approved, such dividend will be paid on 14 July 2017 to depositors whose names appear in the Record of Depositors at the close of business on 4 July 2017; and the total dividend declared for the financial year ended 31 January 2017 will be 12.5 sen per share, representing an annualised Profit After Tax payout ratio of circa 105%.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 1 be tabled for voting, whereby Mr. Dinesh A/L Bachulai (Shareholder) and Mr. D Albert Wilson Sevajee (Shareholder) proposed and seconded respectively.

#### **7.0 RESOLUTION NO. 2 RE-ELECTION OF A DIRECTOR PURSUANT TO ARTICLE 111 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

Ordinary Resolution 2 as set out in the Notice of the Meeting was read. Dato' Rohana Rozhan

was retiring by rotation in accordance with Article 111 of the Company's Articles of Association and being eligible, she has offered himself for re-election.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 2 be tabled for voting, whereby Mr. D Albert Wilson Sevajee (Shareholder) and Ms. Chong Sook Peng (Shareholder) proposed and seconded respectively.

**8.0      RESOLUTIONS NO. 3 & 4**  
**RE-ELECTION OF DIRECTORS PURSUANT TO ARTICLE 118 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

Ordinary Resolutions 3 and 4 as set out in the Notice of the Meeting was read. Mr. Lim Ghee Keong and Mr. Richard John Freudenstein were retiring in accordance with Article 118 of the Company's Articles of Association and being eligible, both have offered themselves for re-election.

There were no questions from the floor in relation to the resolutions. The Chairman then requested for a proposer and a seconder for both resolutions to be tabled for voting. In relation to Ordinary Resolution 3, Mr. Abraham David Thanaraj @ David (Shareholder) and Ms. Chong Sook Peng (Shareholder) proposed and seconded respectively, while for Ordinary Resolution 4, Mr. Dinesh Kumar A/L Bachulai (Shareholder) and Mr. D Albert Wilson Sevajee (Shareholder) proposed and seconded respectively.

**9.0      RESOLUTION NO. 5**  
**RE-ELECTION OF TUN DATO' SERI ZAKI BIN TUN AZMI WHO RETIRED AT THE CONCLUSION OF THE AGM**

Ordinary Resolution 5 as set out in the Notice of the Meeting was read. Datuk Chin Kwai Yoong, Senior Independent Director, whom presided over Ordinary Resolution 5, explained that Tun Dato' Seri Zaki Bin Tun Azmi, being a director who has attained 70 years of age, was re-appointed as a Director of the Company at the previous AGM held on 1 June 2016 pursuant to Section 129(2) of the Companies Act 1965 to hold office until the conclusion of this AGM. The new Companies Act 2016 no longer requires the continuation in office by a director over 70 years of age to be subjected to shareholders' approval at each AGM.

Resolution 5, if passed, will enable Tun Dato' Seri Zaki Bin Tun Azmi to continue as a Director of the Company following the conclusion of this AGM subject to the Company's Articles of Association. Based on the Board evaluation conducted by the Nomination Committee, the Board has recommended that Tun Dato' Seri Zaki Bin Tun Azmi be appointed as a Director of the Company.

Since there were no questions from the floor in relation to this resolution, Datuk Chin Kwai Yoong, requested for a proposer and a seconder that Ordinary Resolution 5 be tabled for voting. Mr. Dinesh Kumar A/L Bachulai (Shareholder) and Mr. Abraham David Thanaraj @ David (Shareholder) proposed and seconded respectively.

Tun Dato' Seri Zaki Bin Tun Azmi then resumed the chair.

