ASTRO MALAYSIA HOLDINGS BERHAD

ASTRO MALAYSIA HOLDINGS BERHAD

(Company No. 932533-V)
(Incorporated in Malaysia under the Companies Act, 1965)

INITIAL PUBLIC OFFERING OF UP TO 1,518,300,000 ORDINARY SHARES OF RM0.10 EACH IN ASTRO MALAYSIA HOLDINGS BERHAD ("**ASTRO MALAYSIA**") ("**IPO SHARES**") COMPRISING A PUBLIC ISSUE OF 474,300,000 NEW ORDINARY SHARES OF RM0.10 EACH IN ASTRO MALAYSIA ("**SHARES**") ("**ISSUE SHARES**") AND AN OFFER FOR SALE OF UP TO 1,044,000,000 EXISTING SHARES INVOLVING:

(I) THE INSTITUTIONAL OFFERING OF UP TO 1,258,435,000 IPO SHARES TO MALAYSIAN AND FOREIGN INSTITUTIONAL AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND

(II) THE RETAIL OFFERING OF 259,865,000 ISSUE SHARES TO THE MALAYSIAN PUBLIC, THE DIRECTORS AND ELIGIBLE EMPLOYEES OF ASTRO MALAYSIA AND ITS SUBSIDIARIES ("**ASTRO MALAYSIA GROUP**"), ELIGIBLE DIRECTORS AND EMPLOYEES OF USAHA TEGAS SDN BHD AND ITS SUBSIDIARIES, ELIGIBLE SALES AGENTS, INDEPENDENT CONTRACTORS, TALENT AND SUBSCRIBERS OF THE ASTRO MALAYSIA GROUP AND OTHER PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF ASTRO MALAYSIA GROUP AT THE RETAIL PRICE OF RM3.00 PER SHARE ("**RETAIL PRICE**"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. THE FINAL RETAIL PRICE WILL EQUAL THE LOWER OF (I) THE RETAIL PRICE AND (II) THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING.

astro Television | astro Radio | astro Entertainment | astro Publications | astro Digital

Transaction Manager, Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner and Joint Managing Underwriter
CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner and Joint Managing Underwriter
Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Principal Adviser, Joint Bookrunner and Joint Managing Underwriter
RHB Investment Bank Berhad (19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Global Coordinators and Joint Bookrunners

Credit Suisse (Singapore) Limited (Company Registration Number: 197702363D)
Goldman Sachs (Singapore) Pte. (Company Registration Number: 198602165W)
J.P. Morgan Securities Plc (Company Registration Number: 2711006)
UBS AG, Singapore Branch (Company Registration Number: S98FC5560C)

Joint Bookrunners

Citigroup Global Markets Limited (Company Registration Number:1763297)
DBS Bank Ltd (Company Registration Number: 196800306E)
Deutsche Bank AG, Hong kong Branch (Company Registration Number: F-2106)
Macquarie Capital (Singapore) Pte. Limited (Company Registration Number:199704430K)
Merrill Lynch (Singapore) Pte. Ltd. (Company Registration Number: 198602883D)
Morgan Stanley & Co. International plc (Company Registration Number:20682222)

Joint Managing Underwriter and Co-Lead Manager
AmInvestment Bank Berhad (23742-V)

Joint Underwriters and Co-Lead Managers
Kenanga Investment Bank Berhad (15678-H)
Public Investment Bank Berhad (20027-W)

Joint Underwriters
AFFIN Investment Bank Berhad (9999-V)
MIDF Amanah Investment Bank Berhad (23878-X)

Co-Lead Managers
CLSA Singapore Pte Ltd (Company Registration Number: 198703750W)
Oversea-Chinese Banking Corporation Limited (Company Registration Number: 193200032W)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH PROSPECTIVE INVESTORS SHOULD CONSIDER, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS DATED 21 SEPTEMBER 2012

ASTRO MALAYSIA HOLDINGS BERHAD

OUR DIRECTORS, THE PROMOTER, NAMELY ASTRO HOLDINGS SDN BHD, AND THE SELLING SHAREHOLDER, NAMELY ASTRO NETWORKS (MALAYSIA) SDN BHD, HAVE SEEN AND APPROVED THIS PROSPECTUS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PROSPECTUS. HAVING MADE ALL REASONABLE ENQUIRIES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THAT THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING.

CIMB INVESTMENT BANK BERHAD ("**CIMB**"), MAYBANK INVESTMENT BANK BERHAD AND RHB INVESTMENT BANK BERHAD AS THE JOINT PRINCIPAL ADVISERS ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING OUR INITIAL PUBLIC OFFERING ("**IPO**").

IT IS TO BE NOTED THAT THE ROLE OF GOLDMAN SACHS (SINGAPORE) PTE. IN THE IPO IS LIMITED TO BEING A JOINT GLOBAL COORDINATOR AND JOINT BOOKRUNNER IN RESPECT OF THE INSTITUTIONAL OFFERING OUTSIDE OF MALAYSIA ONLY. IT DOES NOT HAVE ANY ROLE IN, AND DISCLAIMS ANY RESPONSIBILITY FOR, THE INSTITUTIONAL OFFERING AND RETAIL OFFERING IN MALAYSIA.

IT IS TO BE NOTED THAT THE ROLES OF CITIGROUP GLOBAL MARKETS LIMITED, DBS BANK LTD., DEUTSCHE BANK AG, HONG KONG BRANCH, MERRILL LYNCH (SINGAPORE) PTE. LTD. AND MORGAN STANLEY & CO. INTERNATIONAL PLC IN THE IPO ARE LIMITED TO BEING JOINT BOOKRUNNERS IN RESPECT OF THE INSTITUTIONAL OFFERING OUTSIDE OF MALAYSIA ONLY. NONE OF THEM HAVE ANY ROLE IN, AND EACH OF THEM DISCLAIMS ANY RESPONSIBILITY FOR, THE INSTITUTIONAL OFFERING AND RETAIL OFFERING IN MALAYSIA.

IT IS TO BE NOTED THAT THE ROLES OF CLSA SINGAPORE PTE LTD AND OVERSEA-CHINESE BANKING CORPORATION LIMITED IN THE IPO ARE LIMITED TO BEING CO-LEAD MANAGERS IN RESPECT OF THE INSTITUTIONAL OFFERING OUTSIDE OF MALAYSIA ONLY. NONE OF THEM HAVE ANY ROLE IN, AND EACH OF THEM DISCLAIMS ANY RESPONSIBILITY FOR, THE INSTITUTIONAL OFFERING AND RETAIL OFFERING IN MALAYSIA.

THE SECURITIES COMMISSION MALAYSIA ("**SC**") HAD ON 19 SEPTEMBER 2012 APPROVED THE IPO AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC ON 20 SEPTEMBER 2012. THE APPROVAL, AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY OUR COMPANY. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE IPO AND AN INVESTMENT IN OUR SHARES. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS BEFORE APPLYING FOR OUR SHARES.**

OUR COMPANY HAD ON 20 SEPTEMBER 2012 OBTAINED THE APPROVAL OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") FOR THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL COMPRISING ORDINARY SHARES OF RM0.10 EACH IN OUR COMPANY ("**SHARES**"). OUR ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE IPO, OUR COMPANY OR OUR SHARES.

A COPY OF THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORMS, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES OF MALAYSIA, WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("**CMSA**").

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE IPO FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

YOU SHOULD NOTE THAT ANY AGREEMENT BY THE JOINT MANAGING UNDERWRITERS AND JOINT UNDERWRITERS NAMED IN THIS PROSPECTUS TO UNDERWRITE OUR SHARES UNDER THE RETAIL OFFERING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR SHARES BEING OFFERED.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE IPO ARE SUBJECT TO THE LAWS OF MALAYSIA. THIS PROSPECTUS WILL NOT BE DISTRIBUTED OUTSIDE MALAYSIA. OUR COMPANY, THE PROMOTER, SELLING SHAREHOLDER, JOINT PRINCIPAL ADVISERS, JOINT GLOBAL COORDINATORS, JOINT BOOKRUNNERS, JOINT MANAGING UNDERWRITERS, JOINT UNDERWRITERS AND CO-LEAD MANAGERS NAMED IN THIS PROSPECTUS HAVE NOT AUTHORISED AND TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS OUTSIDE OF MALAYSIA. NO ACTION HAS BEEN TAKEN TO PERMIT ANY OFFERING OF OUR SHARES IN ANY JURISDICTION OTHER THAN MALAYSIA BASED ON THIS PROSPECTUS. ACCORDINGLY, THIS PROSPECTUS MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE AN OFFER FOR SUBSCRIPTION OR PURCHASE OR INVITATION TO SUBSCRIBE FOR OR PURCHASE SHARES OFFERED UNDER THE IPO IN ANY JURISDICTION OR IN ANY CIRCUMSTANCE IN WHICH SUCH AN OFFER IS NOT AUTHORISED OR LAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND THE SALE OF OUR SHARES OFFERED UNDER THE IPO IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PROSPECTIVE INVESTORS WHO MAY BE IN POSSESSION OF THIS PROSPECTUS ARE REQUIRED TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS PROSPECTUS IS PUBLISHED SOLELY IN CONNECTION WITH THE IPO. OUR SHARES BEING OFFERED IN THE IPO ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED AND REPRESENTATIONS MADE IN THIS PROSPECTUS. OUR COMPANY, THE PROMOTER, SELLING SHAREHOLDER, JOINT PRINCIPAL ADVISERS, JOINT GLOBAL COORDINATORS, JOINT BOOKRUNNERS, JOINT MANAGING UNDERWRITERS, JOINT UNDERWRITERS AND CO-LEAD MANAGERS HAVE NOT AUTHORISED ANYONE TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS. ANY INFORMATION OR REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY OUR COMPANY, THE PROMOTER, SELLING SHAREHOLDER, JOINT PRINCIPAL ADVISERS, JOINT GLOBAL COORDINATORS, JOINT BOOKRUNNERS, JOINT MANAGING UNDERWRITERS, JOINT UNDERWRITERS AND CO-LEAD MANAGERS OR ANY OF THEIR RESPECTIVE DIRECTORS OR ANY OTHER PERSONS INVOLVED IN THE IPO.

THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM THE WEBSITE OF BURSA MALAYSIA BERHAD AT www.bursamalaysia.com.

THIS PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF AN IPO UNDER THE LAWS OF MALAYSIA. IT DOES NOT COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR BY ANY REGULATORY AUTHORITY OF ANY JURISDICTION OTHER THAN MALAYSIA.

OUR SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES ("**US**") SECURITIES ACT 1933 ("**US SECURITIES ACT**"), AND SUBJECT TO CERTAIN EXEMPTIONS, MAY NOT BE OFFERED, SOLD, PLEDGED OR TRANSFERRED WITHIN OR INTO THE US, EXCEPT TO QUALIFIED INSTITUTIONAL BUYERS IN ACCORDANCE WITH RULE 144A UNDER THE US SECURITIES ACT OR OUTSIDE THE US IN RELIANCE ON REGULATION S UNDER THE US SECURITIES ACT.

OUR SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE US OR ANY OTHER US REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE IPO OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE US.

ELECTRONIC PROSPECTUS

THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY VIEW A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITES OF CIMB AT www.eipocimb.com, CIMB BANK BERHAD AT www.cimbclicks.com.my, MALAYAN BANKING BERHAD AT www.maybank2u.com.my, RHB BANK BERHAD AT www.rhb.com.my, AFFIN BANK BERHAD AT www.affinOnline.com AND PUBLIC BANK BERHAD AT www.pbebank.com.

THE INTERNET IS NOT A FULLY SECURE MEDIUM. YOUR INTERNET SHARE APPLICATION (AS DEFINED HEREIN) MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS (AS DEFINED HEREIN). THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. IF YOU DOUBT THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM OUR COMPANY OR THE ISSUING HOUSE, A PAPER/PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER/PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "**THIRD PARTY INTERNET SITES**"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, YOU ACKNOWLEDGE AND AGREE THAT:

(I) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF OR THE CONTENT OR ANY DATA, FILE OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;

(II) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY TERMS OF ANY OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILE OR OTHER MATERIAL PROVIDED IN THIRD PARTY INTERNET SITES; AND

(III) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT YOUR OWN DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEMS OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, FILE OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF AN INTERNET PARTICIPATING FINANCIAL INSTITUTION, YOU ARE ADVISED THAT:

(I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES;

(II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURE MEDIUM; AND

(III) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, THAT YOU OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON YOUR OR ANY THIRD PARTY'S PERSONAL COMPUTERS, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE INFORMATION BEING DOWNLOADED OR DISPLAYED ON YOUR PERSONAL COMPUTER.

INDICATIVE TIMETABLE

An indicative timetable for the IPO is set out below:

Events	Date
Opening of the Institutional Offering[(1)]	20 September 2012
Opening of the Retail Offering	10.00 a.m., 21 September 2012
Closing of the Retail Offering	5.00 p.m., 1 October 2012
Closing of the Institutional Offering	3 October 2012
Price Determination Date	3 October 2012
Balloting of applications for the Shares offered under the Retail Offering	4 October 2012
Allotment/Transfer of the Shares to successful applicants	17 October 2012
Listing	19 October 2012

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on 19 September 2012.

Applications for the Shares offered under the Retail Offering will open and close at the time and dates stated above or such other date or dates as our Directors and the Majority Joint Underwriters in their absolute discretion may decide. The Institutional Offering will open and close on the dates stated above or such other date or dates as our Directors, the Selling Shareholder and the Joint Global Coordinators in their absolute discretion may decide.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and the dates for the balloting of applications for the Shares offered under the Retail Offering, allotment/transfer of the Shares and our Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

All terms used in this Prospectus are defined under "Presentation of financial and other information", "Definitions" and "Glossary of technical terms" commencing on pages ix, xiii and xix, respectively.

CONTENTS

CONTENTS *(cont'd)*

CONTENTS *(cont'd)*

CONTENTS *(cont'd)*

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" or "Astro Malaysia" in this Prospectus are to Astro Malaysia Holdings Berhad. All references to "our Group" or "Astro Malaysia Group" in this Prospectus are to our Company and our subsidiaries taken as a whole. References to "we", "us", "our" and "ourselves" are to our Company and where the context requires, our Company and our subsidiaries.

In this Prospectus, references to the "Government" are to the Government of Malaysia; and references to "RM" and "sen" are to the lawful currency of Malaysia. Any discrepancies in the tables included in this Prospectus between the amounts listed and totals thereof are due to rounding. Other abbreviations used herein are defined in the "Definitions" section appearing on pages xiii to xviii of this Prospectus. Certain acronyms and technical terms used herein are defined in the "Glossary of technical terms" appearing on pages xix to xxii of this Prospectus. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

Any reference to a time or day shall be a reference to Malaysian time, unless otherwise stated.

References to the "LPD" in this Prospectus are to 30 August 2012, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC. All of our operational data that are contained in this Prospectus is presented as at the LPD unless otherwise stated.

The information on our website or any website directly or indirectly linked to such websites is not incorporated by reference into this Prospectus and should not be relied on.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate and our estimated market share in the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is acknowledged in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from us or is extracted from the Executive Summary of the IMR Report as set out in Section 8 of this Prospectus. In addition, certain information in this Prospectus is extracted or derived from the IMR Report. The IMR Report is available for inspection at the location and during the period set out in Section 15.9 of this Prospectus. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate. However, we, the Promoter, Selling Shareholder, Joint Principal Advisers, Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters and Co-Lead Managers have not independently verified these data and projections. None of our Company, the Promoter, Selling Shareholder, Joint Principal Advisers, Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters and Co-Lead Managers make any representation as to the correctness, accuracy or completeness of such data and projections and accordingly, you should not place undue reliance on the statistical data and projections cited in this Prospectus. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from such projections. No assurances are or can be given that such projections will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

"EBITDA", as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the FRS and MFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the FRS and MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with the FRS or MFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-FRS and non-MFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and prospective investors should not consider it in isolation from, or as a substitute for analysis of our financial condition or results of operations, as reported under the FRS and MFRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

(The rest of this page has been intentionally left blank)

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we may operate in the future. Such forward-looking statements reflect our current views with respect to future events and do not guarantee future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- our future overall business development and operations;
- our financial performance and financing plans;
- potential growth opportunities;
- our business strategies, trends, competitive position, effects of competition and future plans;
- plans and objectives of our Company for future operations;
- the general industry environment, including the demand and supply for our services; and
- the regulatory environment and the effects of future regulation.

Actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors, including, without limitation:

- the continued availability of capital and financing;
- interest rates and foreign exchange rates;
- taxes and duties;
- fixed and contingent obligations and commitments;
- the competitive environment of the industry in which we operate;
- the activities and financial health of our customers, suppliers and other business partners;
- the general economic and business conditions;
- the political and social developments, and demand and supply for our services;
- the failure of or degradation in service levels of the satellites we use to provide our DTH broadcasting services;

- significant capital expenditure requirements;
- future regulatory or Government policy changes affecting us or the industry in which we operate;
- the cost and availability of adequate insurance coverage; and
- any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed elsewhere in Section 5 of this Prospectus on "Risk Factors" and Section 12.2 of this Prospectus on "Management's discussion and analysis of pro forma financial condition and results of operations". We cannot give any assurance that the forward-looking statements made in this Prospectus will be achieved. Such forward-looking statements are made only as at the LPD. Save as required in Section 238(1) of the CMSA and Paragraph 1.02 of the Prospectus Guidelines (Supplementary Prospectus), we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regards to any such statement or any change in the events, conditions or circumstances on which any such statement is based.