**10.0     RESOLUTION NO. 6**  
**ORDINARY RESOLUTION 6 AS SET OUT IN THE NOTICE OF THE MEETING WAS TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS**

The Company sought approval for directors' fees and benefits to be paid to the Non-Executive Directors of the Company for the period commencing 31 January 2017 until the next AGM to be held in 2018 in accordance with the remuneration structure set out in the Notice of AGM on Page 302 of the Annual Report, payable on a monthly basis and/or as and when incurred:

Type of Fees/Benefits	Amount (RM)
Board Chairman	225,000 per annum
Non-Executive Director	225,000 per annum
Audit Committee	
• Chairman	• 25,000 per annum
• Member	• 10,000 per annum
Remuneration Committee	
• Chairman	• 25,000 per annum
• Member	• 10,000 per annum
Nomination and Corporate Governance Committee	
• Chairman	• 25,000 per annum
• Member	• 10,000 per annum
Meeting Allowances	1,000 per day
Other Benefits	<ul style="list-style-type: none"> <li>• Company car, petrol and driver for Independent Non- Executive Chairman</li> <li>• Telecommunications, business travel and other expenses for the purpose of enabling the Non- Executive Directors to perform their duties</li> </ul>

Note: The Executive Director/Group Chief Executive Officer of the Company does not receive any directors' fees.

If approved, directors' fees will be paid on a monthly basis and accorded the benefits as and when incurred. The estimated Directors' Fees are approximately RM3.93 million, comprising a sum of RM2.76 million expected to be incurred for the financial year ending 31 January 2018 and RM1.17 million for the five-month period from 1 February 2018 to 30 June 2018.

Since there were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 6 be tabled for voting, whereby Mr. D Albert Wilson Sevajee (Shareholder) and Mr. Dinesh A/L Bachulai (Shareholder) proposed and seconded respectively.

#### 11.0 **RESOLUTION NO. 7** **RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS AS AUDITORS OF THE COMPANY**

Ordinary Resolution 7 as set out in the Notice of Meeting was read. The Chairman explained that an auditor of a public company shall be appointed for each financial year to hold office until the conclusion of the next AGM of the company pursuant to Section 271 of the Companies Act 2016. PricewaterhouseCoopers ("PwC") was re-appointed as the Auditors of the Company at the Fourth AGM held on 1 June 2016 and they have consented to be re-appointed for the financial year ending 31 January 2018. The Board, through the Audit Committee, had reviewed PwC's performance and independence in the last financial year, and recommended that Resolution 7 be passed to retain PwC as the Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors of the Company to fix their remuneration.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 7 be tabled for voting, whereby Mr. Chia Cheong Chin (Shareholder) and Mr. Abraham David Thanaraj @ David (Shareholder) proposed and seconded respectively.

#### 12.0 **RESOLUTION NO. 8** **APPOINTMENT OF ADDITIONAL DIRECTOR**

Ordinary Resolution 8 as set out in the Notice of Meeting was read. The Chairman advised that Resolution 8 is to seek shareholders' approval to appoint Simon Cathcart as a Director of the Company. The Nomination and Corporate Governance Committee has reviewed and evaluated the appointment of Mr. Simon Cathcart, who is nominated by Usaha Tegas Sdn Bhd, a substantial shareholder of the Company, as a Non-Independent Non-Executive Director of the Company. Due to his extensive experience and knowledge in the media

industry, particularly in relation to technology, the Board is of the view that the Company will benefit from his guidance. The Board is pleased that Mr. Simon Cathcart has accepted the invitation to join the Board and thereby, recommended his appointment as a Non-Independent Non-Executive Director of the Company for shareholders' approval.

The Chairman then requested for a proposer and a seconder that Ordinary Resolution 8 be tabled for voting, whereby Mr. Koay Chew Bin (Shareholder) and Ms. Soo Lay Wah (Shareholder) proposed and seconded respectively.

**13.0     RESOLUTION NO. 9**  
**AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Ordinary Resolution 9 as set out in the Notice of Meeting was read. The Chairman explained that the proposal was to grant authority to the Directors of the Company, pursuant to Section 75 and 76 of the Companies Act 2016, to issue new ordinary shares in the Company up to an aggregate number not exceeding 10% of the issued and paid-up share capital (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. Ordinary Resolution 9, if passed, will renew the authority and continue to empower the Directors of the Company, pursuant to Section 75 and 76 of the Companies Act 2016, to issue new ordinary shares in the Company.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 9 be tabled for voting, whereby Mr. Dinesh A/L Bachulai (Shareholder) and Mr. D Albert Wilson Sevajee (Shareholder) proposed and seconded respectively.