(The rest of this page has been intentionally left blank)

DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

AAAN	:	Astro All Asia Networks Limited *(formerly known as ASTRO ALL ASIA NETWORKS plc)*
AABC	:	All Asia Broadcast Centre
Act	:	Companies Act, 1965 of Malaysia, as amended, supplemented or modified from time to time
ADA	:	Authorised Depository Agent
AHSB	:	Astro Holdings Sdn Bhd
AHSB Group	:	AHSB and its subsidiaries
ANM	:	Astro Networks (Malaysia) Sdn Bhd
AOL	:	ASTRO Overseas Limited
Application Form	:	Application form for the application of the Issue Shares under the Retail Offering
Astro Malaysia or Company	:	Astro Malaysia Holdings Berhad
Astro Malaysia Group or Group	:	Astro Malaysia and its subsidiaries
ATM	:	Automated teller machine
Board	:	Board of Directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
By-Laws	:	By-laws governing the Management Share Scheme
CAGR	:	Compounded annual growth rate
CBC	:	Cyberjaya Broadcast Centre
CDS	:	Central Depository System
CIMB	:	CIMB Investment Bank Berhad
CMA	:	Communications and Multimedia Act, 1998, as amended, supplemented or modified from time to time
CMSA	:	Capital Markets and Services Act, 2007, as amended, supplemented or modified from time to time
Co-Lead Managers	:	Collectively, AmInvestment Bank Berhad, CLSA Singapore Pte Ltd, Kenanga Investment Bank Berhad, Oversea-Chinese Banking Corporation Limited and Public Investment Bank Berhad
Cornerstone Investors	:	Collectively, Antelle Holding Limited, Areca Capital Sdn Bhd, Azentus Global Opportunities Master Fund Limited, Caprice Capital International Ltd, Corston-Smith Asset Management Sdn Bhd, Gordel Capital Ltd, Great Eastern Life Assurance (Malaysia) Berhad, Kencana Capital Sdn Bhd, Libra Invest Berhad, Myriad Opportunities Master Fund Limited, Nomura Asset Management Malaysia Sdn Bhd, OZ Asia Master Fund, Ltd, OZ ELS Master Fund, Ltd, OZ Eureka Fund, L.P., OZ Global Special Investments Master Fund, L.P., OZ Master Fund Ltd, Permodalan Nasional Berhad, Standard Pacific Capital, LLC, Tan Sri Dato' Chua Ma Yu, TPG-Axon International, L.P., TPG-Axon Partners, L.P. and Universities Superannuation Scheme Limited

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
Electronic Share Application	:	Application for the Issue Shares under the Retail Offering through a Participating Financial Institution's ATM
Equity Guidelines	:	Equity Guidelines issued by the SC
Final Retail Price	:	Final price per Share equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
FINAS	:	Perbadanan Kemajuan Filem Nasional Malaysia
FRS	:	Financial Reporting Standards
GDP	:	Gross domestic product
IMR Report	:	Independent Market Research report dated 11 September 2012 prepared by Value Partners Management Consulting, an independent market researcher
Institutional Offering	:	Offering of up to 1,258,435,000 IPO Shares at the Institutional Price, subject to the clawback and reallocation provisions, to the following: (i) Malaysian institutional and selected investors, including Bumiputera investors approved by MITI; (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S under the US Securities Act; (iii) QIBs in the United States in reliance on Rule 144A or pursuant to an applicable exemption from registration under the US Securities Act; and (iv) the Cornerstone Investors.
Institutional Price	:	Price per IPO Share to be paid by investors under the Institutional Offering (other than the Cornerstone Investors if the Institutional Price is more than RM3.00 per IPO Share) which will be determined on the Price Determination Date by way of bookbuilding
International Placement Agreement	:	Agreement to be entered into between our Company, the Selling Shareholder and the international placement managers named therein, in respect of the placement of the IPO Shares offered under the Institutional Offering to institutional and selected investors outside of Malaysia
Internet Participating Financial Institution	:	A participating financial institution for the Internet Share Application
Internet Share Application	:	Application for the Issue Shares under the Retail Offering through an Internet Participating Financial Institution
IPO	:	Initial public offering of up to 1,518,300,000 IPO Shares, comprising the Public Issue and the Offer for Sale
IPO Shares	:	Collectively, the Issue Shares and the Offer Shares
Issue Shares	:	New Shares to be issued pursuant to the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd

Joint Bookrunners	:	Collectively, the Joint Global Coordinators together with Citigroup Global Markets Limited, DBS Bank Ltd., Deutsche Bank AG, Hong Kong Branch, Macquarie Capital (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley & Co. International plc and RHB
Joint Global Coordinators	:	Collectively, CIMB, Credit Suisse (Singapore) Limited, Goldman Sachs (Singapore) Pte., J.P. Morgan Securities plc, Maybank IB and UBS AG, Singapore Branch
Joint Managing Underwriters	:	Collectively, CIMB, Maybank IB, RHB and AmInvestment Bank Berhad
Joint Principal Advisers	:	Collectively, CIMB, Maybank IB and RHB
Joint Underwriters	:	Collectively, the Joint Managing Underwriters together with AFFIN Investment Bank Berhad, Kenanga Investment Bank Berhad, MIDF Amanah Investment Bank Berhad and Public Investment Bank Berhad
Khazanah	:	Khazanah Nasional Berhad
Listing	:	Listing of and quotation for 5,197,300,000 Shares representing the entire enlarged issued and paid-up share capital of our Company on the Main Market
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 August 2012, being the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC
Main Market	:	Main Market of Bursa Securities
Majority Joint Underwriters	:	Such Joint Underwriters (which shall include CIMB, Maybank IB and RHB) who have agreed under the Retail Underwriting Agreement to underwrite, in aggregate, more than 50% of the total Issue Shares under the Retail Offering
Malaysian Placement Agreement	:	Placement agreement to be entered into between our Company, the Selling Shareholder and the Malaysian placement managers named therein, in respect of the placement of the IPO Shares offered under the Institutional Offering to Malaysian institutional and selected investors, including Bumiputera investors approved by MITI
Management Share Scheme	:	Management share scheme with respect to the grant of Share Awards to the eligible executives (including Executive Directors, Chief Executive Officer and officers) and eligible employees of our Group
Market Day	:	A day on which Bursa Securities is open for trading in securities
Maxis	:	Maxis Berhad
Maxis Group	:	Maxis and its subsidiaries
Maybank IB	:	Maybank Investment Bank Berhad
MCMC	:	Malaysian Communications and Multimedia Commission
MFRS	:	Malaysian Financial Reporting Standards
MGB	:	MEASAT Global Berhad
Minister	:	Minister of Information, Communications and Culture of Malaysia

MITI	:	Ministry of International Trade and Industry of Malaysia
MSC	:	Multimedia Super Corridor
MSS	:	MEASAT Satellite Systems Sdn Bhd, a subsidiary of MGB
NA	:	Net assets
NBV	:	Net book value
Offer for Sale	:	Offer for sale of up to 1,044,000,000 Offer Shares by the Selling Shareholder under the Institutional Offering
Offer Shares	:	Existing Shares to be offered pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on the Main Market
Participating Financial Institution	:	A participating financial institution for the Electronic Share Application
PBT	:	Profit before taxation
PCBV	:	Pantai Cahaya Bulan Ventures Sdn Bhd
Price Determination Date	:	Date on which the Institutional Price and the Final Retail Price will be determined
Promoter	:	AHSB
Prospectus Guidelines	:	Prospectus Guidelines – Equity and Debt issued by the SC
Public Issue	:	Public issue of 474,300,000 Issue Shares by our Company comprising the following: (i) the Institutional Offering of 214,435,000 Issue Shares; and (ii) the Retail Offering
QIBs	:	Qualified institutional buyers, as defined in Rule 144A under the US Securities Act
Reorganisation	:	Reorganisation of AAAN's Malaysian and foreign business, which resulted in AAAN's Malaysian business being transferred to our Company
Retail Offering	:	Offering of 259,865,000 Issue Shares at the Retail Price, subject to the clawback and reallocation provisions, to the Malaysian public, the directors and eligible employees of our Group, eligible directors and employees of the UTSB Group, eligible sales agents, independent contractors, talent and subscribers of our Group and other persons who have contributed to the success of our Group, payable in full upon application and subject to refund of the difference between the Retail Price and the Final Retail Price, in the event that the Final Retail Price is less than the Retail Price
Retail Price	:	Initial price of RM3.00 per Share to be fully paid by applicants under the Retail Offering subject to the adjustment as detailed in Section 4.5.1 of this Prospectus
Retail Underwriting Agreement	:	Agreement dated 19 September 2012 entered into between our Company and the Joint Underwriters in relation to underwriting of the Issue Shares under the Retail Offering
RCPS	:	Redeemable convertible preference shares
RHB	:	RHB Investment Bank Berhad
RPS	:	Redeemable preference shares
SC	:	Securities Commission Malaysia

Selling Shareholder	:	ANM
Share Award	:	Share award made pursuant to the Management Share Scheme which gives rise to an entitlement to receive Shares pursuant to the terms set out in the By-Laws
Share Incentives	:	Incentives in the form of our Shares granted by AHSB to Augustus Ralph Marshall pursuant to his employment contract with AHSB as the Group Chief Executive Officer of AHSB
Shares	:	Ordinary shares of RM0.10 each in our Company
SICDA	:	Securities Industry (Central Depositories) Act, 1991, as amended, supplemented or modified from time to time
TIME	:	TT dotCOM Sdn Bhd
UTSB	:	Usaha Tegas Sdn Bhd
UTSB Group	:	UTSB and its subsidiaries
US Securities Act	:	United States Securities Act of 1933, as amended, supplemented or modified from time to time

COUNTRY

China	:	The People's Republic of China
UK	:	United Kingdom
US or United States	:	United States of America

CURRENCY

BND	:	Brunei Dollar, the lawful currency of Brunei Darussalam
GBP	:	Great Britain Pound, the lawful currency of the UK
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
RMB	:	Chinese renminbi, the lawful currency of China
SGD	:	Singapore dollar, the lawful currency of Singapore
USD	:	US dollar, the lawful currency of the US

SUBSIDIARIES

Astro Arena	:	Astro Arena Sdn Bhd
Astro Awani Network	:	Astro Awani Network Sdn Bhd
Astro Brunei	:	Astro (Brunei) Sdn Bhd
Astro Digital	:	Astro Digital Sdn Bhd
Astro Digital 5	:	Astro Digital 5 Sdn Bhd (*formerly known as Digital Five Sdn Bhd*)
Astro Entertainment	:	Astro Entertainment Sdn Bhd
Astro Group Services	:	Astro Group Services Sdn Bhd
Astro Productions	:	Astro Productions Sdn Bhd
Astro Publications	:	Astro Publications Sdn Bhd (*formerly known as MEASAT Publications Sdn Bhd*)
Astro Radio	:	Astro Radio Sdn Bhd (*formerly known as Airtime Management And Programming Sdn Bhd*)

SUBSIDIARIES *(cont'd)*

Astro Shaw	:	Astro Shaw Sdn Bhd
DVR Player.Com	:	DVR Player.Com Sdn Bhd
Karya Anggun	:	Karya Anggun Sdn Bhd
Maestra Broadcast	:	Maestra Broadcast Sdn Bhd
Maestro Talent and Management	:	Maestro Talent and Management Sdn Bhd
MBNS	:	MEASAT Broadcast Network Systems Sdn Bhd
MBNS Multimedia Technologies	:	MBNS Multimedia Technologies Sdn Bhd
MEASAT Digicast	:	MEASAT Digicast Sdn Bhd
MEASAT Radio Communications	:	MEASAT Radio Communications Sdn Bhd
Nusantara Films	:	Nusantara Films Sdn Bhd
Perfect Excellence Waves	:	Perfect Excellence Waves Sdn Bhd
Radio Lebuhraya	:	Radio Lebuhraya Sdn Bhd
Tayangan Unggul	:	Tayangan Unggul Sdn Bhd
Yayasan Astro Kasih	:	Yayasan Astro Kasih

ASSOCIATED COMPANIES

Advanced Wireless Technologies	:	Advanced Wireless Technologies Sdn Bhd
Kristal-Astro	:	Kristal-Astro Sdn Bhd
UMTS (Malaysia)	:	UMTS (Malaysia) Sdn Bhd

JOINTLY CONTROLLED ENTITIES

Endemol Malaysia	:	Endemol Malaysia Entertainment Group Sdn Bhd
Nusantara Edaran Filem	:	Nusantara Edaran Filem Sdn Bhd

(The rest of this page has been intentionally left blank)

GLOSSARY OF TECHNICAL TERMS

1080i	:	HD TV with a horizontal resolution of 1920 pixels and a vertical resolution of 1080 pixels. 1080i HD is delivered via 50 or 60 interlaced fields per second, with every two subsequent fields combining to create a complete picture
1080p	:	HD TV with a horizontal resolution of 1920 pixels and a vertical resolution of 1080 pixels. 1080p is broadcast via full frames delivered sequentially (versus the interlaced fields in 1080i). 1080p typically refers to frame rates of 25, 30, 50 or 60 frames per second.
24/7	:	24 hours a day, seven days a week
3G	:	Third generation digital wireless communications system which uses both circuit and packet switching technology and offers higher speed data transmission rates (between 64kbps to 384kbps)
720p	:	HD TV with a horizontal resolution of 1280 pixels and a vertical resolution of 720 pixels. 720p is delivered at either 50 or 60 complete frames per second
Adex	:	Advertising expenditure. Generally used to refer to the total advertising expenditure in the market as a whole
AUR	:	Average Unit Rate. AUR is calculated by dividing the total advertising revenue by the total number of utilised 30-second advertising spots during a given period
CAS	:	Conditional access system, the technology used to control subscribers' access to services, 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 set-top box only decrypts and descrambles the signal if the set-top box 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
Cloud service	:	Cloud service involves delivering computing services hosted by third party providers over the Internet
Coaxial	:	Copper-based cabling that is the most commonly used cable for transmitting video signals
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
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 consortium and 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

Ethernet	:	The most widely used technology standard for the physical and data link layer of local area networks, referring to wired networking technology as defined in the Institute of Electrical and Electronics Engineers (IEEE) 802.3 standards. Ethernet cable refers to a cable using the ethernet standard to carry data transmissions, and terminate via a standard network connector and port
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) – one billion bytes of data
GHz	:	Gigahertz – one billion cycles per second
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
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	:	Internet protocol; a standard that keeps track of network addresses for different nodes, routes outgoing messages, and recognises incoming messages
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
Kbps	:	Kilobits per second – 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
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
Mbps	:	Megabits per second – 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 co-located with MEASAT-3 and MEASAT-3A
MHz	:	Megahertz – one million cycles per second
MPEG2	:	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
MPEG4	:	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
NVOD	:	Near video-on-demand; 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
PC	:	Personal computer
PVR	:	Personal Video Recorder, refers to a set-top box with a hard disk drive installed inside it, on which recordings of broadcast TV signals passing through the set-top box 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
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)
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
Telemovie(s)	:	Movies made for TV
Transponder(s)	:	A device mounted on a satellite that receives, converts and retransmits radio frequency signals
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
UHF	:	Ultra high frequency; commonly refers to frequency reserved for terrestrial TV or free-to-air broadcasts
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, versus a 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

(The rest of this page has been intentionally left blank)

1. CORPORATE DIRECTORY

DIRECTORS

Name	Address	Nationality	Profession
Tun Dato' Seri Zaki Bin Tun Azmi *(Independent Non-Executive Chairman)*	No. 9, Jalan Nusantara Duta Nusantara Off Sri Hartamas 1 50480 Kuala Lumpur Malaysia	Malaysian	Director
Augustus Ralph Marshall *(Non-Independent Non-Executive Deputy Chairman)*	Villa D Zephyr Point No. 1, Lorong Basong Bukit Damansara 50490 Kuala Lumpur Malaysia	Malaysian	Director
Chin Kwai Yoong *(Senior Independent Non-Executive Director)*	No. 3690, Jalan Ukay 2 68000 Ampang Selangor Darul Ehsan Malaysia	Malaysian	Director
Dato' Mohamed Khadar Bin Merican *(Independent Non-Executive Director)*	A17-8, Mutiara Upper East Ampang No. 39, Jalan 1/76 Desa Pandan 55100 Kuala Lumpur Malaysia	Malaysian	Director
Bernard Anthony Cragg *(Non-Independent Non-Executive Director)*	Beckwood, Greenhead Ghyll Grasmere Nr Ambleside Cumbria, LA22 9RW UK	British	Director
Hisham Bin Zainal Mokhtar *(Non-Independent Non-Executive Director)*	No. 5, Lorong PJU 7/24E Mutiara Damansara 47810 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Director, Investments Division of Khazanah
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan *(Executive Director/Chief Executive Officer)*	No. 33, Jalan Tijani Tijani 1, Bukit Tunku 50480 Kuala Lumpur Malaysia	Malaysian	Chief Executive Officer
Lim Ghee Keong *(Alternate to Augustus Ralph Marshall)*	No. 31, Jalan PJU 1A/54 Damansara Idaman 47301 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Chief Financial Officer of UTSB Group

1. CORPORATE DIRECTORY *(cont'd)*

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

Name	Designation	Directorship
Dato' Mohamed Khadar Bin Merican	Chairman	Independent Non-Executive Director
Chin Kwai Yoong	Member	Senior Independent Non-Executive Director
Augustus Ralph Marshall	Member	Non-Independent Non-Executive Deputy Chairman

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Name	Designation	Directorship
Tun Dato' Seri Zaki Bin Tun Azmi	Chairman	Independent Non-Executive Chairman
Chin Kwai Yoong	Member	Senior Independent Non-Executive Director
Hisham Bin Zainal Mokhtar	Member	Non-Independent Non-Executive Director

(The rest of this page has been intentionally left blank)

1. CORPORATE DIRECTORY *(cont'd)*

COMPANY SECRETARY	:	Liew Wei Yee Sharon (LS No. 7908) 3rd Floor, Administration Building All Asia Broadcast Centre Technology Park Malaysia Lebuhraya Puchong-Sungai Besi Bukit Jalil, 57000 Kuala Lumpur Malaysia
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
HEAD/MANAGEMENT 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
SELLING SHAREHOLDER	:	Astro Networks (Malaysia) Sdn Bhd 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
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

1. CORPORATE DIRECTORY *(cont'd)*

PRINCIPAL BANKERS *(cont'd)*		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
LEGAL ADVISERS	:	*To the Company as to Malaysian law* Kadir Andri & Partners 8th Floor, Menara Safuan 80, Jalan Ampang 50450 Kuala Lumpur Malaysia Telephone no.: +603 2078 2888 *To the Company and the Selling Shareholder as to United States and English law* Clifford Chance 28th Floor Jardine House One Connaught Place Hong Kong Telephone no.: +852 2825 8888 *To the Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters and Co-Lead Managers as to Malaysian law* Zul Rafique & Partners D3-3-8 Solaris Dutamas No 1 Jalan Dutamas 1 50450 Kuala Lumpur Malaysia Telephone no.: +603 6209 8228

1. CORPORATE DIRECTORY *(cont'd)*

LEGAL ADVISERS *(cont'd)*		*To the Joint Global Coordinators, Joint Bookrunners and Co-Lead Managers as to United States and English law* Linklaters Singapore Pte. Ltd. One Marina Boulevard #28-00 Singapore 018989 Telephone no.: +65 6890 7366 *To the Selling Shareholder as to Malaysian law* Albar & Partners 6th Floor, Faber Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Telephone no.: +603 2078 5588
TRANSACTION MANAGER	:	CIMB Investment Bank Berhad 10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia Telephone no.: +603 2084 8888
JOINT PRINCIPAL ADVISERS *(in alphabetical order)*	:	CIMB Investment Bank Berhad 10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia Telephone no.: +603 2084 8888 Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888 RHB Investment Bank Berhad Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone no.: +603 9287 3888

1. CORPORATE DIRECTORY *(cont'd)*

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS *(in alphabetical order)*	:	CIMB Investment Bank Berhad 10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia Telephone no.: +603 2084 8888 Credit Suisse (Singapore) Limited 1 Raffles Link #03-01/#04-01 South Lobby Singapore 039393 Telephone no.: +65 6212 6000 Goldman Sachs (Singapore) Pte. 1 Raffles Link #07-01 South Lobby Singapore 039393 Telephone no.: +65 6889 1000 J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP Telephone no.: +44 020 7777 2000 Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888 UBS AG, Singapore Branch One Raffles Quay #50-01 North Tower Singapore 048583 Telephone no.: +65 6495 8000

1. CORPORATE DIRECTORY *(cont'd)*

JOINT BOOKRUNNERS *(in alphabetical order)*	: Citigroup Global Markets Limited Citigroup Center Canada Square, Canary Wharf London E14 5LB United Kingdom Telephone no.: +44 020 7986 4000 DBS Bank Ltd. 12 Marina Boulevard, Level 46 Marina Bay Financial Centre Tower 3 Singapore 018982 Telephone no.: +65 6878 8888 Deutsche Bank AG, Hong Kong Branch Level 52, International Commerce Centre 1 Austin Road West Kowloon Hong Kong Telephone no.: +852 2203 8888 Macquarie Capital (Singapore) Pte. Limited 10 Marina Boulevard #17-01 Tower 2 Marina Bay Financial Centre Singapore 018983 Telephone no.: +65 6601 0888 Merrill Lynch (Singapore) Pte. Ltd. 50 Collyer Quay #14-01, OUE Bayfront Singapore 049321 Telephone no.: +65 6678 0000 Morgan Stanley & Co. International plc 25 Cabot Square Canary Wharf London E14 4QA United Kingdom Telephone no.: +44 20 7425 8000 RHB Investment Bank Berhad Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone no.: +603 9287 3888

1. CORPORATE DIRECTORY *(cont'd)*

JOINT MANAGING UNDERWRITERS AND JOINT UNDERWRITERS *(in alphabetical order)*	: AmInvestment Bank Berhad Level 21, Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone no.: +603 2036 2633 CIMB Investment Bank Berhad 10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia Telephone no.: +603 2084 8888 Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888 RHB Investment Bank Berhad Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia
JOINT UNDERWRITERS *(in alphabetical order)*	AFFIN Investment Bank Berhad 27th Floor, Menara Boustead 69, Jalan Raja Chulan 50200, Kuala Lumpur Malaysia Telephone no.: +603 2142 3700 Kenanga Investment Bank Berhad 8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Telephone no.: +603 2164 9080 MIDF Amanah Investment Bank Berhad Level 8, 9, 10, 11 & 12 Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone no.: +603 2173 8888

1. CORPORATE DIRECTORY *(cont'd)*

JOINT UNDERWRITERS ***(cont'd)*** *(in alphabetical order)*	:	Public Investment Bank Berhad 25th Floor, Menara Public Bank 146, Jalan Ampang, 50450 Kuala Lumpur Malaysia Telephone no.: +603 2166 9382
CO-LEAD MANAGERS *(in alphabetical order)*	:	AmInvestment Bank Berhad Level 21, Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone no.: +603 2036 2633 Kenanga Investment Bank Berhad 8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Telephone no.: +603 2164 9080 CLSA Singapore Pte Ltd 80 Raffles Place #18-01 UOB Plaza I Singapore 048624 Telephone no.: +65 6416 7888 Oversea-Chinese Banking Corporation Limited 65 Chulia Street #09-00, OCBC Centre Singapore 049513 Telephone no.: +65 6318 7222 Public Investment Bank Berhad 25th Floor, Menara Public Bank 146 Jalan Ampang 50450 Kuala Lumpur Malaysia Telephone no.: +603 2166 9371
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

1. CORPORATE DIRECTORY *(cont'd)*

INDEPENDENT MARKET RESEARCHER	:	Value Partners Management Consulting 1402, Harcourt House 39 Gloucester Road, Wanchai Hong Kong Telephone no.: +852 2103 1000
ISSUING HOUSE	:	Malaysian Issuing House 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
LISTING SOUGHT	:	Main Market

(The rest of this page has been intentionally left blank)

2. INTRODUCTION

This Prospectus is dated 21 September 2012.