**14.0     RESOLUTION NO. 10**  
**RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

Ordinary Resolution 10 as set out in the Notice of Meeting was read. The Chairman informed that the proposal was to seek shareholders' approval for the renewal of authority for the Company to purchase ordinary shares issued by the Company up to 10% of its issued and paid-up share capital ("Proposed Share Buy-Back") subject to compliance with Section 127 of the Companies Act 2016, the Company's Memorandum and Articles of Association, the Bursa Malaysia Securities Berhad's Listing Requirements and any other prevailing laws and rules, regulations, orders, guidelines and requirements issued by relevant authorities at the time of purchase. Resolution 10, if passed, will renew the authority and continue to empower the Directors of the Company to purchase ordinary shares of the Company through the Proposed Share Buy-Back.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder that Ordinary Resolution 10 be tabled for voting, whereby Ms. Cheah Soo Jin (Shareholder) and Mr. Abraham David Thanaraj @ David (Shareholder) proposed and seconded respectively.

**15.0     RESOLUTIONS NO. 11 TO NO. 17**

**PROPOSED SHAREHOLDERS' MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Chairman explained that the Company wishes to seek its shareholders' approval for the renewal of mandate in respect of recurrent related party transactions of a revenue or trading nature, for which a mandate was granted at the previous Extraordinary General Meeting held on 1 June 2016, and a new mandate for additional recurrent related party transactions, details of which were set out in the Circular to Shareholders dated 17 May 2017.

Ordinary Resolutions 11 to 17 as set out in the Notice of the Meeting were tabled to seek shareholders' mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions with the following parties:

- (i) Usaha Tegas Sdn Bhd and/or its affiliates
- (ii) Maxis Berhad and/or its affiliates
- (iii) MEASAT Global Berhad and/or its affiliates
- (iv) Astro Holdings Sdn Bhd and/or its affiliates
- (v) New Delhi Television Limited and/or its affiliates
- (vi) Sun TV Network Limited and/or its affiliates
- (vii) GS Home Shopping Inc. and/or its affiliates

Detailed information regarding the recurrent related party transactions was set out in the Circular to Shareholders dated 17 May 2017, which was despatched together with the Company's Annual Report 2017. Resolutions 11 to 17, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions in the ordinary course of business, which are necessary for the Group's day-to-day operations, based on terms not more favourable to the related parties than those generally available to the public. Such mandates shall lapse at the conclusion of the next AGM unless authority for their renewal is obtained from the shareholders of the Company at a general meeting.

There were no questions from the floor in relation to this resolution. The Chairman then requested for a proposer and a seconder for all Resolutions be tabled for voting. In respect of Ordinary Resolution 11, Mr. Chia Cheong Chin (Shareholder) and Mr. Dinesh A/L Bachulai (Shareholder) proposed and seconded respectively. In respect of the all remaining Resolutions 12 to 17, Mr. D Albert Wilson Sevajee (Shareholder) and Mr. Chia Cheong Chin (Shareholder) proposed and seconded respectively.

#### **16.0 POLLING**

Upon completion of the deliberations on the agenda, the Chairman requested the Secretary to explain the electronic polling process to the shareholders and proxies. Thereafter, the meeting was adjourned at 11.25 a.m. to commence the poll.

The meeting was re-convened at 11.55 am upon completion of the polling and validation process for the announcement of poll results.

#### **17.0 POLL RESULTS**

The Chairman read out the results of the poll for Ordinary Resolutions 1 to 17 and announced that Ordinary Resolutions 1 to 17 were carried. A summary of the results is attached as Appendix II.

#### **18.0 CLOSURE**

The Chairman announced that business on the Agenda has been completed. The Chairman welcomed Mr. Simon Cathcart to the Board and thanked all shareholders, proxies, corporate representatives and guests for their continuing support. There being no other business, the Chairman declared the Meeting closed at 12.05 p.m.