Save as disclosed in this Prospectus, no securities will be allotted or issued or offered on the basis of this Prospectus later than 12 months after the date of this Prospectus.

We have registered this Prospectus with the SC. We have also lodged a copy of this Prospectus, together with the Application Forms, with the Registrar of Companies of Malaysia, who takes no responsibility for its contents.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as a "prescribed security". Consequently, our Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealing in these Shares will be carried out in accordance with the SICDA and the rules of Bursa Depository. We will not issue any share certificates to successful applicants.

On 19 September 2012, approval was obtained from the SC in respect of the IPO and our Listing. The approval of the SC shall not be taken to indicate that the SC recommends the IPO or assumes responsibility for the correctness of any statement made or opinion expressed or report contained in this Prospectus. The SC has not, in any way, considered the merits of our Shares being offered for investment. The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. **You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of the IPO and an investment in our Company. In considering the investment, if you are in any doubt as to the action to be taken, you should immediately consult your stockbrokers, bank managers, solicitors, accountants, or other professional advisers.**

We have obtained the approval of Bursa Securities on 20 September 2012 for the admission of our Shares to the Official List and for permission to deal in and for the listing of and quotation for our Shares, including the IPO Shares which are the subject of this Prospectus, on the Main Market. Official quotation will commence upon receipt of confirmation from Bursa Depository that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants. Admission to the Official List is not to be taken as an indication of the merits of the IPO, our Company or our Shares.

The completion of the Retail Offering and the Institutional Offering are inter-conditional and are subject to the minimum subscription level as set out in Section 4.3.5 of this Prospectus.

Our Company is required to comply with the public shareholding spread requirement under the Listing Requirements, pursuant to which our Company is required to have a minimum of 25% of our Shares for which Listing is sought to be held by at least 1,000 public shareholders holding not less than 100 Shares each at the point of Listing. Our Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met, our Company may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full without interest and if such monies are not returned in full within 14 days after the Selling Shareholder and our Company become liable to do so, the provisions of subsections 243(2) and 243(6) of the CMSA shall apply accordingly. In the event that the Listing is aborted and our Shares have been allotted to our shareholders, a return of monies to holders of our Shares could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaysia) and the confirmation of the High Court of Malaysia.

3. SUMMARY

This summary highlights selected information from this Prospectus and may not contain all of the information about our Company and our IPO which may be important to you. You should read and understand the entire Prospectus before deciding whether to invest in our Shares. You are advised to read the risk factors described in Section 5 of this Prospectus for an understanding of the risks associated with the investment in our Company.

3.1 Overview

3.1.1 Our Group

We are Malaysia's and one of Southeast Asia's leading integrated consumer media entertainment groups, engaging primarily within Malaysia in the creation, aggregation and distribution of content over multiple delivery platforms including TV, radio, publications and digital media. During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content and, as at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. Our leading position is reflected by our 156 TV channels as at 31 July 2012, of which 68 are Astro-created and branded channels. We distribute content to our customers via broadcast and on-demand programmes through our DTH satellite TV, IPTV and OTT platforms, making our TV offerings increasingly platform-agnostic in reaching our customers.

As at 31 July 2012, we had a residential pay-TV subscriber base of over three million. In 2011, we had a market penetration rate of approximately 50% of the Malaysian TV Households of which we had a market share of approximately 99% of Malaysia's residential pay-TV market. Our radio business comprises nine commercial radio stations available over FM, DTH satellite TV, IPTV mobile and Internet platforms, which includes the highest rated radio stations in the Malay, Chinese, Indian and English languages in terms of listenership. According to the IMR Report, we have approximately 13 million weekly listeners capturing 52% share of listenership in Malaysia in April 2012, while for the three month financial period ended 30 April 2012, our share of the radio Adex market in Malaysia was 53%.

We were awarded the "Brand of the Year" award at Malaysia's recent Putra Brand Awards 2012. The Putra Brand of the Year award is given to the brand that best exemplifies innovation, quality and strong corporate social responsibilities.

Please refer to Section 7 of this Prospectus for further information on our business.

3.1.2 Privatisation of AAAN and key developments since privatisation

By way of background, substantially all of the businesses currently held by our Group were part of the businesses of the AAAN group of companies ("**AAAN Group**"). AAAN was previously listed on 29 October 2003 on the then Main Board of the Kuala Lumpur Stock Exchange *(now known as the Main Market)*. In 2010, AHSB undertook a conditional take-over offer to acquire all the voting shares in AAAN ("**AAAN Shares**"), at a cash offer price of RM4.30 for each AAAN Share ("**GO**"), which represented an illustrative market capitalisation of approximately RM8.3 billion, based on the total issued and paid-up share capital of AAAN of 1,934.3 million AAAN Shares as at 17 March 2010, being the date of service of the notice of the GO. The offer price of RM4.30 per AAAN Share for the GO represented a price-to-book multiple of 9.35 times (based on the audited consolidated NA per AAAN Share for the financial year ended 31 January 2010 of RM0.46), a price-to-earnings multiple of 35.70 times (based on the audited basic earnings per share of the AAAN Group of RM0.12 for the financial year ended 31 January 2010) and an enterprise value over EBITDA multiple of 11.22 times (based on the EBITDA of the AAAN Group of RM831.0 million for the financial year ended 31 January 2010 and net debt of the AAAN Group of RM1,002.0 million as at 31 January 2010). Shortly after the closing of the GO, AAAN was delisted from the Main Market on 14 June 2010 ("**Privatisation**"). Following the completion of the GO, AHSB undertook a compulsory acquisition under the Companies Act 2006 of the UK of all the remaining voting shares in AAAN not held by AHSB at that time, which was completed on 28 July 2010. Thereafter, AAAN became a wholly-owned subsidiary of AHSB.

In March 2011 and April 2011, AHSB implemented a reorganisation of AAAN's Malaysian and international businesses, which resulted in AAAN's Malaysian businesses being transferred to our Company. With the growth of the Malaysian business following the Reorganisation as a result of the introduction of various new products and services, capital expenditure of more than RM1.0 billion incurred since the Privatisation and the separation of the international businesses of AAAN (which would still require substantial capital investment in its development stage), our ultimate shareholder i.e. AHSB intends to re-introduce the Malaysian business i.e. Astro Malaysia Group to the Malaysian equity market via the IPO and the Listing and provide an opportunity for the investing community to participate in the future performance of our Group.

Investors should note that the business profile of our Group is different from that of the AAAN Group, in view of our focus on the Malaysian business which has, subsequent to the Privatisation, commenced its expansion plans including the introduction of new products and services. We have also set a dividend policy which is set out in Section 12.7 of this Prospectus.

Please refer to Section 6.1 of this Prospectus for further information on the Privatisation and key developments since the Privatisation.

3.2 Competitive strengths

We believe that we are well positioned to maintain leadership in the Malaysian consumer media entertainment market and deliver growth as a result of the following competitive strengths:

(i) Leading integrated consumer media entertainment group in the fast growing Malaysian market;

(ii) Leading multi-lingual content powerhouse in Malaysia with strong in-house production capabilities and an extensive international content portfolio;

(iii) Multi-platform distribution supported by continuous innovation;

(iv) Extensive sales and distribution network and strong customer service platform;

(v) One of Malaysia's best brands leading to significant customer loyalty;

(vi) Resilient business model with significant economies of scale and a strong track record; and

(vii) Strength and depth in leadership and talent.

Please refer to Section 7.3 of this Prospectus for further information on our competitive strengths.

3.3 Strategies and future plans

We aspire to maintain our leadership in the consumer media entertainment sector in Malaysia. Specifically, we are executing the following strategies to increase revenue, profitability and returns to our shareholders:

(i) Continue to strengthen our position as the preferred content hub in Malaysia to extend market leadership;

(ii) Leverage on new technologies to develop products that enhance reach and service proposition;

(iii) Drive new product adoption to increase share of customer wallet;

(iv) Pursue a targeted acquisition strategy to drive subscriber base growth;

(v) Grow our share of the Malaysian advertising spend via a multi-pronged approach;

(vi) Enhance customer experience to strengthen customer loyalty; and

(vii) Continue to focus on operating efficiency and scalability to ensure profitable growth.

Please refer to Section 7.4 of this Prospectus for further information on our strategies and future plans.

3.4 Risk factors

Before investing in our Shares, prospective investors should pay particular attention to the fact that, to a large extent, our Group and our operations are governed by the legal, regulatory and business environment in Malaysia, which may in some aspects differ from those which prevail in other countries. Our business is subject to a number of factors, many of which are beyond our control. Prior to making an investment decision, prospective investors should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set forth below. The risks and investment considerations set forth below are not an exhaustive list of all the risks that we are currently facing or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

3.4.1 Risks relating to our business and our operations

(i) Our business is subject to extensive regulation and our licences have fixed terms and are subject to renewal;

(ii) We are dependent on two satellites, namely MEASAT-3 and MEASAT-3A, and we may not be able to provide back-up service in the event of a failure of the satellites;

(iii) A delay in or a failure of the launch of MEASAT-3B may delay our TV channel expansion plans;

(iv) A substantial part of our business is dependent upon our broadcast facilities, which may be vulnerable to business interruption;

(v) We may not be able to implement our strategies and future plans successfully;

(vi) The security of media content delivered by us and of our encryption systems may be compromised by piracy;

(vii) Our broadcast and IT infrastructure may be subject to security breaches and hacking;

(viii) Complex technology used in our business could fail or become obsolete;

(ix) We may be liable for information disseminated through our network;

(x) We may be unable to adequately protect our intellectual property rights or may face intellectual property claims that may be costly to resolve;

(xi) The pro forma consolidated financial information included in this Prospectus may not accurately reflect our financial position, results and cash flows;

(xii) Competition may erode our market share;

(xiii) We are susceptible to increases in content costs and other operational and industry risks associated with the production of some of our content;

(xiv) Our business is dependent on our ability to source/procure content at reasonable rates;

(xv) Our Residential ARPU and our profitability may decline;

(xvi) Our cash requirements may be accelerated in the event our set-top box and out-door unit deferred payment arrangements are discontinued;

(xvii) Escalating rate of subscriber churn may decrease our profitability;

(xviii) We expect that our costs associated with customer acquisition and conversion will increase;

(xix) Our pay-TV business is influenced by consumer spending patterns and preferences;

(xx) Our IPTV and OTT services may be affected by disruptions, delays and other difficulties from third-party network and broadband service providers;

(xxi) We depend on third parties to supply us with certain equipment and services;

(xxii) Our rights to the land underlying the AABC may be compromised;

(xxiii) Our ability to compete effectively will depend on our key management and the availability of a skilled workforce;

(xxiv) We are exposed to foreign currency exchange risks, interest rate risks and credit risks;

(xxv) Our ability to comply with the terms of our credit facilities may be impeded and we may require additional capital in the future;

(xxvi) Impairment of goodwill and brands;

(xxvii) Control by our substantial shareholder;

(xxviii) There may be conflicts of interest between our Group and our related parties;

(xxix) Political, economic, social and other developments in Malaysia and Asia may adversely affect us;

(xxx) We may be affected by an adverse judgment or settlement in respect of any current or future claims against us or our Directors;

(xxxi) Unfavourable financial and economic developments in the global economy and in Malaysia may negatively impact us; and

(xxxii) There can be no assurance that we will continue to receive the tax benefits we currently enjoy.

3.4.2 Risks relating to our Shares

(i) There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained;

(ii) Our Share price and trading volume may be volatile;

(iii) We may not be able to pay dividends or realise dividends from our subsidiaries;

(iv) The sale or the possible sale of a substantial number of our Shares in the public market following this IPO could adversely affect the price of our Shares; and

(v) There may be a delay in or failure of the Listing.

Please refer to Section 5 of this Prospectus for further details of our risk factors.

3.5 Summary of historical financial information

The following selected historical financial information for the financial years ended 31 January 2010, 2011 and 2012 and for the three month financial period ended 30 April 2011 have been derived from the pro forma consolidated financial information of our Company for the corresponding financial years or financial period under review and should be read in conjunction with the Reporting Accountants' report on the pro forma consolidated financial information as set out in Section 12.6 of this Prospectus.

The pro forma consolidated financial information are presented on the assumption that our Group as at 30 April 2012 had been in existence throughout the financial period under review.

3. SUMMARY *(cont'd)*

The selected historical financial information for the three month financial period ended 30 April 2012 have been derived from the audited consolidated financial statements of our Group which had been in existence throughout the financial period under review. The audited consolidated financial information for the three month financial period ended 30 April 2012 should be read in conjunction with the Accountants' Report and related notes set out in Section 13 of this Prospectus.

As the pro forma consolidated financial statements are prepared for illustrative purposes only, such information, because of its nature, may not give a true picture of the effects of the Reorganisation, IPO and Listing on our financial position, had the transactions or events occurred at the financial statement date. Further, such information does not purport to predict our financial position, results and cash flow. For more information on this risk, please refer to Section 5.1.11 of this Prospectus.

	Pro Forma				Audited
	Financial year ended 31 January			Three month financial period ended 30 April	
	2010	2011	2012	2011[(1)]	2012
	(RM 000, except percentages and per share data)				
Income statements:					
Revenue	3,242,334	3,664,065	3,888,801	908,366	986,028
Cost of sales	(1,933,974)	(2,000,369)	(2,236,613)	(522,174)	(584,989)
Gross profit	1,308,360	1,663,696	1,652,188	386,192	401,039
Other operating income	22,930	27,426	27,235	8,099	6,989
Marketing and distribution costs	(282,665)	(315,986)	(322,959)	(57,541)	(90,154)
Administrative expenses	(244,519)	(308,209)	(366,084)	(76,970)	(100,135)
Finance income	69,098	119,445	68,684	27,494	22,911
Finance costs	(70,927)	(93,656)	(194,687)	(22,938)	(69,238)
Share of post tax results from investments accounted for using the equity method	(986)	(2,213)	(52)	(874)	489
PBT	801,291	1,090,503	864,325	263,462	171,901
Tax expense	(187,365)	(263,024)	(234,709)	(67,173)	(48,536)
Profit for the financial year/period	613,926	827,479	629,616	196,289	123,365
Profit for the financial year/period attributable to:					
Equity holder of our Company	614,143	823,489	624,120	195,592	122,282
Non-controlling interests	(217)	3,990	5,496	697	1,083
	613,926	827,479	629,616	196,289	123,365
Other selected financial data:					
EBITDA[(2)]	986,202	1,369,752	1,414,660	356,251	341,928
Gross profit margin (%)[(3)]	40.4%	45.4%	42.5%	42.5%	40.7%
EBITDA margin (%)[(4)]	30.4%	37.4%	36.4%	39.2%	34.7%
PBT margin (%)[(5)]	24.7%	29.8%	22.2%	29.0%	17.4%
Profit margin (%)[(6)]	18.9%	22.6%	16.2%	21.6%	12.5%
Basic earnings per ordinary share (sen)[(7)]	13.0	17.4	13.3	16.6[(9)]	10.4[(9)]
Diluted earnings per ordinary share (sen)[(8)]	11.7	15.7	11.9	14.9[(9)]	9.3[(9)]

Notes:

(1) The pro forma consolidated income statement for the three month financial period ended 30 April 2011 has been prepared based on unaudited consolidated financial information of our Company.

3. SUMMARY *(cont'd)*

Notes (cont'd):

(2) *EBITDA represents 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. The table below sets forth a reconciliation of our profit for the financial year/period to EBITDA:*

	Financial year ended 31 January			Three month financial period ended 30 April	
	2010	2011	2012	2011	2012
			RM 000		
Profit for the financial year/period	613,926	827,479	629,616	196,289	123,365
Tax expense	187,365	263,024	234,709	67,173	48,536
PBT	801,291	1,090,503	864,325	263,462	171,901
Finance income	(69,098)	(119,445)	(68,684)	(27,494)	(22,911)
Finance costs	70,927	93,656	194,687	22,938	69,238
Depreciation and amortisation	182,096	302,825	424,280	96,471	124,189
Share of post tax results from investments accounted for using the equity method	986	2,213	52	874	(489)
EBITDA	986,202	1,369,752	1,414,660	356,251	341,928

EBITDA, as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with the FRS and MFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the FRS and MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with the FRS and MFRS or as an alternative to cash flow from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

(3) *Computed based on gross profit over total revenue of our Group.*

(4) *Computed based on EBITDA over total revenue of our Group.*

(5) *Computed based on PBT over total revenue of our Group.*

(6) *Computed based on profit for the financial year/period over total revenue of our Group.*

(7) *Computed based on profit for the financial year/period attributable to the equity holder of our Company over 4,723.0 million Shares.*

(8) *Computed based on profit for the financial year/period attributable to the equity holder of our Company over the enlarged share capital of 5,248.0 million Shares, after taking into account the Public Issue and assuming the maximum vesting and issuance of 50.7 million Shares pursuant to the full granting of the Share Awards under the Management Share Scheme. Please refer to Section 15.4 of this Prospectus for further details.*

(9) *Annualised.*

Please refer to Sections 12 and 13 of this Prospectus for further financial information relating to our Group.

3.6 Summary of pro forma consolidated balance sheets of our Company

The pro forma consolidated balance sheets as at 30 April 2012 have been prepared for illustrative purposes only to show the effects on our audited consolidated balance sheets as at 30 April 2012 based on the assumption that the following transactions had been effected on 30 April 2012:

(i) the drawdown of borrowings of RM500.0 million by Astro Malaysia;

(ii) the subdivision of shares, RPS redemption and share issuance as set out in Section 6.2 of this Prospectus (collectively "**Pre-IPO Transactions**");

(iii) the IPO and Listing and the utilisation of proceeds arising from the Public Issue as set out in Section 4.8 of this Prospectus ("**Utilisation**"); and

(iv) the vesting of 22,284,000 Shares, pursuant to the Share Awards, assumed to be granted under the Management Share Scheme in conjunction with the IPO and Listing, upon which new Shares are issued and allotted as set out in Section 12.6 of this Prospectus ("**Initial Grant**"). The actual number of Shares to be granted under the Initial Grant will depend on the Final Retail Price.

The pro forma consolidated balance sheets should be read in conjunction with the Reporting Accountants' report on the pro forma consolidated financial information as set out in Section 12.6 of this Prospectus.

	Audited		Pro forma I		Pro forma II
	Consolidated Balance Sheet as at 30 April 2012	Drawdown of borrowings	Consolidated Balance Sheet after drawdown of borrowings	Pre-IPO Transactions, IPO, Listing, Utilisation and Initial Grant	Consolidated Balance Sheet after the Pre-IPO Transactions, IPO, Listing, Utilisation and Initial Grant
	RM 000	RM 000	RM 000	RM 000	RM 000
Non-Current Assets					
Property, plant and equipment	1,714,161	-	1,714,161	750,000	2,464,161
Investment in associates	41,251	-	41,251	-	41,251
Investment in joint ventures	6,342	-	6,342	-	6,342
Prepayments	147,733	-	147,733	-	147,733
Intangible assets	1,760,829	-	1,760,829	-	1,760,829
	3,670,316	-	3,670,316	750,000	4,420,316
Current Assets					
Inventories	17,235	-	17,235	-	17,235
Receivables and prepayments	763,453	-	763,453	-	763,453
Derivative financial instruments	409	-	409	-	409
Advances to ultimate holding company	106,441	-	106,441	-	106,441
Tax recoverable	1,491	-	1,491	-	1,491
Deposits, cash and bank balances	479,106	500,000	979,106	112,900	1,092,006
	1,368,135	500,000	1,868,135	112,900	1,981,035
Less: Current Liabilities					
Payables	1,686,566	-	1,688,566	-	1,688,566
Advances from ultimate holding company	67,028	-	67,028	-	67,028
Borrowings	33,551	-	33,551	-	33,551
Tax liabilities	88,848	-	88,848	(16,712)	72,136
	1,877,993	-	1,877,993	(16,712)	1,861,281
Net Current (Liabilities)/Assets	(509,858)	500,000	(9,856)	129,612	119,754
Less: Non-Current Liabilities					
Payables	402,237	-	402,237	-	402,237
Derivative financial instruments	84,288	-	84,288	-	84,288
Borrowings	3,659,986	500,000	4,159,986	(500,000)	3,659,986
Deferred tax liabilities	147,965	-	147,965	-	147,965
	4,294,476	500,000	4,794,476	(500,000)	4,294,476
NET (LIABILITIES)/ASSETS	(1,134,018)	-	(1,134,018)	1,379,612	245,594

3. SUMMARY *(cont'd)*

	Audited		Pro forma I		Pro forma II
	Consolidated Balance Sheet as at 30 April 2012	Drawdown of borrowings	Consolidated Balance Sheet after drawdown of borrowings	Pre-IPO Transactions, IPO, Listing, Utilisation and Initial Grant	Consolidated Balance Sheet after the Pre-IPO Transactions, IPO, Listing, Utilisation and Initial Grant
	RM 000	RM 000	RM 000	RM 000	RM 000
Capital and reserves attributable to equity holder of our Company					
Share capital	98	-	98	521,860	521,958
Share premium	5,298,136	-	5,298,136	927,892	6,226,028
Redeemable preference shares	1	-	1	(1)	-
Exchange reserve	27	-	27	-	27
Capital redemption reserve	-[(1)]	-	-	1	1
Capital reorganisation reserve	(5,470,197)	-	(5,470,197)	-	(5,470,197)
Hedging reserve	(94,798)	-	(94,798)	-	(94,798)
Accumulated losses	(876,922)	-	(876,922)	(70,140)	(947,062)
Equity attributable to equity holder of our Company	(1,143,655)	-	(1,143,655)	1,379,612	235,957
Non-controlling interests	9,637	-	9,637	-	9,637
TOTAL EQUITY	(1,134,018)	-	(1,134,018)	1,379,612	245,594
Net (liabilities)/assets attributable to equity holder of our Company per ordinary share (RM)[(2)]	(1,164)		(1,164)		0.05

Notes:

(1) Negligible.

(2) Equity attributable to equity holder of our Company divided by the number of ordinary shares.

Please refer to Section 12.6 of this Prospectus for further information on the pro forma consolidated balance sheets of our Company.

3.7 Capitalisation and indebtedness

The following information should be read in conjunction with the Reporting Accountants' report on the pro forma consolidated financial information as set out in Section 12.6 of this Prospectus.

The following table sets forth our consolidated and pro forma capitalisation and indebtedness information as at 30 April 2012 based on our pro forma consolidated balance sheets as at 30 April 2012 as set out in Section 12.6 of this Prospectus (abbreviated terms used herein are as defined in Section 12.6). The pro forma financial information below does not represent our Group's actual capitalisation and indebtedness as at 30 April 2012 and is provided for illustrative purposes only. The total indebtedness of our Group is not guaranteed by any third party.

	(Audited)	(Pro forma)
	As at 30 April 2012	After the Deemed Completed Transaction and the Proposal
	RM 000	
Cash and cash equivalents(1)	479,106	1,092,006
Indebtedness		
Short term debt		
Unsecured		
- Finance lease	33,551	33,551
	33,551	33,551
Long term debt		
Unsecured		
- Finance lease	686,120	686,120
- Term loans	2,973,866	2,973,866
	3,659,986	3,659,986
Total debt	3,693,537	3,693,537
Other indebtedness		
Payables under vendor finance arrangements	535,955	535,955
Contingent liabilities	333,637	333,637
Total indebtedness(2)	4,563,129	4,563,129
Total shareholders' equity (3)	(1,143,655)	235,957
Non-controlling interest	9,637	9,637
Total equity/capitalisation	(1,134,018)	245,594
Total capitalisation and indebtedness	3,429,111	4,808,723
Gearing ratio (times)(4)	Not applicable(5)	15.0 (3)

Notes:

(1) Cash and cash equivalents comprise deposits, cash and bank balances.

Notes (cont'd):

(2) *Total indebtedness comprises short-term debt, long-term debt, other indebtedness and contingent liabilities.*

(3) *As at 30 April 2012, our Group's total equity is in a deficit position of RM1,134.0 million. The deficit position is primarily due to the Reorganisation, whereby for accounting consolidation purposes, our acquisition of MBNS (our largest operating subsidiary) was accounted for as a capital reorganisation of MBNS and the difference between the consideration for MBNS and the NA of MBNS at the date of acquisition has been taken to capital reorganisation reserve. Notwithstanding the above, after taking into account the Public Issue, our Group's shareholders' equity as it appears in the pro forma consolidated balance sheets as at 30 April 2012 would no longer be in deficit, but would increase to RM245.6 million. As a consequence of our relatively lower total equity as compared to our total debt, our gearing ratio is approximately 15.0 times. Against our EBITDA for the financial year ended 31 January 2012 of RM1,414.7 million, our net debt as at 30 April 2012 of RM3,214.4 million results in our net debt to EBITDA ratio of approximately 2.27 times.*

(4) *Computed based on total debt over total equity of our Group.*

(5) *Not applicable as the total equity is in a deficit position.*

Please refer to Section 12.5 of this Prospectus for information on our capitalisation and indebtedness.

3.8 Particulars of the IPO

The IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares are allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus. The IPO of up to 1,518,300,000 IPO Shares, representing up to 29.2% of the enlarged issued and paid-up share capital of our Company comprising 474,300,000 Issue Shares and up to 1,044,000,000 Offer Shares are offered by our Company and the Selling Shareholder respectively in the following manner:

3.8.1 Institutional Offering

Institutional Offering other than to the Cornerstone Investors at the Institutional Price payable in full upon allocation and determined by way of bookbuilding and to the Cornerstone Investors at the lower of RM3.00 per Offer Share and the Institutional Price.

Our Company and the Selling Shareholder are offering up to 1,258,435,000 IPO Shares, representing up to 24.2% of the enlarged issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) Up to 1,044,000,000 Offer Shares, representing up to 20.1% of the enlarged issued and paid-up share capital of our Company will be offered to Malaysian and foreign institutional and selected investors, including Bumiputera investors approved by MITI and the Cornerstone Investors; and

(ii) 214,435,000 Issue Shares, representing 4.1% of the enlarged issued and paid-up share capital of our Company will be offered to Malaysian and foreign institutional and selected investors.

With respect to the IPO Shares offered to Bumiputera investors approved by MITI as referred to above, up to 597,690,000 Offer Shares, representing up to 11.5% of the enlarged issued and paid-up share capital of our Company will be offered subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus.

On 19 September 2012, our Company together with the Selling Shareholder, entered into the master cornerstone placing agreement with the Cornerstone Investors (including a Bumiputera investor approved by MITI) whereby the Cornerstone Investors have agreed to acquire in aggregate, 430.0 million Offer Shares, representing approximately 8.3% of the enlarged issued and paid-up share capital of our Company at the price per Share which shall be the lower of RM3.00 and the Institutional Price and otherwise, subject to the terms of the individual cornerstone placing agreements. None of the Cornerstone Investors will individually acquire more than 1.6% of the enlarged issued and paid-up share capital of our Company under the cornerstone placing agreements.

The cornerstone placing agreements are conditional upon, *inter alia*, the Retail Underwriting Agreement, International Placement Agreement and Malaysian Placement Agreement being entered into and not having been terminated pursuant to their respective terms.

3.8.2 Retail Offering

Retail Offering at the Retail Price of RM3.00 per Share, payable in full upon application and subject to refund of the difference between the Retail Price and the Final Retail Price in the event the Final Retail Price is less than the Retail Price.

Our Company is offering 259,865,000 Issue Shares, representing 5.0% of the enlarged issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) 103,946,000 Issue Shares, representing 2.0% of the enlarged issued and paid-up share capital of our Company, are available for application by Malaysian citizens, companies, co-operatives, societies and institutions, of which 51,973,000 Issue Shares, representing 1.0% of the enlarged issued and paid-up share capital of our Company, are set aside for Bumiputera individuals, companies, co-operatives, societies and institutions. Any Issue Shares not subscribed for by such Bumiputera investors will be made available for application by other Malaysian investors under the Retail Offering; and

(ii) 155,919,000 Issue Shares, representing 3.0% of the enlarged issued and paid-up share capital of our Company have been reserved and set aside for the following:

(a) 85,954,000 Issue Shares, representing 1.6% of the enlarged issued and paid-up share capital of our Company, have been reserved for 4,106 directors and eligible employees of our Group (who have not resigned as at 1 September 2012);

(b) 10,000,000 Issue Shares, representing 0.2% of the enlarged issued and paid-up share capital of our Company, have been reserved for 125 eligible directors and employees of the UTSB Group (who have been employed by the UTSB Group for at least one year as at 31 July 2012 and as at 31 July 2012 have not resigned or are serving their resignation notice);

(c) 3,832,000 Issue Shares, representing 0.1% of the enlarged issued and paid-up share capital of our Company, have been reserved for the following 493 persons who are:

(aa) our sales agents for at least one year as at 1 September 2012 who have met or have exceeded their sales targets for the six month financial period ended 31 July 2012;

(bb) our independent contractors who have served our Group for at least two years as at 1 September 2012, with a maximum engagement gap of one month; and

(cc) our talent as at 1 September 2012 (whose contracts have not been terminated or are not expired as at 1 September 2012); and

(d) 56,133,000 Issue Shares, representing 1.1% of the enlarged issued and paid-up share capital of our Company, are set aside for a restricted ballot for the following:

(aa) our residential and commercial pay-TV subscribers as at 31 August 2012 and whose accounts are not delinquent as at 31 August 2012; and

(bb) other persons who have contributed to the success of our Group including eligible retailers, vendors and installers based on, among others, their contribution and relationship with our Group.

Any Issue Shares not taken up by investors under Sections 3.8.2(ii) (a), (b) and (c) above will be made available for application by other investors under Section 3.8.2(ii)(d) above. Any Issue Share not taken up by investors under Section 3.8.2(ii)(d) above will be made available for application by other investors under Section 3.8.2(i) above, with any remaining Issue Shares thereafter underwritten by our Joint Managing Underwriters and Joint Underwriters, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus.

Applicants who apply for the Issue Shares under Section 3.8.2(ii) above may also apply for the Issue Shares available under Section 3.8.2(i) above.

Please refer to Section 4.3 of this Prospectus for further information on the particulars of the IPO.

3.9 Utilisation of proceeds

We expect to use the gross proceeds from the Public Issue of RM1,422.9 million in the following manner:

Details of utilisation	Estimated timeframe for utilisation upon Listing	RM million	%
Repayment of bank borrowings	Within 12 months	500.0	35.2
Capital expenditure	Within 36 months	750.0	52.7
Working capital	Within 24 months	112.9	7.9
Estimated listing expenses	Within 3 months	60.0	4.2
Total		1,422.9	100.0

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale of up to RM3,132.0 million will accrue entirely to the Selling Shareholder.

Please refer to Section 4.8 of this Prospectus for further details on the utilisation of proceeds from the Public Issue.

3.10 Dividend policy

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for any financial year is subject to our shareholders' approval. As our Company is a holding company, our income, and therefore our ability to pay dividends, is dependent upon the dividends that we receive from our subsidiaries.

The payment of dividends by our subsidiaries will depend upon their operating results, earnings, capital requirements, general financial condition and other relevant factors. The actual dividend that our Board may recommend or declare in any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by our Board. In considering the level of dividend payments, if any, upon recommendation by our Board, our Company intends to take into account various factors including:

(i) the level of our cash, gearing, debt profile and retained earnings;

(ii) our expected financial performance; and

(iii) our projected levels of capital expenditure and other investment plans.

We intend to adopt a policy of active capital management. We propose to pay dividends out of cash generated from our operations after setting aside the necessary funding for capital expenditure and working capital needs. As part of this policy, we target a payout ratio of not less than 75% of our consolidated profit for the year under MFRS, in each financial year beginning 1 February 2013, subject to the confirmation of our Board and to any applicable law, licence and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements, or to any plans approved by our Board. Investors should note that this dividend policy merely describes our Company's present intention and shall not constitute legally binding statements in respect of our Company's future dividends which are subject to modification (including non-declaration thereof) at our Board's discretion.

Please refer to Section 5.2.3 of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

4. DETAILS OF THE IPO

4.1 Opening and closing of applications

Application for the Shares under the Retail Offering will open at 10.00 a.m. on 21 September 2012 and will remain open until 5.00 p.m. on 1 October 2012, or such other date or dates as our Directors and the Majority Joint Underwriters in their absolute discretion may decide.

4.2 Indicative timetable

An indicative timetable for the IPO is set out below:

Events	Date
Opening of the Institutional Offering(1)	20 September 2012
Opening of the Retail Offering	10.00 a.m., 21 September 2012
Closing of the Retail Offering	5.00 p.m., 1 October 2012
Closing of the Institutional Offering	3 October 2012
Price Determination Date	3 October 2012
Balloting of applications for the Shares offered under the Retail Offering	4 October 2012
Allotment/Transfer of the Shares to successful applicants	17 October 2012
Listing	19 October 2012

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on 19 September 2012.

Applications for the Shares offered under the Retail Offering will open and close at the time and dates stated above or such other date or dates as our Directors and the Majority Joint Underwriters in their absolute discretion may decide. The Institutional Offering will open and close on the dates stated above or such other date or dates as our Directors, the Selling Shareholder and the Joint Global Coordinators in their absolute discretion may decide.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and the dates for the balloting of applications for the Shares offered under the Retail Offering, allotment/transfer of the Shares and our Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

4.3 Particulars of the IPO

The IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the IPO Shares are allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus. The IPO of up to 1,518,300,000 IPO Shares, representing up to 29.2% of the enlarged issued and paid-up share capital of our Company comprising 474,300,000 Issue Shares and up to 1,044,000,000 Offer Shares are offered by our Company and the Selling Shareholder respectively in the following manner:

4.3.1 Institutional Offering

Institutional Offering other than to the Cornerstone Investors at the Institutional Price payable in full upon allocation and determined by way of bookbuilding and to the Cornerstone Investors at the lower of RM3.00 per Offer Share and the Institutional Price.

Our Company and the Selling Shareholder are offering up to 1,258,435,000 IPO Shares, representing up to 24.2% of the enlarged issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) Up to 1,044,000,000 Offer Shares, representing up to 20.1% of the enlarged issued and paid-up share capital of our Company will be offered to Malaysian and foreign institutional and selected investors, including Bumiputera investors approved by MITI and the Cornerstone Investors; and

(ii) 214,435,000 Issue Shares, representing 4.1% of the enlarged issued and paid-up share capital of our Company will be offered to Malaysian and foreign institutional and selected investors.

With respect to the IPO Shares offered to Bumiputera investors approved by MITI as referred to above, up to 597,690,000 Offer Shares, representing up to 11.5% of the enlarged issued and paid-up share capital of our Company will be offered subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus.

On 19 September 2012, our Company together with the Selling Shareholder, entered into the master cornerstone placing agreement with the Cornerstone Investors (including a Bumiputera investor approved by MITI) whereby the Cornerstone Investors have agreed to acquire in aggregate, 430.0 million Offer Shares, representing approximately 8.3% of the enlarged issued and paid-up share capital of our Company at the price per Share which shall be the lower of RM3.00 and the Institutional Price and otherwise, subject to the terms of the individual cornerstone placing agreements. None of the Cornerstone Investors will individually acquire more than 1.6% of the enlarged issued and paid-up share capital of our Company under the cornerstone placing agreements.

The cornerstone placing agreements are conditional upon, *inter alia*, the Retail Underwriting Agreement, International Placement Agreement and Malaysian Placement Agreement being entered into and not having been terminated pursuant to their respective terms.

4.3.2 Retail Offering

Retail Offering at the Retail Price of RM3.00 per Share, payable in full upon application and subject to refund of the difference between the Retail Price and the Final Retail Price in the event the Final Retail Price is less than the Retail Price.