Confirmed by,

Tun Zaki Bin Tun Azmi  
Chairman  
31 July 2017

**ASTRO MALAYSIA HOLDINGS BERHAD**  
**5th ANNUAL GENERAL MEETING - 15 JUNE 2017**

**MINORITY SHAREHOLDERS WATCHDOG GROUP**  
**QUESTIONS & ANSWERS**

**Strategic and Financial Matters**

- 1. As reported in the CEO's Statement on Page 11 of the Annual Report, since the download feature for Astro GO was introduced in 2015, the time spent on the app had increased to an average of 179 minutes per week and downloads rising to 3.1 million.**
  - a) What was the ratio of the 'downloads' for the free preview and pay-to-view? What was the revenue contributed from Astro GO in FY2017?**
  - b) Could the Board share the strategies and the challenges to convert the free preview downloads to be the revenue contributors?**
  - c) Would Astro GO be regarded as an effective channel to increase Astro subscribers?**

Astro GO is a complimentary OTT service for all Astro customers providing a TV anytime, anywhere experience with an emphasis on personalisation, mobility and interactivity. Within the Astro GO app, all Astro customers have access to a comprehensive live and on demand content offering linked to their subscription package. In addition, they also have access to a store from which they can purchase additional discretionary pay-per-view content.

We aspire to provide all our customers the simplest and most intuitive, yet rich, best in class experiences, faster than the competition and at better value. In line with this, over the past year, we have revamped the Astro GO user interface and customer experience, which includes a personalised recommendations engine with machine learning capabilities that will curate a variety of content tailored for each individual consumer, including on demand, discretionary pay-per-view content.

Whilst Astro GO is not a primary acquisition channel for pay-TV subscribers, it generates a healthy level of interest amongst non-Astro subscribers who are able to trial the service for free. In addition, our data analytics highlight increasing usage of Astro GO by subscribers in FY2017 compared to prior year:

- Downloads have increased 59% to 3.5 million
- Registered users have increased 32% to 1.2 million
- Average weekly viewing time has increased 14% to 179 minutes

We believe that this will in turn introduce users to the wider Astro on demand library and promote increasing discretionary spend, as well as create greater customer stickiness and assist with customer retention. We will continue to invest and upgrade Astro GO's user interface and customer experience to deliver a best in class service to all Astro households and individuals.

- 2. Revenue from Go Shop which was launched in 2015 increased significantly by 38% in FY2017 compared with FY2016. However, the Segment remained in loss position in FY2017.**

**a) What were the main contributing factors to the loss for the Segment?**

Astro Go Shop, our home-shopping business, was launched in November 2014 with a Malay channel. A second channel, targeting the Chinese segment, was launched in October 2015. FY17 marked a full year of operations for the Chinese channel. Astro Go Shop has also launched its channel in Singapore in November 2016. The segment recorded a loss in FY17 primarily due to costs incurred in scaling its business operations and costs related to the launch of Astro Go Shop's Singapore channel.

Please note that on an Astro Group level, our Home Shopping business was profitable in FY2017 as Astro generates revenues from the Segment inter alia rental of studios and office space; broadcast, call centre and management services.

**b) What is the estimated revenue for the breakeven point of the Segment and would the Segment be expected to register a positive profit before tax in FY2018?**

While we have not disclosed this figure publicly, we are cognisant of a weaker consumer sentiment and will actively manage our costs in order to work towards achieving positive profit before tax. As mentioned in our answer to part a), on a Group level, in FY2017, Go Shop already contributes positively to Astro Group's profit line. We remained focused on doubling our customer base and repeat purchases, partnering with well-known local and international brands to offer value bundle propositions to our customers, as well as enter partnerships with key financial institutions to offer a variety of financing options.

**c) What was the revenue and profit before tax contributions from Go Shop Singapore for the last six months since the launch in November 2016?**

As at FY2017, Go Shop Singapore achieved approximately RM1 million in revenue and was loss making from 2 months operations. The channel and brand are still nascent in the Singaporean market and we are focused on increasing brand awareness to drive its growth potential.

- 3. Currently, Television Segment remains the main revenue and profit contributor to the Group. In FY2017, the Segment contributed 89% and 83% to the Group's revenue and profit before tax respectively. As highlighted on Page 92 of the Annual Report, diversifying revenue is critical to ensure a sustainable business in view of the change of market landscape for the Group.**

**a) Could the board provide the breakdown of the revenue of Television Segment such as Pay-TV, NJOI, Adex, etc.?**

The breakdown for the revenue of the Television Segment in FY2017 are as follows:

- Subscription – RM 4.35 billion
- Adex – RM0.38 billion
- Other – RM0.29 billion

NJOI revenues (prepaid revenues and box sales) are disclosed in the Other segment. For further granularity on the consolidated Group revenue, please refer to Note 5 in the Financial Statements of the Annual Report (page 187).



**b) Could the Board share the diversification plan for the Group and moving forward, what would be the growth driver for the Group?**

We continue to execute against our strategic pillars across the board of customer, content, experience, talent, digitalisation and monetisation focused on the following:

- 1) digitalising our legacy business;
- 2) rapidly scaling our digital ventures; and
- 3) deepening our strength in verticals and building a robust innovation pipeline

To this end, we have embarked on a 3-year digital transformation journey with Amazon Web Services and established a growing presence in the region with Tribe, Go Shop and eGG. We are also collaborating with regional content partners, pursuing deep opportunistic niches in a 360o manner across our IPs and key differentiators, as well as inculcating a culture of innovation within Astro through a product discovery pipeline, internal accelerator initiatives, and an orchestrated change management programme.

We believe that there is headroom for growth, supported by an expanding addressable market locally and regionally, capturing a larger share of the consumer wallet, a growing share of adex, an e-commerce proposition as well as a regional OTT service; coupled with profit and cashflow growth predicated on cost discipline, operating leverage and invested infrastructure. We have confidence that our strong balance sheet and cash generative businesses will continue to enable us to position Astro as a stock that delivers positive total shareholder return, while allowing reinvestment for the continued growth of the company.

**4. We noted that during the year 2017, total impairment for Receivables charged to Income Statements was RM99 million and the amount written off from the impairment was RM106 million.**

**a) Could the Board share the credit control policy and procedures for trade receivables and the measures taken to improve the collection from the trade debtors?**

We adopt a robust credit risk assessment and management framework that governs policy/limit setting, trade receivable exposures and collection activities. The policies and processes are evaluated on a regular basis and are also subject to periodic reviews by both internal and external auditors.

Risk based collection strategies, underpinned by advanced credit and portfolio management tools, are implemented to manage trade receivables in an efficient and effective manner.

**b) In FY2017, RM12 million of impairment was provided for 'Amount due from associate'. Which associate was the impairment made and what was the reason and basis for the impairment?**

The RM12 million impairment was made in relation to amounts due from Kristal-Astro Sdn Bhd after considering the expected timing and repayment amount based on this company's current financial performance

## **Corporate Governance**

5. Under Resolution 6, the Company is seeking shareholders' approval for the payment of Directors' fees and benefits for the period from 1 January 2017 until the next Annual General Meeting of the Company to be held in 2018.

**Could the Board provide the amount of Directors' fee and the benefits to be tabled for the shareholders' approval?**

The estimated amount of Directors' fees and benefits for the period from 31 January 2017 to next AGM in June 2018 is set out below. This was also disclosed on page 302 of the Annual Report.

31.1.2017 to 31.1.2018 (12 months)	=	RM2.76 million
1.2.2018 to 30.6.2018 (5 months)	=	RM1.17 million
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Total:	=	RM3.93 million
		=====

Out of the total amount of RM3.93 million, benefits include:

- i) Company car, petrol and driver for Independent Non-Executive Chairman which is estimated at RM49,600; and
- ii) Telecommunications, business travel and other expenses for the purpose of enabling the Non-Executive Directors to perform their duties as and when incurred.