Our Company is offering 259,865,000 Issue Shares, representing 5.0% of the enlarged issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) 103,946,000 Issue Shares, representing 2.0% of the enlarged issued and paid-up share capital of our Company, are available for application by Malaysian citizens, companies, co-operatives, societies and institutions, of which 51,973,000 Issue Shares, representing 1.0% of the enlarged issued and paid-up share capital of our Company, are set aside for Bumiputera individuals, companies, co-operatives, societies and institutions. Any Issue Shares not subscribed for by such Bumiputera investors will be made available for application by other Malaysian investors under the Retail Offering; and

(ii) 155,919,000 Issue Shares, representing 3.0% of the enlarged issued and paid-up share capital of our Company have been reserved and set aside for the following:

(a) 85,954,000 Issue Shares, representing 1.6% of the enlarged issued and paid-up share capital of our Company, have been reserved for 4,106 directors and eligible employees of our Group (who have not resigned as at 1 September 2012);

(b) 10,000,000 Issue Shares, representing 0.2% of the enlarged issued and paid-up share capital of our Company, have been reserved for 125 eligible directors and employees of the UTSB Group (who have been employed by the UTSB Group for at least one year as at 31 July 2012 and as at 31 July 2012 have not resigned or are serving their resignation notice);

(c) 3,832,000 Issue Shares, representing 0.1% of the enlarged issued and paid-up share capital of our Company, have been reserved for the following 493 persons who are:

(aa) our sales agents for at least one year as at 1 September 2012 who have met or have exceeded their sales targets for the six month financial period ended 31 July 2012;

(bb) our independent contractors who have served our Group for at least two years as at 1 September 2012, with a maximum engagement gap of one month; and

(cc) our talent as at 1 September 2012 (whose contracts have not been terminated or are not expired as at 1 September 2012); and

(d) 56,133,000 Issue Shares, representing 1.1% of the enlarged issued and paid-up share capital of our Company, are set aside for a restricted ballot for the following:

(aa) our residential and commercial pay-TV subscribers as at 31 August 2012 and whose accounts are not delinquent as at 31 August 2012; and (bb) other persons who have contributed to the success of our Group including eligible retailers, vendors and installers based on, among others, their contribution and relationship with our Group.

Any Issue Shares not taken up by investors under Sections 4.3.2(ii)(a), (b) and (c) above will be made available for application by other investors under Section 4.3.2(ii)(d) above in multiples of 3,000 Shares each. Any Issue Share not taken up by investors under Section 4.3.2(ii)(d) above will be made available for application by other investors under Section 4.3.2(i) above, with any remaining Issue Shares thereafter underwritten by our Joint Underwriters, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus.

Applicants who apply for Issue Shares under Section 4.3.2(ii) above may also apply for the Issue Shares available under Section 4.3.1(i) above.

A summary of the allocation of the 155,919,000 Issue Shares as described in Section 4.3.2(ii) above is set out below:

Eligible persons	Number of eligible persons	Aggregate number of Issue Shares allocated
Directors and eligible employees of our Group[1]	4,106	85,954,000
Eligible directors and employees of the UTSB Group[2]	125	10,000,000
Eligible sales agents, independent contractors and talent of our Group[3]	493	3,832,000
Eligible subscribers of our Group and other persons who have contributed to the success of our Group including eligible retailers, vendors and installers[4]	3,208,568	56,133,000

Notes:

(1) The criteria for allocation to our Executive Directors are based on, among others, their respective roles and responsibilities in, and contribution to our Group. Save for Augustus Ralph Marshall, all our non-Executive Directors and our Alternate Director have been allocated the same number of Issue Shares each.

The number of Issue Shares to be allocated to our Directors is as follows:

Name	***Designation***	***No. of Issue Shares to be allocated***
Tun Dato' Seri Zaki Bin Tun Azmi	*Independent Non-Executive Chairman*	*1,000,000*
Augustus Ralph Marshall	*Non-Independendant Non-Executive Deputy Chairman*	*2,500,000*
Chin Kwei Yoong	*Senior Independent Non-Executive Director*	*1,000,000*
Dato' Mohamed Khadar Bin Merican	*Independent Non-Executive Director*	*1,000,000*
Bernard Anthony Cragg	*Non-Independent Non-Executive Director*	*1,000,000*
Hisham Bin Zainal Mokhtar	*Non-Independent Non-Executive Director*	*1,000,000*

4. DETAILS OF THE IPO *(cont'd)*

Name	*Designation*	*No. of Issue Shares to be allocated*
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	*Executive Director/Chief Executive Officer*	*2,500,000*
Lim Ghee Keong	*Alternate Director to Augustus Ralph Marshall*	*1,000,000*

Subject to the discretion of our Board, the criteria for allocation to the directors of our subsidiaries are based on, emong others, their respective roles and responsibilities in, and contribution to our Group and the criteria for allocation to the eligible employees of our Group are besed on, among others, their seniority and length of service.

(2) The criteria for allocation to the eligible directors of the UTSB Group are based on among others, their respactive roles and responsibilities in, and contribution to the UTSB Group and the criteria for allocetion to the eligibla employees of the UTSB Group ere based on, among others, their seniority and job grede.

(3) The criteria for allocation to the eligibla sales agents, independent contractors and talent of our Group ere based on, among others, the nature, terms end duration of their respective relationships with our Group.

(4) Each successful applicant will receive 3,000 Issua Shares.

(The rest of this page has been intentionally left blank)

4. DETAILS OF THE IPO *(cont'd)*

In summary, the IPO Shares are allocated in the following manner:

Categories	Offer Shares: No. of Shares	Offer Shares: % of enlarged share capital	Issue Shares: No. of Shares	Issue Shares: % of enlarged share capital	Total: No. of Shares	Total: % of enlarged share capital
	000	%	000	%	000	%
Retail Offering						
Malaysian public (via balloting):						
- Bumiputera	-	-	51,973	1.0	51,973	1.0
- Non-Bumiputera	-	-	51,973	1.0	51,973	1.0
Directors and eligible employees of our Group	-	-	85,954	1.6	85,954	1.6
Eligible directors and employees of the UTSB Group	-	-	10,000	0.2	10,000	0.2
Eligible sales agents, independent contractors and talent of our Group	-	-	3,832	0.1	3,832	0.1
Eligible subscribers of our Group and other persons who have contributed to the success of our Group	-	-	56,133	1.1	56,133	1.1
	-	-	259,865	5.0	259,865	5.0
Institutional Offering						
Bumiputera investors approved by MITI*	597,690	11.5	-	-	597,690	11.5
Other Malaysian and foreign institutional and selected investors	446,310	8.6	214,435	4.1	660,745	12.7
	1,044,000	20.1	214,435	4.1	1,258,435	24.2
Total	**1,044,000**	**20.1**	**474,300**	**9.1**	**1,518,300**	**29.2**

The completion of the Retail Offering and the Institutional Offering are inter-conditional and are subject to the IPO meeting of the minimum subscription level as set out in Section 4.3.5 of this Prospectus.

Note:

* *This is a voluntary allocation to Bumiputera investors approved by MITI in view of the fact that our Company, being a company with revenue and profit after tax and minority interest predominantly contributed by our wholly-owned subsidiaries with MSC status and being a holding company with no other business activity other than investment in our subsidiaries, is not required to comply with the Bumiputera equity requirements in relation to the IPO.*

4.3.3 Clawback and reallocation

The Institutional Offering and Retail Offering shall be subject to the following clawback and reallocation provisions:

(i) if the IPO Shares allocated to Bumiputera investors approved by MITI are not fully taken up by such Bumiputera investors, the IPO Shares which are not taken up may be allocated to other institutional and selected investors under the Institutional Offering;

(ii) subject to Section 4.3.3(i) above, if there is an over-application in the Retail Offering and an under-application in the Institutional Offering, the IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and

(iii) if there is an under-application in the Retail Offering and an over-application in the Institutional Offering, the Issue Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

4.3.4 Classes of shares and ranking

There is currently and upon completion of the IPO, only one class of shares in our Company, namely ordinary shares of RM0.10 each.

The Issue Shares will, upon allotment and issue, rank equally in all respects with our existing issued and paid-up Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of the Issue Shares, subject to any applicable rules of Bursa Depository.

The Offer Shares rank equally in all respects with our other existing issued and paid-up Shares including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable rules of Bursa Depository.

Subject to any special rights attaching to any shares which we may issue in the future, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the profits paid out by us in the form of dividends or other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Articles of Association after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy or by attorney or by other duly authorised representative. On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.3.5 Minimum subscription level

There is no minimum subscription level in terms of proceeds to be raised from the IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by public shareholders for our Company to comply with the public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities.

4.4 Selling Shareholder

ANM is the Selling Shareholder.

ANM is a wholly-owned subsidiary of AHSB, the Promoter of the IPO. Following the Reorganisation implemented by AHSB as set out in Section 6.1 of this Prospectus, ANM became the sole shareholder of our Company.

As at the date of this Prospectus, ANM holds 4,723,000,000 Shares of our Company, representing 100% of the issued and paid-up share capital of our Company, of which, up to 1,044,000,000 Shares are being offered for sale under the IPO. Following the IPO, ANM is expected to hold 3,679,000,000 Shares, representing 70.8% of the enlarged issued and paid-up share capital of our Company (please refer to Section 9.3 of this Prospectus for further details on ANM's shareholding in our Company).

4.5 Basis of arriving at the price of the IPO Shares

4.5.1 Retail Price

The Retail Price of RM3.00 per Share was determined and agreed upon between our Directors, the Selling Shareholder, the Joint Principal Advisers, Joint Global Coordinators and Joint Managing Underwriters, after taking into consideration the following factors:

(i) Our financial performance and operating history as described in Sections 12 and 13 of this Prospectus;

(ii) Our competitive strengths and strategies and future plans as outlined in Sections 7.3 and 7.4 of this Prospectus;

(iii) The overview and the future outlook of the pay-TV and advertising industry in Malaysia, as described in Section 8 of this Prospectus; and

(iv) The prevailing market conditions including market performance of key global indices and companies which are in businesses similar to ours, as well as investors' sentiments.

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of:

(i) the Retail Price of RM3.00 per Share; and

(ii) the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to successful applicants, without any interest thereon. Further details on the refund mechanism are set out in Section 4.5.3 of this Prospectus.

Prospective retail investors should be aware that the Final Retail Price will not, in any event, be higher than the Retail Price of RM3.00 per Share nor lower than the par value of our Shares.

The Final Retail Price and the Institutional Price are expected to be announced within two Market Days from the Price Determination Date in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the Issue Shares.

Applicants should also note that the vagaries of market forces and other uncertainties may affect the market price of our Shares after Listing.

4.5.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares that they would be prepared to acquire and the price that they would be prepared to pay for such IPO Shares. This bookbuilding process commenced on 20 September 2012 and will end on 3 October 2012, or such other date or dates as our Directors, the Selling Shareholder and Joint Global Coordinators in their absolute discretion may decide. Upon the completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholder in consultation with the Joint Global Coordinators on the Price Determination Date.

4.5.3 Refund mechanism

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to successful applicants without any interest thereon. The refund in the form of cheques will be despatched by ordinary post to the addresses as stated in Bursa Depository's records for applications made using the Application Form or by crediting into the accounts of the successful applicants for applications made via the Electronic Share Application or the Internet Share Application, within ten Market Days from the date of the final ballot of applications, at the successful applicants' own risk.

Please refer to Sections 16.10 and 16.11 of this Prospectus for further details of the refund mechanism.

4.5.4 Expected market capitalisation

Based on the Retail Price of RM3.00 per Share, the total market capitalisation of our Company upon the Listing shall be approximately RM15.6 billion.

4.6 Objectives of the IPO

The objectives of the IPO are as follows:

(i) to facilitate the listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market;

(ii) to enable us to access the equity capital market for cost effective capital raising and to provide us the financial flexibility to pursue growth opportunities;

(iii) to further enhance our profile;

(iv) to establish liquidity of our Shares;

(v) to provide an opportunity for the investing community including the directors and eligible employees of our Group, eligible directors and employees of the UTSB Group, eligible sales agents, independent contractors, talent and subscribers of our Group and other persons who have contributed to the success of our Group to participate in the future performance of our Group by way of equity participation; and

(vi) to raise funds for the purposes as set out in Section 4.8 of this Prospectus.

4.7 Dilution

Dilution is the amount by which the price paid by retail and institutional and selected investors for our Shares exceeds our consolidated NA per Share after the IPO. Our audited consolidated equity attributable to equity holders of our Company as at 30 April 2012 was a deficit of RM1,143.7 million or RM0.24 per Share (based on our issued and paid-up share capital of 4,723,000,000 Shares following the pre-IPO restructuring described in Section 6.2 of this Prospectus). The deficit position is primarily due to the Reorganisation, whereby for accounting consolidation purposes, our acquisition of MBNS (our largest operating subsidiary) was accounted for as a capital reorganisation of MBNS. MBNS was deemed as the acquirer and was carried at historical cost instead of its fair value. The difference between the consideration paid by us and the NA of MBNS at historical cost at the date of the Reorganisation was recorded as a debit balance in the capital reorganisation reserve account of our Group.

After giving effect to the issue of 474,300,000 new Shares under the Public Issue, and after adjusting for the estimated fee and expenses for the IPO and the Listing, our pro forma consolidated NA per Share as at 30 April 2012 (based on our enlarged issued and paid-up share capital of 5,197,300,000 Shares) would be RM0.05 per Share. This represents an immediate increase in the equity per Share attributable to equity holders of our Company of RM0.29 to our existing shareholders and an immediate dilution in NA per Share of RM2.95, representing 98.3% of the Retail Price and the Institutional Price (assuming the Institutional Price and the Final Retail Price will be the Retail Price), to the retail and institutional and selected investors. Further details on our NA per Share are set out in Section 12.6 of this Prospectus.

The following table illustrates such dilution on a per Share basis assuming the Final Retail Price and the Institutional Price are equal to the Retail Price:

	RM
Retail Price/Institutional Price	3.00
Audited consolidated equity per Share attributable to equity holders of our Company as at 30 April 2012, before adjusting for the IPO	(0.24)
Pro forma consolidated NA per Share as at 30 April 2012, after giving effect to the IPO	0.05
Increase in equity per Share attributable to equity holders of our Company	0.29
Dilution in NA per Share to retail/institutional and selected investors	2.95
Dilution in NA per Share to retail/institutional and selected investors as a percentage to the Retail Price/Institutional Price	98.3%

ANM, our sole shareholder, acquired or subscribed for our Shares through the following transactions:

(i) the acquisition of two ordinary shares of RM1.00 each at par value on 21 March 2011, the day upon which our Company commenced its business;

(ii) the Reorganisation which is detailed in Section 6.1 of this Prospectus; and

(iii) the pre-IPO restructuring which is detailed in Section 6.2 of this Prospectus.

Save as disclosed above, none of our substantial shareholders, Directors, key management or persons connected to them have made any cash acquisition and/or cash subscription for our Shares in the three years up to the LPD.

4.8 Utilisation of proceeds

We expect to use the gross proceeds from the Public Issue of RM1,422.9 million in the following manner:

Details of utilisation	Estimated timeframe for utilisation upon Listing	RM million	%
Repayment of bank borrowings[(1)(2)]	Within 12 months	500.0	35.2
Capital expenditure[(1)(3)]	Within 36 months	750.0	52.7
Working capital	Within 24 months	112.9	7.9
Estimated fees and expenses for the IPO and the Listing[(1)(4)]	Within 3 months	60.0	4.2
Total		1,422.9	100.0

Notes:

(1) The Public Issue proceeds that are in excess of the amounts allocated for the repayment of bank borrowings, capital expenditure and/or fee and expenses for the IPO and the Listing will be utilised for meeting general working capital requirements (including the acquisition of content by our Group).

(2) The details of the proposed repayment of bank borrowings are as follows:

Total facilities (RM million)	*Amount outstanding as at 31 July 2012 (RM million)*	*Proposed repayment (RM million)*	*Interest rate (% per annum)/ Maturity date*	*Purpose of borrowing*
4,050.0	*3,502.0 (net of debt issuance costs of RM48.0 million)*	*500.0*	*4.92% (as at 31 July 2012)/19 May 2021*	*For working capital and funding of the Reorganisation*

Based on the respective interest rates of our borrowings, we expect to achieve interest savings of about RM24.6 million per annum following the repayment of the abovementioned bank borrowings.

(3) Our capital expenditure is expected to comprise investment for the following:

Description of proposed utilisation	*RM million*
*New corporate building and technical facility to cater for the expansion of our Group's business**	*100.0*
Broadcast and transmission equipment (excluding set-top boxes)	*120.0*
Set-top boxes	*480.0*
Others	*50.0*
Total	*750.0*

* *The construction of both the new corporate building and the technical facility is expected to commence in October 2012 upon obtaining all necessary approvals from the relevant authorities and is expected to be completed by January 2015 and July 2014 respectively.*

(4) The fees and expenses of the Public Issue to be borne by us are estimated to be RM60.0 million and are expected to comprise the following:

	RM million
Estimated professional fees	*14.0*
Brokerage, underwriting and placement fees	*37.0*
Other fees and expenses such as printing, advertising, travel and roadshow expenses incurred in connection with the IPO	*4.0*
Miscellaneous expenses and contingencies	*5.0*
Total estimated listing expenses	***60.0***

We intend to place the proceeds raised from the Public Issue (including accrued interest, if any) or the balance thereof with banks or licensed financial institutions in interest-bearing instruments/funds prior to the eventual utilisation of the proceeds from the IPO for the above intended purposes.

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale of up to RM3,132.0 million will accrue entirely to the Selling Shareholder.

Through the IPO, we will increase our shareholders' funds and repay part of our bank borrowings, thereby reducing our gearing. We expect this to provide greater financial flexibility for us to fund our future expansion.

The financial impact of the utilisation of proceeds from the Public Issue on our pro forma consolidated financial statements as at 30 April 2012 is as set out in Section 12.6 of this Prospectus.

4.9 Brokerage, underwriting commission and placement fee

We will pay brokerage in respect of the Issue Shares under the Retail Offering, at the rate of 1.0% of the Final Retail Price in respect of all successful applications which bear the stamp of the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Global Coordinators, Joint Bookrunners and Co-Lead Managers are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us nor the Selling Shareholder.

As stipulated in the Retail Underwriting Agreement, we will pay the Joint Underwriters an underwriting commission of 1.75% of the amount which equals to the Retail Price multiplied by the Issue Shares underwritten pursuant to the Retail Offering.

The Selling Shareholder in respect of the Offer Shares and we in respect of the Issue Shares, will pay the Joint Global Coordinators, Joint Bookrunners and Co-Lead Managers a placement fee of 1.75% and a discretionary fee of up to 0.50% of the amount equal to the number of IPO Shares sold pursuant to the Institutional Offering to Malaysian and foreign institutional and selected investors, including Bumiputera investors approved by MITI and the Cornerstone Investors, multiplied by the price at which the IPO Shares are sold.

4.10 Underwriting and lock-up arrangements

4.10.1 Underwriting

Pursuant to the Retail Underwriting Agreement, the Joint Underwriters have agreed to severally but not jointly underwrite 259,865,000 Issue Shares under the Retail Offering ("**Underwritten Shares**") subject to the clawback and reallocation provisions set out in Section 4.3.3 of this Prospectus, for the underwriting commission set out in Section 4.9 of this Prospectus.

Subject to certain conditions precedent in the Retail Underwriting Agreement, each of CIMB and Maybank IB has agreed to underwrite 52,839,220 Issue Shares, RHB has agreed to underwrite 52,839,210 Issue Shares, AmInvestment Bank Berhad has agreed to underwrite 51,973,000 Issue Shares, each of AFFIN Investment Bank Berhad, Kenanga Investment Bank Berhad and MIDF Amanah Investment Bank Berhad has agreed to underwrite 12,993,250 Issue Shares, and Public Investment Bank Berhad has agreed to underwrite 10,394,600 Issue Shares.