We took into consideration the size of the Board and Board Committees as well as the number of meetings to be held during the period to derive the total estimated Directors' fees

**ASTRO MALAYSIA HOLDINGS BERHAD  
5TH ANNUAL GENERAL MEETING - 15 JUNE 2017**

1. Mr. Dinesh Kumar A/L Bachulai (Shareholder) commended the Company for its good performance and requested clarifications on (i) the Company's strategies to capture and sustain customer growth, and sustaining dividends and performance; and (ii) the Company's share price performance since its initial public offering in 2012.

Dato' Rohana Rozhan (Group Chief Executive Officer) ("GCEO") shared the Company's commitment that in terms of the performance going forward, the Company is operating in a disruptive and highly competitive market landscape where competition not only takes the form of global players, but also pirated services. She then outlined the key strategic pillars namely: Customer, Content, Best-in-Class Customer Experience, Talent, Digitalisation and Monetisation. Guided by these pillars, the Company is focused on three key areas – (i) Digitalisation of the legacy platform; (ii) Rapidly scaling its digital ventures; and (iii) Deepening strengths in verticals and building a robust innovation pipeline.

In terms of growing scale, the Company will target both households and individuals while ensuring a best-in-class customer experience.

As a means of addressing competition, vernacular content is a key property that differentiates Astro from its competitors. Astro aims to increase its content investment on owned vernacular intellectual property ("IP") across different genres from 25% to 50% in 5 years.

In relation to dividends, the Company anticipates that it should continue to provide the current level of returns to its shareholders.

The GCEO concurred that the performance of the Company's share price has been disappointing. This is despite Astro outperforming the KL Composite Index last year. From Management's perspective, this is a long-term business and Management will continue to push to deliver against set targets.

2. Mr. D Albert Wilson Sevajee (Shareholder) highlighted concerns relating to the quality of customer service, particularly the turnaround time needed to resolve an issue.

The GCEO assured Mr. D Albert Wilson Sevajee that he will be attended to personally by the Company's staff to understand his concerns and resolve the issues.

3. Mr. Abraham David Thanaraj @ David (Shareholder) posed a question on Return on Equity ("ROE") and commended that Astro's dividend yield of c. 4.6% as reported in the press is a good investment and posed a question on Return of Equity ("ROE").

En. Shafiq Abdul Jabbar (Group Chief Financial Officer) explained that the profit attributable to the shareholders of the Company was RM624 million for FY2017 and the equity base is RM630 million, so the ROE is circa 100%. He further pointed out that the Company has a Return on Invested Capital or ROIC of approximately circa 24% for FY2017.

4. Ms. Linnert Hoo from the Minority Shareholders' Watchdog Group thanked the Board for responding to its questions despite being given at the last minute. She then referred to the Independent Auditors' Report where it was disclosed that the current liability of the Group exceeded current assets by RM573 million, which means the current liability to current asset ratio is less than 1. It was also noted in Note 36 of the Independent Auditors Report that the Group has planned to refinance its borrowings due within the next 12 months to meet its short-term working capital commitment and other obligations. She also noted the recently announced Medium Term Notes ("MTN") programme, and asked if there would be any other refinancing plan in the pipeline. She also asked if the Company would be able to achieve a current liability to current asset ratio of at least 1 in the next one year, and what are the likely impact on the Group's finance cost.

The GCFO clarified that at the time of the initial public offering ("IPO") in 2012, the Company was carrying debt and transponder lease liabilities, which have been amortising down to present levels in FY17. During that period of time, no additional bank borrowings were raised due to strong balance sheet position and positive free cash flow generated from the business continues to fund the business. The net current liability is representative of debt amortisation. Notwithstanding, the Company anticipates that it will be able to meet its debt obligations over the next 12 months. Separately, the MTN programme was announced on 9 June 2017 for purposes of funding content purchases, purchases of set-top-boxes, transponders, on-lending to other companies in the AMH Group to name a few.

5. Mr. Tan (Shareholder) posed questions relating to pirated services and lamented on the effectiveness of law enforcement to stop such illegal activities. He therefore enquired if the Company has any preventive measures from a technology stand point.

The GCEO shared that piracy is the single biggest threat to the media industry including Astro which has invested significantly in content. Piracy has been in existence since Astro's inception. The Company has ongoing initiatives to take on piracy in various forms for e.g. illegal boxes and online content piracy. These initiatives are part of our continuous effort that involves Astro, other IP owners, but also, other platforms, regulators, the Government as well as the police to curb piracy.

Adding to the GCEO's response, Ms. Rekha Mahendran (Group Legal Counsel) disclosed that there is a multi-prong approach towards addressing this issue, which includes working with the regulators and the police. Management is also collaborating with other content owners, locally as well as internationally to collectively address piracy from an industry point of view.

6. Mr. James Tham Chih Eian (Shareholder) shared similar concerns on piracy and commented that while the Company invests heavily in digitalising its services, the services are pirated at the same time. This leads to revenue loss for the Company and genuine customers will feel short-changed. He urged Management to take more aggressive steps to address piracy and better understand the technology limitations.

The Chairman reiterated that the Company is continuously working with the enforcement division of the Government to try to stop piracy. The GCEO also emphasised that piracy cannot be fully eliminated and it has been in the marketplace since the start. The Company has taken measures in collaboration with various parties such as other content and platform owners to remove illegal feeds and by working with legal enforcement agencies, including the police to conduct physical

raids on the pirated sites and bring them to court. She also highlighted that creating awareness in the market place that piracy is theft is also important as by reducing demand, supply will reduce accordingly.

7. Mr. Chia Cheong Chin (Shareholder) expressed his concern that Njoi seems to be a threat to Astro itself.

The GCEO informed that Astro now has both Pay TV and Njoi platforms, and added that the recent customer growth has been largely driven by Njoi, which makes up nearly 2 million of the 5.2 million Astro customers. There is a need to provide a value proposition and options across all spending appetites. As such, the Company has to ensure that all Malaysian homes are connected, which will enable them to pick and choose according to their preferences as well as budgets.

She further explained that Njoi and Astro pay TV are primarily differentiated in terms of content. Njoi customers gets a series of free channels and can access premium type content through a pre-paid mechanism. The objective is to reach all Malaysians as an addressable market and give them the right choices for them to subscribe.

8. Mr. Abraham David Thanaraj @ David (Shareholder) commented that the financial highlights should be set out in an ascending order from left to right starting with the most recent financial year end results. His suggestion was duly noted.
9. Mr. Tan (Proxy) returned to the earlier comment on ROIC. He pointed out to page 22 of the Annual Report and commented that Group's gearing appears to be high taking into consideration its current debt and equity. He requested Management to explain whether the gearing level is prudent.

Mr. Tan Wei Ming (Chief Investment Officer) clarified that after Astro was privatised in 2010, it undertook a restructuring prior to relisting in 2012. As part of the restructuring, the current listed entity i.e. AMH was set up to acquire the assets of the Malaysian businesses, which resulted in specific accounting adjustments leading to the creation of a capital reorganisation reserve, as set out on the Balance Sheet. This is the key reason why shareholders' equity is approximately RM600 million compared to a market capitalisation of about RM14 billion to date. The Group's actual leverage (net debt/LTM EBITDA) is approximately 1.5 times, which is a reasonable and healthy level as compared to many companies whether in Malaysia or abroad, especially after taking into consideration free cash flow generation of RM1.3 billion every year. Hence, gearing is high purely on paper which also explains why ROE is high.