The Majority Joint Underwriters may in such manner as they shall reasonably determine (for themselves and on behalf of the Joint Underwriters) by notice in writing terminate, cancel and withdraw their respective underwriting commitment under the Retail Underwriting Agreement in the event of any of the following:

(i) if there is any breach by our Company of any of the representations, warranties or undertakings contained in or in connection with the Retail Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within 15 days from receipt of the notice of such breach being given to our Company by CIMB (as the co-ordinator for the purpose of the Retail Underwriting Agreement) or by the closing of the Retail Offering, whichever is the earlier;

(ii) if there is failure on the part of our Company to perform any of our obligations contained in the Retail Underwriting Agreement and such obligations have not been complied with within two business days of default and in any event before the closing of the Retail Offering;

(iii) if there is withholding of information of material nature from the Joint Managing Underwriters which is required to be disclosed pursuant to the Retail Underwriting Agreement which, in the reasonable opinion of the Joint Managing Underwriters, would have a material adverse effect on our business or operations or on the success of the IPO;

(iv) if there is any material and adverse change in the business or financial condition of our Group as a whole;

(v) if the closing of the Retail Offering does not occur within 60 days from the date of this Prospectus, subject to such extension which may be agreed between our Company and the Majority Joint Underwriters;

(vi) on the occurrence of any of the following events:

(a) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the reasonable opinion of the Majority Joint Underwriters would reasonably be expected to have a material adverse effect (whether in the primary market or in respect of dealings in the secondary market) on the value or price of the IPO Shares or a material adverse effect on the Listing or the IPO. For the avoidance of doubt, and without prejudice to the foregoing, if the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any business day:

(aa) on or after the date of the Retail Underwriting Agreement; and

(bb) prior to the closing of the Retail Offering,

lower than 85% of the level of the Index at the last close of normal trading on the relevant exchange on the business day immediately prior to the date of the Retail Underwriting Agreement and remains at or below that level for at least three business days or any other adverse change in the market conditions which the parties to the Retail Underwriting Agreement mutually agree to be sufficiently material and adverse to render it to be a terminating event, it shall be deemed a material adverse change in the stock market condition; or

(b) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has or is likely to have material adverse effect on our Group, as a whole;

(c) any *force majeure* event which is any event or series of events beyond the reasonable control of CIMB (as the co-ordinator for the purpose of the Retail Underwriting Agreement) or any of the Joint Managing Underwriters which has or is likely to have the effect of making any material part of the Retail Underwriting Agreement incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO or pursuant to the underwriting of the Underwritten Shares;

(d) any imposition of moratorium, suspension or material restriction on the trading of securities on Bursa Securities for a period exceeding three consecutive business days due to exceptional financial circumstances or otherwise; or

(e) any Government requisition or occurrence of any other nature whatsoever which is likely to have a material and adverse effect on the business and/or financial position of our Group, taken as a whole or the success of the IPO,

(vii) in the event that the Listing is withdrawn or not procured or procured but subject to conditions not acceptable to CIMB (as the co-ordinator for the purpose of the Retail Underwriting Agreement) acting reasonably;

(viii) if the SC or any other relevant regulatory authority issues an order pursuant to Malaysian laws such as to make it, in the reasonable opinion of the Joint Managing Underwriters, impracticable to market the IPO or to enforce contracts to sell the Issue Shares; or

(ix) either of the Malaysian Placement Agreement or the International Placement Agreement having been terminated or rescinded in accordance with, the terms thereof.

The IPO Shares under the Institutional Offering are expected to be underwritten by the placement managers as set out in the Malaysian Placement Agreement and the International Placement Agreement in respect of settlement risk.

4.10.2 Lock-up arrangements

(i) In connection with the International Placement Agreement and the Malaysian Placement Agreement, our Company has entered into a lock-up agreement with the Joint Global Coordinators and the Joint Malaysian Coordinators (being CIMB, Credit Suisse Securities (Malaysia) Sdn. Bhd, JPMorgan Securities (Malaysia) Sdn Bhd, Maybank IB and UBS Securities Malaysia Sdn Bhd), under which our Company agrees that for a period beginning on the date of the Listing and ending on, and including, the date that is three months after the date of the Listing, our Company will not, without the prior written consent of the Joint Global Coordinators and the Joint Malaysian Coordinators, (a) issue, allot, sell, offer to sell, contract or agree to sell, hypothecate, pledge, mortgage, charge, assign, grant any option to purchase or security over, or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any other securities of our Company that are substantially similar to our Shares (or any interest therein or in respect thereof), or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing; (b) enter into any swap, transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our Shares or any other securities of our Company that are substantially similar to our Shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, whether any such transaction is to be settled by delivery of our Shares or such other securities, in cash or otherwise; or (c) publicly announce an intention to effect any transaction specified in (a) or (b), except, in all cases, pursuant to the IPO, or for the grant of any Shares to the eligible executives (including the Executive Directors, Chief Executive Officer and officers) of our Company and the eligible employees of our Group under and pursuant to the terms of the Management Share Scheme;

(ii) In connection with the International Placement Agreement and the Malaysian Placement Agreement, the Selling Shareholder has entered into a lock-up agreement with the Joint Global Coordinators and the Joint Malaysian Coordinators under which the Selling Shareholder agrees that for a period beginning on the date of the Listing and ending on, and including, the date that is three months after the date of the Listing, the Selling Shareholder will not, without the prior written consent of the Joint Global Coordinators and the Joint Malaysian Coordinators, (a) sell, offer to sell, contract or agree to sell, hypothecate, pledge, mortgage, charge, assign, grant any option to purchase or security over, or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any other securities of our Company that are substantially similar to our Shares (or any interest therein or in respect thereof), or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing; (b) enter into any swap, transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our Shares or any other securities of our Company that are substantially similar to our Shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise; or (c) publicly announce an intention to effect any transaction specified in (a) or (b), except, in all cases, pursuant to the IPO. The foregoing restrictions shall not apply to any transfer of our Shares by the Selling Shareholder to Augustus Ralph Marshall pursuant to the terms of the employment contract between AHSB and him, provided that Augustus Ralph Marshall has undertaken to AHSB not to sell or dispose of such number of our Shares equal to a value of RM3,000,000 divided by the Final Retail Price for a period of one year from the date of the Listing; and

(iii) The Cornerstone Investors are subject to lock-up arrangements pursuant to which they have agreed not to, (a) offer, pledge, sell, transfer, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of the Cornerstone Investors Lock-Up Shares (being the number of Shares in excess of 15.0 million Shares acquired pursuant to their respective cornerstone placing agreements as described below as well as any other Shares or other securities convertible into or exercisable or exchangeable for our Shares or warrants which are derived therefrom); or (b) enter into any swap or any other agreement or any transaction that transfers, in whole or in part the economic consequence of ownership of the Cornerstone Investors Lock-Up Shares or warrants, for a period of three months following the date of the Listing except with the prior written consent of, (aa) our Company, the Selling Shareholder and the Joint Malaysian Coordinators (in the case of the Malaysian incorporated Cornerstone Investors); or (bb) our Company, the Selling Shareholder and the Joint Global Coordinators (in the case of the foreign incorporated Cornerstone Investors).

The lock-up arrangements for the Cornerstone Investors are only applicable if a Cornerstone Investor purchases more than 15.0 million Shares of our Company pursuant to the cornerstone placing agreement entered into by it, and are not applicable to the first 15.0 million Shares purchased by such Cornerstone Investor. As a result, of the 430.0 million Offer Shares which Cornerstone Investors have in aggregate agreed to acquire pursuant to their the respective cornerstone placing agreements, 190.0 million Offer Shares comprise Cornerstone Investors Lock-Up Shares and are subject to the lock-up arrangements described above.

4.11 Trading and settlement in secondary market

Upon our Listing, the IPO Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS (which is operated by Bursa Depository), which will be effected in accordance with the rules of Bursa Depository and the provisions of the SICDA. Accordingly, our Company will not deliver share certificates to the subscribers or purchasers of the IPO Shares.

Beneficial owners of our Shares are required under the rules of Bursa Depository to maintain the Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to the respective securities accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

(i) to facilitate a share buy-back;

(ii) to facilitate conversion of debt securities;

(iii) to facilitate company restructuring process;

(iv) where a body corporate is removed from the Official List;

(v) to facilitate a rectification of any error; and

(vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot market. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the third Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 12 Market Days after the close of the Institutional Offering. Holders of our Shares will not be able to sell or otherwise deal in our Shares (except by way of a book-entry transfers to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

5. RISK FACTORS

Before investing in our Shares, prospective investors should pay particular attention to the fact that, to a large extent, our Group and our operations are governed by the legal, regulatory and business environment in Malaysia, which may in some aspects differ from those which prevail in other countries. Our business is subject to a number of factors, many of which are beyond our control. Prior to making an investment decision, prospective investors should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set forth below. The risks and investment considerations set forth below are not an exhaustive list of all the risks that we are currently facing or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

5.1 Risks relating to our business and our operations

5.1.1 Our business is subject to extensive regulation and our licences have fixed terms and are subject to renewal

Our business and operations are dependent on licences issued by the relevant authorities, which contain specified conditions. We currently possess licences issued under the CMA to provide, among others, multi-channel subscription TV and radio broadcasting services. Please refer to Annexure B of this Prospectus for further details of the licences.

The CMA provides that the Minister may, at any time by declaration, take action to modify, vary or revoke the special conditions on existing individual licences issued under the CMA as well as impose further additional conditions to an existing individual licence. The CMA also allows the Minister, on the recommendation of the MCMC, to suspend or cancel an individual licence granted under the CMA in certain circumstances, including but not limited to failure to pay any amounts due under the licence, failure to comply with the licence conditions, failure to comply with the provisions of the CMA or any other written laws relevant to the communications and multimedia industry and also where it is in the public interest to make such suspension or cancellation.

Section 197 of the CMA allows a licensee to set rates in accordance with the market rates provided that the rates charged to customers are published. The rates set must also be in compliance with the principles on rate setting set out in Section 198 of the CMA as further discussed in Section 7.18.1 of this Prospectus. Although the CMA allows licensees to set rates in general, there are provisions in the CMA which prescribe the circumstances in which the Minister, on the recommendation of the MCMC, may intervene to set rates. Section 199 of the CMA provides that the Minister may, on the recommendation of MCMC, intervene freely or frequently in determining and setting the rates for any competitive facilities or services for good cause or as the public interest may require. In addition, Section 200 of the CMA provides that in certain circumstances (including where the rates are not set in accordance with the principles set out in Section 198 of the CMA), the Minister may, on the recommendation of the MCMC, determine special rate regulation regimes, which may include setting, reviewing and approving rates, or forbearing from the regulation of rates. Any intervention by the Minister in rate setting may restrict our ability to price our services competitively resulting in a material and adverse effect on our operations, business, results of operations and financial position.

The licences held by us have fixed terms. While the CMA provides that licensees may apply for renewal of individual licences within a specified time period before expiry, there can be no assurance that such renewals would be on identical terms as the existing licences, or that the renewals would be granted at all.

In addition, there can be no assurance that the authorities will not attempt to vary, modify or impose further licence conditions on us. Such variation, modification or imposition of licence conditions or any suspension, cancellation, revocation or non-renewal of our licences could have a material and adverse effect on our operations, business, results of operations and financial position.

Although we have not received any notice of being in breach of our licence conditions or any relevant laws, there can be no assurance that we will not be in breach of our licence conditions, regulations and relevant laws. Furthermore, there is no assurance that we will not be in the future, subject to any equity conditions, nor is there any assurance that we would be able to comply with such equity conditions which the relevant authorities may impose on us. Any non-compliance may result in suspension or cancellation of our licences and this would have a material and adverse effect on our operations, business, results of operations and financial position.

As our business is subject to extensive regulation and supervision by the Government, any changes to relevant laws and regulations in Malaysia affecting us, or the introduction of any new laws and regulation relating to the communication and broadcasting industry, could potentially have a material and adverse effect on us. For example, changes in laws, industry policies and implementation of Government instruments, or the imposition of stricter censorship laws, may have an impact on our ability to utilise content to generate revenue. Furthermore, our competitiveness depends on our ability to secure exclusive premium content. Recent announcements in early 2012 indicate that the regulators are considering measures to compel the sharing of specific sporting events which are deemed to be of national significance. Any regulatory intervention restricting exclusive content arrangements or requiring the sharing of exclusive content could have a material and adverse affect on our operations, business, results of operations and financial position.

For further details on the regulatory environment in which we operate, please refer to Section 7.18 of this Prospectus.

5.1.2 We are dependent on two satellites, namely MEASAT-3 and MEASAT-3A, and we may not be able to provide back-up service in the event of a failure of the satellites

We are currently dependent on MEASAT-3 and MEASAT-3A, which began commercial operations in February 2007 and July 2009, respectively, with life expectancies of up to 2021 and 2024, respectively. We use 11 and six high-powered Ku-band transponders on MEASAT-3 and MEASAT-3A, respectively, to provide DTH satellite broadcasting services in Malaysia and Brunei. We have the capacity to broadcast up to 179 TV channels, including 36 HD channels, over our DTH platform through MEASAT-3 and MEASAT-3A.

Although MEASAT-3 and MEASAT-3A provide back-up and recovery functions for each other, in the event of a failure of either satellite or should the service levels of either MEASAT-3 or MEASAT-3A significantly degrade or the satellite becomes unavailable, we may not be able to provide full service to our customers. For instance, in the event that MEASAT-3 service levels significantly degrade or the satellite becomes unavailable, MEASAT-3A can only be used to provide 100.0% of HD services for our 36 HD channels but no SD channel, or be used to provide 78 SD channels but no HD channel or a combination of both (assuming six HD channels per transponder or 13 SD channels per transponder). In the event that the service levels of MEASAT-3A, which currently only carry HD services, significantly degrade or the satellite becomes unavailable, MEASAT-3 could be used to restore 100.0% of our HD services, using six transponders while the remaining five transponders could be used to maintain 65 SD channels, or other combinations of HD and SD channels (assuming six HD channels per transponder and 13 SD channels per transponder).

Should MEASAT-3 and MEASAT-3A service levels significantly degrade or should the satellites become unavailable due to operational, commercial, regulatory or any other reasons, we may not be able to secure any replacement Ku-band capacity to provide our DTH services to our subscribers and even if we were able to secure replacement Ku-band capacity, it may not be sufficient to provide an acceptable level of service to our subscribers. Alternative satellites with Ku-band capacity, which is currently limited in Southeast Asia, would need to be sourced and even if available, any such alternative satellite would need to be re-positioned to be co-located with MEASAT-3 or MEASAT-3A, at the orbital position of 91.5 degrees east. If such alternative Ku-band capacity could not be co-located with MEASAT-3 or MEASAT-3A, we would be required to physically reposition all subscribers' out-door units to point at the new satellite(s) which could result in significant costs.

The service levels of any of the satellites may be disrupted for various reasons, including:

- transponder failure or other degradation of satellite electronics;
- exhaustion of fuel required to keep the satellite at the intended location and orientation;
- loss of power of the satellite as a result of premature ageing of the solar cells and/or loss of battery capacity during an eclipse;
- malfunctions or errors in the ground control station that cause the satellite to become unable to transmit signals to the designated broadcasting area;
- damage caused by space debris or excessive solar radiation;
- faulty systems, software, mechanical devices or latent faults in the design and construction of the satellite; and
- interference of signals transmitted from the satellite to the ground control station due to signals from adjacent satellites, terrestrial microwave links or the sun.

A failure of MEASAT-3 and/or MEASAT-3A that leads to a prolonged interruption of our services could result in a loss of subscribers and advertisers and may damage our reputation as a quality provider of pay-TV. In addition, there can be no assurance that our insurance will be adequate to cover any losses associated with such events. Please refer to Section 7.12 of this Prospectus for further information on our insurance coverage. Any of these events could have a material and adverse effect on our operations, business, results of operations and financial position.

5.1.3 A delay in or a failure of the launch of MEASAT-3B may delay our TV channel expansion plans

To expand the number of TV channels, we require the use of additional Ku-band transponders. We have leased from MEASAT International (South Asia) Ltd ("**MISA**"), a subsidiary of MGB an additional 18 Ku-band transponders on MEASAT-3B, which is expected to be launched in 2014. Once MEASAT-3B commences its full commercial service, we expect to be able to expand our broadcasting capacity to a projected maximum capacity of 180 SD and 102 HD channels from the current capacity of 179 channels (including 36 HD channels) as at the LPD. Please refer to Sections 7.6.2 and 7.19 of this Prospectus for further details of this arrangement. However, there can be no assurance that MEASAT-3B will be launched on time or at all or that once it is in orbit, it will be fully operational without disruption or will be capable of providing the capacity to support our TV channel expansion plans. In the event that there is a failure or delay in the launch or commencement of commercial operations of MEASAT-3B or if MISA fails for any reason to provide the MEASAT-3B Ku-band capacity to us, our TV channel expansion plans may be delayed, which could restrict the growth of our business, and have a material and adverse effect on our reputation and/or business, which could in turn have a material and adverse effect on our results of operations and financial position.

5.1.4 A substantial part of our business is dependent upon our broadcast facilities, which may be vulnerable to business interruption

We have two broadcast facilities that are located approximately 20 kilometres apart. One facility, AABC, is in Bukit Jalil, approximately 12 kilometres outside of Kuala Lumpur, and the other facility, CBC, is in Cyberjaya, approximately 30 kilometres from Kuala Lumpur. Our broadcast facilities are vulnerable to damage or cessation of operations due to fire, floods, severe storms, power loss, acts of terrorism and other potential catastrophic events. We may experience failures or shutdowns relating to the individual components of the broadcast facilities or catastrophic failure of all of our broadcast facilities. In addition, no alternative third-party Ku-band uplink facilities are currently available for lease in Malaysia and we have limited back-up broadcast facilities in AABC and CBC. In the event of a complete failure of either facility, we may only be able to provide 50.0% of our current TV play-out content and a prolonged period of time may be required to restore the remainder of our services depending on the nature and extent of the failure. For our radio broadcasting business, the transmission chain is dependent on the use of transmission towers. The transmission towers are vulnerable to damage or cessation from fire, earthquakes, floods, severe storms, power loss, theft, acts of terrorism and other potential catastrophic events.

In addition, we are dependent on AABC for both our TV and radio broadcasts, due to the studios, equipment and personnel being located at AABC. In the event that AABC's operations are disrupted by any of the events discussed above, we may experience a material delay in producing or aggregating content if we were unable to find an adequate substitute facility.

In addition, there can be no assurance that our insurance will be adequate to cover any losses associated with the events described above. Failure of any of these systems and facilities leading to a prolonged interruption of services could result in loss of subscribers and advertisers which could have a material and adverse effect on our operations, business, results of operations and financial position and may damage our reputation as a quality provider of pay-TV and radio programming.

5.1.5 We may not be able to implement our strategies and future plans successfully

Our business strategies and future plans are described in Section 7.4 of this Prospectus. The successful implementation of these strategies and future plans, including continuing to produce and procure high-quality content, bundling different content into attractive packages, providing attractive services, continuing to develop current and new delivery platforms to introduce innovative products and services, remaining competitive and continuing to attract subscribers to Astro B.yond, Astro On-The-Go and NJOI, and providing satisfying service experiences for our customers, depends on a number of factors including, among other things, changes in the Malaysian media markets, the availability of funds, competition, Government policies and our ability to retain and recruit employees with the relevant skills. Some of these factors are beyond our control and by nature, are subject to uncertainty.

There can be no assurance that our strategies and future plans can be implemented successfully. Any failure or delay in the implementation of any or all of these strategies and future plans may have a material and adverse effect on our profitability and prospects.

There is a risk that we may not identify consumer trends correctly, or that any new product or service we launch will not be or may no longer be provided on a cost-effective basis, or on a price-competitive basis because of our misreading of consumer demand or sentiment. These risks exist in particular with our anticipated future growth drivers in the media industry such as new technology. Developing and marketing a new product is costly, and with no assurance that we will predict trends correctly, there can be no assurance that a misjudgment will not adversely affect our results of operations and financial position.