## Polling Results

## ASTRO MALAYSIA HOLDING BERHAD

## Fifth Annual General Meeting

Date/Time: 15/06/2017 9:30:00 AM

Grand Ballroom, Level 3A, Connexion Conference &amp; Event Centre at Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur

Ordinary Resolution	FOR		AGAINST		TOTAL	
	SHARES	NO. OF	SHARES	NO. OF	SHARES	NO. OF
		%		%		%
Resolution 1 : Declaration of a Final Single-Tier Dividend of 0.5 sen per ordinary share for the financial year ended 31 January 2017.	4,543,499,682	99.99995	2,100	0.00005	4,543,501,782	100.00000
Resolution 2 : Re-election of Dato' Rohana Binti Tan Sri Datuk Haji Rozhan as a Director of the Company.	4,535,666,455	99.94281	2,595,327	0.05719	4,538,261,782	100.00000
Resolution 3 : Re-election of Lim Ghee Keong as a Director of the Company.	4,536,210,116	99.83951	7,291,666	0.16049	4,543,501,782	100.00000
Resolution 4 : Re-election of Richard John Freudenstein as a Director of the Company.	4,540,989,455	99.94471	2,512,327	0.05529	4,543,501,782	100.00000
Resolution 5 : Re-appointment of Tun Dato' Seri Zaki Bin Tun Azmi as a Director of the Company.	4,413,649,455	97.16341	128,852,327	2.83659	4,542,501,782	100.00000
Resolution 6 : Proposed Payment of Directors' Fees and Benefits for the period from 31 January 2017 until the next Annual General Meeting of the Company to be held in 2018.	4,202,034,682	92.77337	327,319,500	7.22663	4,529,354,182	100.00000
Resolution 7 : Re-appointment of Messrs PricewaterhouseCoopers as Auditors of the Company.	4,543,413,882	99.99811	85,900	0.00189	4,543,499,782	100.00000
Resolution 8 : Proposed Appointment of Simon Cathcart as a Director of the Company.	4,410,015,116	97.06203	133,486,666	2.93797	4,543,501,782	100.00000
Resolution 9 : Proposed Renewal of Authority for Directors to Issue Ordinary Shares pursuant to Sections 75 and 76 of the Companies Act 2016. Sdn Bhd	4,522,254,182	99.53238	21,246,300	0.46762	4,543,500,482	100.00000
Resolution 10 : Proposed Renewal of Authority for the Company to Purchase its Own Shares.	4,543,413,882	99.99984	7,100	0.00016	4,543,420,982	100.00000

15/6/17



# Polling Results

## ASTRO MALAYSIA HOLDING BERHAD Fifth Annual General Meeting

Date/Time: 15/06/2017 9:30:00 AM

Grand Ballroom, Level 3A, Connexion Conference & Event Centre at Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur

Ordinary Resolution	FOR		AGAINST		TOTAL	
	NO. OF SHARES	%	NO. OF SHARES	%	NO. OF SHARES	%
Resolution 11 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Usaha Tegas Sdn Bhd and/or its affiliates.	2,401,855,056	99.99970	7,100	0.00030	2,401,862,156	100.00000
Resolution 12 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Maxis Berhad and/or its affiliates.	1,947,730,609	99.99964	7,100	0.00036	1,947,737,709	100.00000
Resolution 13 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with MEASAT Global Berhad and/or its affiliates.	2,410,356,056	99.99975	6,100	0.00025	2,410,362,156	100.00000
Resolution 14 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Astro Holdings Sdn Bhd and/or its affiliates.	859,640,082	99.99929	6,100	0.00071	859,646,182	100.00000
Resolution 15 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with New Delhi Television Limited and/or its affiliates.	1,322,263,529	99.99946	7,100	0.00054	1,322,270,629	100.00000
Resolution 16 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Sun TV Network Limited and/or its affiliates.	859,639,082	99.99917	7,100	0.00083	859,646,182	100.00000
Resolution 17 : Proposed Shareholders' Mandate for Recurrent Related Party Transactions with GS Home Shopping Inc. and/or its affiliates.	4,543,494,682	99.99984	7,100	0.00016	4,543,501,782	100.00000

Verified by  
Corporate Secretary  
Sdn Bhd  
(476777-A)

15/6/17