If we are unsuccessful in addressing the challenges and related risks and uncertainties facing our operations, our business, results of operations and financial position will be materially and adversely affected.

5.1.6 The security of media content delivered by us and of our encryption systems may be compromised by piracy

We deliver media content that we develop or source from external content suppliers in an encrypted format and we rely on trademark, copyright and other intellectual property laws to establish and protect our rights over such content. However, there can be no assurance that such intellectual property rights will not be challenged, invalidated or circumvented. Furthermore, pay-TV operators face continuous and on-going threats from content piracy, including third-party attempts to hack the encryption technology and/or circumvent content security systems as well as third parties uploading content on the Internet or distributing physical copies of pirated content. While we continue to monitor such activities and work with technology providers to mitigate such risks, there can be no assurance that the security and anti-piracy measures used by us will be successful in preventing or reducing piracy. Third parties may be able to copy, infringe or otherwise profit from our rights or the content that we own or are licensed to us, without our, or the right holders' authorisation. Moreover, these unauthorised activities can be easily facilitated over the Internet. Anonymity on the Internet makes enforcement of copyright challenging.

The unauthorised use of our content may damage our reputation in the market, making our media content less attractive to subscribers and/or advertisers, or leading to higher costs of acquiring third-party content, termination of content provider contracts, damage and penalty claims by content providers and increased churn. Any of the above may adversely affect our business, results of operations and financial position.

5.1.7 Our broadcast and IT infrastructure may be subject to security breaches and hacking

Despite the implementation of security measures, our broadcast and IT infrastructure may be subject to computer viruses, hacking or similar disruptive problems, which could lead to, among others, interruptions, delays or termination of our service to our subscribers or impair or disrupt our ability to accurately invoice and collect service fees from our subscribers as well as damage our reputation. This, in turn, could result in loss of revenues and disgruntled subscribers and business customers. This risk exists across our entire business infrastructure.

To the extent we store and transmit proprietary information (e.g. credit card information), computer viruses or security breaches could damage our reputation and expose us to possible liability. Breaches of our conditional access security, including through hacking of conditional access software, may result in unauthorised access to our content. Although we work with our technology partners to monitor and take security measures to safeguard the conditional access system, there is no guarantee that such efforts will be successful in preventing hacking and signal theft. These events may also require us to incur further expenditure to put in place more advanced security systems to prevent unauthorised access to our infrastructure. Any of these events may have a material and adverse effect on our business, results of operations and financial position.

5.1.8 Complex technology used in our business could fail or become obsolete

Technology in the TV and media industry is in a rapid and continuous state of change. We and our service suppliers may not be able to keep pace with technological developments or any urgent need to replace obsolete technology to remain competitive. We distribute content through new alternative platforms, such as via our IPTV or our OTT platforms in addition to our DTH satellite TV platform, and provide our customers with additional services such as HD or PVR. Distribution through new platforms may require sophisticated technologies and infrastructure facilities that may in turn require significant investment. There can be no assurance that we will have sufficient cash flow from operations or will be able to secure financing on commercially favourable terms to fund such investments. Furthermore, there can be no assurance that we will successfully implement and market any of these new alternative platforms.

Moving from an older generation platform to a new generation platform usually involves legacy issues or problems that need to be addressed. Our ability to roll out the new generation HD/PVR services is hampered in households of some Multiple Dwelling Units ("**MDUs**") which share a master satellite antenna such as the older apartment blocks and flats. Such older MDUs could either require re-cabling works as the existing infrastructure is not compatible with the HD/PVR set-top box, or must be accessed using an alternate delivery method to the DTH satellite TV platform such as IPTV. While we plan to deliver the HD/PVR services to such affected MDUs via high-speed broadband, there can be no assurance that we can gain access, on reasonable terms, to the high-speed broadband network owned by third-party telecommunications companies nor is there any assurance that the network of such telecommunications companies is able to provide sufficient bandwidth for our services. In cases where high-speed broadband access is not available at all, the MDU owner may choose to re-cable the building, but there can be no assurance that this will happen.

In terms of the technology associated with our broadcast system, new applications and adaptations of existing and new technologies, such as compression, conditional access, on-screen programme guides and software after significant development, are integral to our broadcast system and may, at times, not function as expected. In addition, delays in the delivery of parts or other problems in our broadcast system may occur that could adversely affect the performance or operation of our broadcast system. Furthermore, a failure of IT systems such as customer relationship management or billing and collection systems could materially and adversely affect our reputation and business.

5.1.9 We may be liable for information disseminated through our network

We may be subject to claims for defamation, negligence, copyright or trademark infringement, personal data violation or other legal claims relating to the information which we publish on our websites or disseminate through our network, including claims and actions under the censorship and national security laws of Malaysia. We could also be subjected to claims and enforcement actions based upon the content or data accessible from our websites through links to other websites or through content and materials that may be posted by members on our websites. We may incur substantial expenses in defending against such claims (regardless of our merit), which may adversely affect our business, results of operations and financial position.

5.1.10 We may be unable to adequately protect our intellectual property rights or may face intellectual property claims that may be costly to resolve

We rely on a combination of trademarks and servicemarks, copyright protection and domain name registrations to establish and protect our brand names and logos, marketing designs and Internet domain names and programme rights. There can be no assurance that the steps we take in this regard will adequately protect our intellectual property rights.

Third parties or persons may challenge our exclusive right to use our brand names and logos and we could incur substantial costs in defending any claims relating to our intellectual property rights. Issues relating to intellectual property rights can be complicated and there can be no assurance that disputes will not arise. Any disputes which are not resolved in our favour may adversely affect our reputation and business.

5.1.11 The pro forma consolidated financial information included in this Prospectus may not accurately reflect our financial position, results and cash flows

Our Group was formed following the Reorganisation which was implemented in March 2011 and April 2011, the details of which are set out in Section 6.1 of this Prospectus. As such, there are no audited financial statements prepared for our Group for the financial years ended 31 January 2010 and 2011.

We have included in this Prospectus the pro forma consolidated income statements for the financial years ended 31 January 2010, 2011 and 2012 and for the three month financial period ended 30 April 2011, the pro forma consolidated statement of cash flows for the financial year ended 31 January 2012, and the pro forma consolidated balance sheets as at 30 April 2012 (collectively referred to as "**pro forma consolidated financial information**"), based on our Group's structure as at 30 April 2012 and on the assumption that our Group had been in existence throughout the financial periods under review. As the pro forma consolidated financial information is prepared for illustrative purposes only, such information, because of its nature, may not give a true picture of our financial position, results of operations and cash flows that would have occurred had the Reorganisation, IPO and Listing been effected on the dates assumed to have been effected, as set out in Section 12.6 of this Prospectus in the Reporting Accountants' report on the pro forma consolidated financial information.

We did not operate as a separate Astro Malaysia Group prior to the Reorganisation, and our subsidiaries formed part of AHSB Group's businesses, which also included businesses other than our business. The pro forma consolidated financial information is, therefore, not necessarily indicative of the financial position, results of operations and cash flows that would have occurred if our subsidiaries had been operating as Astro Malaysia Group during the financial years under review. Further, the pro forma consolidated financial information does not purport to predict our Group's future financial position, results of operations and cash flows.

5.1.12 Competition may erode our market share

We anticipate that there will continue to be new entrants into the TV and content provision market in Malaysia. Licences were issued under the CMA to various parties allowing the licensees to provide, among others, pay-TV subscription services in Malaysia. In 2011, we had a market penetration rate of approximately 50.0% of the Malaysia TV Households of which we had a market share of approximately 99.0% of Malaysia's residential pay-TV market. However, there can be no assurance that any non-operational licence holder will not commence operation or that there will not be any new entrants as the pay-TV market develops. In addition, joint ventures and alliances among multi-channel subscription TV and telecommunication providers may result in the bundling of their services, competing with those provided by us. Furthermore, our exclusivity right for DTH broadcasting in Malaysia under our licence expires in 2017 and this may lead to an increase in competition. In addition, the Government is currently calling for the tender of the build-out of a Digital Terrestrial Television infrastructure over the next several years, which may enable a large number of free-to-air channels to be broadcast in Malaysia. These potential new competitors may have significantly greater financial and marketing resources than us, may increase our customer acquisition costs, or may cause an increase in content cost and, if successful, may erode our market share as well as our TV Adex share. In addition, we may also face competition from providers of digital media, such as companies that offer movies, TV shows and other video content online. Such online digital media platforms may cause our existing subscribers to disconnect their services or cause a decrease in the subscription of our services, which would have a material and adverse effect on our business, results of operations and financial position.

Furthermore, we face competition in the TV Adex market. We cannot guarantee that we will maintain our share of viewership or of the TV Adex market or the effectiveness of our advertisement sales and an inability to do so may materially and adversely affect our profitability, business, results of operations and financial position.

In terms of our radio operations, if we are not able to produce innovative and attractive radio content or develop and maintain radio talents, radio Adex may decrease and our profitability, business, results of operations and financial position may be materially and adversely affected.

Please refer to Section 7.7 of this Prospectus for a discussion on our competitors.

5.1.13 We are susceptible to increases in content costs and other operational and industry risks associated with the production of some of our content

We produce some of our own local vernacular content and are subject to costs and risks associated with such activity. We may be required to increase spending on staff, talents or production equipment and facilities to continue to produce high quality local content and such costs may exceed our anticipated budget during the course of production. In addition, our production business is also dependent on our access to quality talent and there can be no assurance that we will in the future be able to obtain or retain quality talent for our content productions.

In addition, the media industry is speculative by nature and historically has involved a substantial degree of risk. For example, the success of a particular piece of content depends upon unpredictable and changing factors, including the success of promotional efforts, the availability of alternative forms of media consumption, general economic conditions, public acceptance, consumer preferences and other factors, many of which are beyond our control. We may be unable to produce products or services that receive sufficient market acceptance for us to be successful, and this could have a material and adverse effect on our business, results of operations and financial position.

5.1.14 Our business is dependent on our ability to source/procure content at reasonable rates

Our ability to retain existing subscribers and attract new subscribers depends in part on our ability to deliver content that is popular with TV audiences and entices consumers to subscribe to our services. The emergence of new distribution platforms or competition from operators in the pay-TV industry or an increase in the cost of sourcing or procuring external content, especially relating to sports and premium content, may result in our inability to obtain attractive TV content from third parties at reasonable rates. Our ability to secure popular content in the past does not guarantee that we will be able to continue to secure or renew, on reasonable terms, rights to such content. For example, popular sporting events such as the Barclays Premier League, the FIFA World Cup and the UEFA European Football Championship are licensed for limited periods and with increasing competition, there can be no assurance that we can secure these rights in the future or secure such rights at reasonable rates. Similar risks also apply with regards to third-party channels which are licensed for a limited period and there can be no assurance that we can secure renewals of such content contracts in the future or to secure them at reasonable rates. Our subscribers may be unwilling to pay the prices for our services, if there is an increase in our subscription fees due to an increase in content acquisition cost or if other cheaper alternative means of consuming media content are available. In addition, our competitiveness also depends in part on our exclusive content arrangements with our content partners and there can be no assurance that there will not be any regulatory intervention restricting exclusive content arrangements or compelling the sharing of exclusive content. Furthermore, we may not be able to procure attractive content that appeals to our subscribers. The inability to procure or source content on an exclusive basis or content that is well-received by our subscribers at reasonable costs or changes in consumer taste, could cause our subscriber numbers to stagnate or decrease, and could have a material and adverse effect on our revenues, business, results of operations and financial position.

5.1.15 Our Residential ARPU and our profitability may decline

Our ability to sustain and increase profitability is in part dependent upon our retaining a subscriber base large enough to generate revenue sufficient for profitability. The growth in the number of our subscribers and our revenue has been derived primarily from the affluent population in urban areas in Malaysia. We seek to increase our penetration rate in other demographics, for instance by attempting to gain new subscribers from relatively less affluent households in rural areas. This could result in a downward pressure on our Residential ARPU. Furthermore, increasing competition may put pressure on us to lower our prices. In addition, our Residential ARPU may decrease due to potential cannibalisation risks, for instance, subscriber migration from our pay-TV platform to our lower-cost NJOI service. As a result, our Residential ARPU may decline and our churn rate may increase, either or both of which could result in lower margins, slower revenue growth and lower profitability, and this may adversely affect our business, results of operations and financial position.

5.1.16 Our cash requirements may be accelerated in the event our set-top box and out-door unit (collectively referred to as "set-top boxes") deferred payment arrangements are discontinued

Our deferred payment arrangements with respect to our set-top boxes purchases entail the issuance of promissory notes or letters of credit, as applicable, to the suppliers upon receipt of invoice or prior to delivery. The suppliers then indorse these promissory notes or present the letters of credit to the banks for payment. We are only required to make periodic interest payments up to the maturity of the applicable promissory note or letter of credit at the end of a 24 or 36-month period, as applicable, at which point the principal amount is due. As at 31 July 2012, such vendor financing for our set-top boxes amounted to RM594.4 million and is reflected in our balance sheet under "payables". In the event that our deferred payment arrangements with our suppliers are discontinued we may be required to accelerate our cash requirements to pay for the set-top boxes. This may also result in a material delay in the delivery of set-top boxes. If there were a material delay in the delivery of our set-top boxes, there could be a material and adverse effect on our reputation and business. Any of the above may have a material and adverse effect on our business, cash flows, results of operations and financial position.

5.1.17 Escalating rate of subscriber churn may decrease our profitability

In Malaysia, churn arises mainly as a result of personal economic factors, and to a lesser extent, changes in consumers' media consumption preference and competitive influences. In addition, churn tends to be cyclical as certain quarters of a year have a higher rate of subscriber disconnections. For example, churn tends to increase during the first and fourth quarters of any calendar year because typically, more disposable income is allocated by households towards events such as the start of the school year and key holidays falling during these times. Our ability to manage churn in the future will likely be dependent on our ability to execute our targeted retention programmes, compete with new entrants to the pay-TV sector, procure and create relevant content or provide differentiated customer service through our customer service channels. For example, any interruption of our services, the removal or unavailability of programming, which may not be under our control, or other customer service problems could lead to an increase in subscriber churn or cause us to not be able to meet our goal of reducing our level of subscriber churn. An increase in competition may also make it more difficult for us to gain new subscribers. Any increase in subscriber churn may lead to an increase in costs in retaining subscribers, and a reduction in revenue, which could have a material and adverse effect on our results of operations and financial position.

5.1.18 We expect that our costs associated with customer acquisition and conversion will increase

We incur expenses in obtaining new subscribers, including sales and distribution expenses (including incentives), marketing and promotional expenses, installation costs, and set-top box costs.

In addition, although the cost of Astro B.yond set-top boxes is capitalised, we incur expenses, such as marketing and related set-top boxes expenses, in migrating our existing subscribers to the Astro B.yond set-top boxes. The average customer conversion cost is similar to the average customer acquisition cost, subject to certain differences arising from the manner in which we approach and market to our customers.

Our customer acquisition and conversion costs are principally affected by (i) economies of scale, as we believe a large and growing customer base will allow us to use our scale to manage the per unit cost of set-top boxes and distribution expenses, (ii) fluctuations in foreign exchange rates as the cost of purchasing set-top boxes are typically incurred in USD, (iii) marketing activities and (iv) our customer acquisition and conversion numbers.

Marketing efforts relating to the conversion of our existing subscribers to Astro B.yond set-top boxes commenced in the financial year ended 31 January 2011, have increased substantially since then and are expected to continue until the financial year ending 31 January 2014, by which time we expect that a greater majority of our subscriber base will be using the Astro B.yond set-top boxes. We expect our customer conversion costs to continue to increase during the conversion period principally due to these marketing efforts, as well as the higher costs of the Astro B.yond set-top boxes and their related expenses, and increases in distribution expenses. We also expect increases in depreciation costs relating to the depreciation of the Astro B.yond set-top boxes. In addition, as the purchases of Astro B.yond set-top boxes are typically financed through vendor financing, we expect to have an increased level of vendor financing, and a corresponding increase in interest costs.

If we are unable to effectively manage the factors affecting our customer acquisition cost and conversion cost, our operating costs may increase significantly, which may have a material and adverse effect on our results of operations and financial position.

5.1.19 Our pay-TV business is influenced by consumer spending patterns and preferences

Our pay-TV business is influenced by consumer spending patterns and preferences. Changes in consumers' taste or their media consumption patterns could lead to our subscribers ceasing to subscribe to our services or choosing alternative providers and our inability to attract new subscribers. For example, subscribers may prefer to access their desired content online from a variety of sources, legal or otherwise, rather than through us. In the event that there is a change in consumer spending preference to other types of media other than the services we offer, our business may be adversely affected. Further, the proliferation of unauthorised use of our content might also encourage subscribers to develop a preference for pirated content, which could have a material and adverse effect on our business, results of operations and financial position.

5.1.20 Our IPTV and OTT services may be affected by disruptions, delays and other difficulties from third-party network and broadband service providers

Our IPTV and OTT products operate using network and broadband services provided by third parties. The performance of our IPTV and OTT services is dependent on the quality of the overall broadband connectivity from these third parties which is outside our control. The quality of our OTT and IPTV services may be materially and adversely affected should there be a disruption, delay or other difficulties from network and broadband service providers. Our OTT services and other digital products are accessed over an open Internet connection, on which we cannot guarantee quality of service and connectivity. High bandwidth traffic, poor network service by network providers or network outages, or any service degradation of broadband connection could negatively impact the ability of our subscribers to use our IPTV and OTT services effectively. This could lead to subscribers dissatisfaction which could in turn materially and adversely affect our reputation, business, results of operations and financial position.

5.1.21 We depend on third parties to supply us with certain equipment and services

We depend on third parties such as set-top box manufacturers, software vendors and other equipment suppliers, service providers and sales and distribution partners to supply us with the equipment and services that we require for our business. If these third parties cease to provide such equipment or services to us, or provide faulty equipment, or if these supplies are interrupted due to insolvency, non-renewal of contracts, technical difficulties or any other reasons, our business may be adversely affected. Furthermore, our vendors may request for changes in pricing, payment terms or more onerous terms, which could result in our having to make substantial additional payments. While alternative sources for this equipment and these services exist, we may not be able to develop these alternative sources quickly and cost effectively which could materially and adversely impair our ability to ensure timely delivery of our services to our subscribers and to operate our business. There can be no assurance that we will be able to find substitutes for these suppliers within a reasonable time, on commercially reasonable terms. Any inability to secure equipment or services could materially disrupt our business operations and could have a material and adverse effect on our reputation, business, results of operations and financial position.

5.1.22 Our rights to the land underlying the AABC may be compromised

Astro Productions currently has an agreement to sub-lease the land underlying the AABC ("**Agreement to Sub-Lease**") until 2025 (with an option to renew for a further 30 years) with Technology Park Malaysia Corporation Sdn Bhd ("**TPMC**"). Please refer to Annexure A for further details of the Agreement to Sub-Lease. Although Astro Productions has entered into negotiations with TPMC to execute a sub-lease agreement and to register the sub-lease following the registration of a lease granted by the Federal Lands Commissioner ("**FLC**") to TPMC ("**Principal Lease**"), as at the LPD, Astro Productions does not have a registered interest in the land. It only has a contractual interest pursuant to the Agreement to Sub-Lease. Although we believe that the registration of the sub-lease under the National Land Code, 1965 to give full effect to the current agreement with TPMC, is a formality, we cannot guarantee that such registration will be successful. Non-registration of the sub-lease may consequently result in third parties having a competing interest in the sub-lease, if such third-party interest was legitimately obtained and without notice of Astro Productions' prior interest. Further, there can be also no assurance that the Principal Lease would not at any time in the future be terminated due to any breach by TPMC of the terms of the Principal Lease. In the event that the Principal Lease is terminated, this would have a material and adverse effect on us given that the rights of Astro Productions under the sub-lease are derived from the Principal Lease.

5.1.23 Our ability to compete effectively will depend on our key management and the availability of a skilled workforce

As media, broadcasting and telecommunications industries become increasingly competitive, both in Malaysia and elsewhere, we believe our success will depend to a significant extent upon, among other factors, our ability to continue to attract, retain and develop our human capital and talents across our operations. For example, our key management is critical for setting the directions of our business, our operations team is instrumental for carrying out our day-to-day operations, whilst our talent allow us to produce popular local content. 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.

5.1.24 We are exposed to foreign currency exchange risks, interest rate risks and credit risks

Our functional currency for financial reporting purposes is RM, and substantially all of our revenue is denominated in RM. We have incurred, and expect to continue to incur, significant expenses, such as purchases of set-top boxes, international content costs and transponder lease payments, which are denominated mainly in USD. As such, the movement of USD against RM may have a significant effect on our financial condition and results of operation. A depreciation of RM against USD could increase the costs of equipment and content necessary for the operation of our business. Conversely, an appreciation of RM against USD may reduce the costs of such equipment and content in RM terms.

Changes in interest rates affect our interest expenses as all of our current debts are subject to floating interest rates. As at 31 July 2012, our total bank borrowings (including finance lease liabilities) and vendor financing amounted to an aggregate of RM4,235.8 million and RM594.4 million, respectively. The amounts drawn down under the RM and USD term loan facilities amounting to RM2,010.0 million and USD330.0 million had been fully hedged as at 31 July 2012. The RM2,010.0 million and USD330.0 million term loans had been swapped into RM fixed rates as at 31 July 2012, and the resulting all-in rate stood at 5.31% and 4.19% per annum, respectively. The RM500.0 million drawn down under the RM term loan facility amounting to RM1,000.0 million is unhedged as at 31 July 2012. The applicable interest margins under both the RM and USD term loan facilities vary from 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. Please refer to Note 25 of Section III(b) of the Accountants' Report for further details. For the six month financial period ended 31 July 2012, vendor financing effective interest rates ranged between 1.2% and 4.6% per annum. We are therefore exposed to interest rate fluctuations, which may affect our results of operations and financial position.

Our exposure to credit risks arises mainly from cash deposits and receivables. The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet. Credit risks, or the risk of counterparties defaulting, are controlled by the application of credit approvals, limits and monitoring procedures. As at 31 July 2012, our outstanding net trade receivables amounted to RM387.7 million. We are therefore exposed to credit risks, which may affect our results of operations and financial position.

5.1.25 Our ability to comply with the terms of our credit facilities may be impeded and we may require additional capital in the future

Our total bank borrowings and finance lease liabilities were RM4,235.8 million as at 31 July 2012, comprising current debt of RM36.4 million and long term liabilities of RM4,199.4 million. Events of default under the terms of any such indebtedness could give rise to the right of a creditor to accelerate the relevant indebtedness or enforce any security granted in relation to that indebtedness, and may result in a cross default on our other indebtedness, which would have a material and adverse effect on our results of operations and financial condition.

After taking into consideration the existing level of cash and cash equivalents, the available lines of credit (including vendor financing), the expected cash flow from operations and the proceeds from the Public Issue allocated for working capital purposes, our Board is of the opinion that we will have adequate working capital for a period of 12 months from the date of this Prospectus. For further details, please refer to Section 12.2.9 of this Prospectus. However, subsequent to the IPO, we may need to raise additional capital to fund the on-going development and expansion of our business, the amount of which cannot be quantified at this time.

There can be no assurance that any additional funds required will be available to us on favourable terms, or at all. There can also be no assurance that our estimate of our anticipated liquidity needs is accurate or that new business developments or other unforeseen events will not occur, resulting in the need to raise additional funds. Estimating liquidity needs and capital expenditure are subject to various assumptions and involve known and unknown risks, uncertainties and other factors beyond our control, which may cause our actual results or performance to be materially different. In addition, certain of our credit facilities, contain covenants which may limit our financing activities and hence operations.

Our ability to meet our payment obligations and to fund our planned capital expenditure will depend on the success of our business strategies and our ability to generate sufficient cash flow to satisfy our debt obligations, which are subject to many uncertainties and contingencies beyond our control, including those set out in this Prospectus. Any inability to meet our payment obligations or to fund our planned capital expenditure may have a material and adverse effect on our business, results of operations and financial position.

5.1.26 Impairment of goodwill and brands

Based on our unaudited consolidated statement of financial position as at 31 July 2012, we have goodwill and brands of approximately RM1,393.0 million, which is subject to impairment test every year or more frequently if events or changes in circumstances indicate a potential impairment. Some examples of events/changes in circumstances which may cause impairment to our goodwill and brands are as follows:

(i) significant adverse changes that have taken place during the period under review, or will take place in the near future, in the technological market, economic or legal environment in which our business operates; and

(ii) economic performance of our business is, or will be worse than expected.

Whilst any impairment of goodwill and brands will not have any effect on our cash flows, such impairment will adversely affect our profitability and financial position which may have a corresponding effect on our shareholders' value.

5.1.27 Control by our substantial shareholder

Upon the completion of the IPO (but prior to any transfer of shares pursuant to the Share Incentives), ANM will own 3,679,000,000 Shares, representing 70.8% of our enlarged issued and paid-up Shares (please refer to Section 9.3 of this Prospectus for further details on ANM's shareholding in our Company) and thus will be able to exercise control over our Company.

As at the date of this Prospectus, ANM is a wholly-owned subsidiary of our ultimate holding company, AHSB. The equity interest in AHSB, in turn, is held directly or indirectly by various parties which may have different objectives from each other. Details of these substantial shareholders are set out in Section 9.3 of this Prospectus. In the event that after the moratorium period, there is a change in the shareholding structure of ANM and/or AHSB (e.g. following the distribution of shares by ANM (the Selling Shareholder) pursuant to the agreement mentioned in Section 15.1(iv) of this Prospectus) which results in our Company having a different direct and indirect substantial shareholding composition, our business and growth strategies may be influenced and changed accordingly.

Our substantial shareholders, other than in respect of certain votes regarding matters, in which they are interested and must abstain from voting under the Listing Requirements, will be able to influence the election of certain of our Directors and the approval of any corporate proposals or transactions requiring the approval of our shareholders. While we will be required to comply with the Listing Requirements with regards to the mitigation of conflicts of interest, the interests of our substantial shareholders may differ from or conflict with the interests of the other shareholders of our Company.

5.1.28 There may be conflicts of interest between our Group and our related parties

The Listing Requirements define a related party as a director, a major shareholder or a person connected with such director or major shareholder (including a person that was a director or major shareholder within the preceding six months before the transaction was entered into). A "major shareholder" means a shareholder with shareholding of 10.0% or more of all the voting shares in our Company, our holding company or any of our subsidiaries or 5.0% or more where such person is the largest shareholder in our Company, our holding company or any of our subsidiaries. We have entered into various transactions with companies directly or indirectly controlled by or connected to our related parties. These are set out in Section 11 of this Prospectus. In addition, we expect that we will in the future enter into other transactions with our related parties. These transactions may, individually or in aggregate, involve conflicts of interest which may be detrimental to us.

Further, some of our Directors and/or major shareholders have engaged and/or may in the future engage in businesses carrying on a similar trade as the business of our Group or businesses which are the customers or suppliers of our Group, from which potential conflicts of interest may arise. Details are set out in Sections 9.1.4 and 9.3 of this Prospectus. There can be no assurance that direct or indirect competition or conflicts of interest will not arise in the future between us and our related parties in any areas of business which may have a material and adverse effect on our business, results of operations and financial position.

5.1.29 Political, economic, social and other developments in Malaysia and Asia may adversely affect us

Our business, prospects, financial position and results of operations may be adversely affected by political, economic, social and other developments in Malaysia. These developments, which may be uncertain, include but are not limited to the risks of war, terrorism, riots, expropriation, nationalisation, renegotiations or nullification of existing contracts, changes in law and regulations, changes in interest rates, foreign exchange control regulations and methods of taxation.

In November 2002, Malaysia and the rest of Asia were affected by an outbreak of Severe Acute Respiratory Syndrome ("**SARS**"), which caused a number of countries to implement restrictions on travellers and workers from, and traffic to, SARS-affected countries. In December 2004, a tsunami struck several countries in Southeast Asia, including Malaysia. A recurrence of a geological disaster similar to the tsunami of 2004 or an outbreak of SARS, avian influenza or a similar epidemic or adverse economic development could severely disrupt the Malaysian economy and undermine investor confidence, thereby materially and adversely affecting our results of operations or financial position.

5.1.30 We may be affected by an adverse judgment or settlement in respect of any current or future claims against us or our Directors

The operation of our business involves risks that may lead to claims being taken against us or the members of our key management or our Directors. Please refer to Section 15.7 of this Prospectus for a description of the material on-going litigation and claims against us. The full extent of any claims and liabilities (financial or otherwise) of our on-going litigation and claims cannot be accurately determined at this time. Further, an adverse judgment or settlement following any current or future claims against us may lead to negative publicity about us and may adversely affect our reputation and customers' perception. There can be no assurance that the current or future claims faced by us as well as any adverse judgment or settlement in respect thereof will not have a material and adverse effect on our business, results of operations and financial position.

Certain media reports have alleged that summonses have been issued by Indonesian authorities to our Non-Independent Non-Executive Deputy Chairman, Mr. Augustus Ralph Marshall ("**Mr. Marshall**"). AAAN issued a press statement previously confirming that Mr. Marshall and his counsel in Indonesia have no knowledge of these summonses, nor have they been provided with any details of the arrest warrant that had purportedly been issued against Mr. Marshall other than what has been reported in the media. Moreover, we understand that neither the Indonesian authorities referred to in such media reports nor the Malaysian authorities have approached Mr. Marshall or AAAN to assist in any investigation.

Mr. Marshall is the executive deputy chairman of AAAN, which, together with AOL and certain of AOL's subsidiary and affiliate companies, have been involved in an ongoing commercial dispute with an Indonesian party, and in respect of which, AAAN and its affiliates were awarded approximately USD300 million in damages by an international arbitration tribunal ("**Awards**"). As at the LPD, no part of the Awards has been settled. The Awards have been registered in Malaysia, Singapore, Hong Kong, Indonesia and England and Wales. In addition, in connection with the enforcement proceedings, a worldwide Mareva injunction has been obtained from the Singapore courts and a garnishee order *nisi* obtained from the Hong Kong courts. The various proceedings for enforcement of the Awards in Singapore, Hong Kong and Indonesia are being challenged. Further details relating to the Awards, enforcement proceedings and challenges are contained in Sections 15.7(iii) to (vi) of this Prospectus.

Further, we have learnt that a First Information Report ("**FIR**") has been registered in October 2011 by the Central Bureau of Investigations of India against, among others, Mr. Marshall, commencing formal investigations relating to allegations of criminal conspiracy and corruption in relation to the acquisition of Aircel Limited ("**Aircel**") by Maxis Communications Berhad ("**MCB**") and the subscription of shares in Sun Direct TV Private Limited ("**Sun Direct**") by a subsidiary of AOL. Media reports suggest that the allegation under investigation is that the subscription of shares in Sun Direct by AOL's subsidiary, which was completed in December 2007, was an illegal gratification made for facilitating the acquisition of Aircel by MCB, which was completed in March 2006.

To the best of our knowledge, as at the LPD, no charge or any criminal proceeding has been instituted against Mr. Marshall in any court of law. Neither MCB nor AOL is an entity within our Group. Furthermore, neither our Company nor any of our Group companies is or has been involved in the MCB-Aircel transaction, the subscription of shares in Sun Direct by AOL's subsidiary or subject to any ongoing investigation in India in relation to the FIR.

The investigations in India were ongoing as at the LPD, and their conclusion, extent and outcome are uncertain. If charges are brought against Mr. Marshall, it may have an adverse impact on our Company, including Mr. Marshall's resignation from our Board.

5.1.31 Unfavourable financial and economic developments in the global economy and in Malaysia may negatively impact us

The on-going deterioration in the markets for sovereign debt of several European countries, including Greece, Spain, Italy and Portugal, has exacerbated the global economic crisis and raised a number of uncertainties regarding the stability and overall standing of the European Monetary Union. Events such as the continuing economic crisis in Europe, downgrade of the US long-term sovereign credit rating by Standard & Poor's and the earthquake in Japan in 2011 have continued to reduce investor confidence globally and resulted in frequent and significant disruptions to the financial markets.

Beginning in July 1997 and lasting until 1999, Malaysia experienced a significant financial and economic downturn that resulted in, among other things, a significant devaluation of the RM and an increase in the number and size of companies filing for corporate reorganisation and protection from their creditors. More recently, Malaysia's economy has been affected by the global economic crisis that began in late 2007, as evidenced by the 1.7% decline in Malaysia's GDP in 2009 and the decline in the growth rate of Malaysia's GDP to 4.6% in 2008, compared to 6.3% in 2007. The Malaysian economy recovered in 2010 and 2011, with its GDP growing at 7.2% in 2010 and 5.1% in 2011. There is no assurance that the global, Asian or Malaysian economies will continue to grow or that GDP in Malaysia will not decrease.

On-going economic weakness and uncertainty in Malaysia or elsewhere could result in fewer gross new subscriber activations and an increase in churn rates due to lower discretionary spending amongst Malaysia consumers. With lower levels of disposable income, our subscribers may adjust their discretionary spending by downgrading to lower cost programming packages or choose not to purchase premium services, such as pay per-view movies or VOD services. Our subscribers may also choose to replace our services with less expensive alternatives such as video content delivered via the Internet or pirated content. Such economic weakness and uncertainty may have a material and adverse effect on our business, financial condition and results of operations. Our profits may also be adversely affected by the increased customer acquisition and retention costs necessary to attract and retain customers during a period of economic weakness.

More specifically, advertising spending by advertisers is particularly sensitive to changes in general economic conditions. For example, Adex typically decrease during periods of economic downturn as most companies will reduce their advertising spending. Due to such budget constraints, advertisers may reduce the amount of money that they spend to advertise on our platforms in favour of cheaper alternative media platforms. For instance, because of the relatively higher penetration rates of free-to-air content, advertisers may choose to advertise on free-to-air TV channels instead of on our channels. In addition, advertisers may determine that the targeted approach to certain targeted segments that we use is less effective and appealing during an economic downturn when a targeted segment is expected to spend less. Consistent with common practice in the markets in which we operate, we generally do not enter into long-term sales contracts with advertisers. Thus, there can be no assurance that we will maintain or increase our advertising sales to these advertisers or other large advertisers at current levels or at all. A decrease in demand for advertising in general or for advertising time on our platforms in particular, could affect our ability to generate revenue, which may have a material and adverse effect on our results of operations and financial position.

5.1.32 There can be no assurance that we will continue to receive the tax benefits we currently enjoy

The Ministry of Finance, Malaysia has granted MSC status to certain companies within our Group for digital content and distribution through a Direct-To-User network, the enhancement of existing digital radio broadcasting network and the introduction of terrestrial digital broadcasting technology, the production of motion pictures and content creation as well as the development of new software applications and systems connecting disparate technologies in a single coherent network.

With the MSC status, the corporate tax incentives include either a tax exemption period of ten years or an investment tax allowance of 100.0% on qualifying capital expenditure incurred within five years to be offset against 100.0% of the statutory income from the approved projects. Notwithstanding the fact that the corporate tax incentive periods from the MSC incentives have ended, as at 31 January 2012, we had an unutilised investment tax allowance of RM25.6 million for the software development business that may be utilised against future taxable profits from the development of new software applications and systems. Furthermore, the MSC status also provides for indirect tax incentives including duty exemptions of the importation of production and multimedia equipment.

If the Government authorities amend or promulgate new laws or regulations which prescribe a higher tax rate, introduce a new tax or introduce any change to the tax benefits which have been granted to our entities, our results of operations and financial position may be materially and adversely affected.

5.2 Risks relating to our Shares

5.2.1 There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained

There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained. There can be no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell their Shares or the prices at which holders would be able to sell their Shares.

Our Shares could trade at prices that may be lower than the Institutional Price or the Final Retail Price depending on many factors, including prevailing economic and financial conditions in Malaysia, our operating results and the markets for similar securities. In addition, markets for securities in emerging markets have been subjected to disruptions that have caused intense volatility in the prices of securities similar to our Shares. There can be no assurance that the market for our Shares, if any, will not be subject to similar disruptions. Any disruption in such markets may have a material and adverse effect on the price of our Shares.

5.2.2 Our Share price and trading volume may be volatile

The market price of our Shares may fluctuate as a result of, among others, variations in the liquidity of the market for our Shares, differences between our actual financial operating results and those expected by investors and analysts, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations. The market price of our Shares is also susceptible to developments in the media industry, including new developments or technology advancements, corporate exercises, acquisitions or strategic alliances by our competitors. In addition, many of the risks described in Section 5 of this Prospectus could materially and adversely affect the market price of our Shares. Furthermore, if the trading volume of our Shares is low, the price fluctuation may be exacerbated. In particular, no stabilising transaction will be undertaken in respect of our Shares in connection with the IPO or thereafter. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Institutional Price or the Final Retail Price.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility which have affected the share price of many companies. Share prices of many companies have experienced wide fluctuations which were not always related to the operating performance of those companies. There can be no assurance that the price and trading of our Shares will not suffer similar fluctuations in the future.

5.2.3 We may not be able to pay dividends or realise dividends from our subsidiaries

Dividend payments are not guaranteed and our Board may decide, at its absolute discretion, at any time and for any reason, not to pay dividends or to change our dividend policy. If our Company is unable to pay dividends in accordance with our dividend policy, or is unable to pay dividends at levels anticipated by investors, the market price of our Shares may be negatively affected and the value of any investment in our Shares may be reduced.

Any payment of dividends may adversely affect our ability to fund unexpected capital expenditures as well as our ability to make interest and principal repayments on our debt and vendor financing if cash flow from operations is insufficient. As a result, we may be required to incur additional borrowings or raise new capital by issuing equity securities, which we may not be able to do on favourable terms or at all. Furthermore, in the event that we incur new borrowings subsequent to the Listing, we may be subject to covenants restricting our ability to pay dividends.

Our Company is a holding company and we conduct substantially all of our operations through our subsidiaries. Accordingly, an important source of our income, and consequently an important factor in our ability to pay dividends on the Shares, is the amount of dividends and other distributions that our Company receives from our subsidiaries. The ability of our subsidiaries to pay dividends or make other distributions to our Company in the future will depend upon their operating results, earnings, capital requirements and general financial condition. In addition, changes in MFRS may also affect the ability of our subsidiaries, and consequently, our ability to declare and pay dividends. Furthermore, as we are a shareholder of our subsidiaries, our claims against our subsidiaries will generally rank junior to those of all other creditors and claimants of our subsidiaries. In the event of a subsidiary's liquidation, there may not be sufficient assets after paying creditors and claimants for us to recoup our investment and this may have a material and adverse effect on our business, results of operations and financial position. For a description of our dividend policy, please refer to Section 12.7 of this Prospectus.

5.2.4 The sale or the possible sale of a substantial number of our Shares in the public market following this IPO could adversely affect the price of our Shares

Following the Listing, 70.8% of our enlarged issued and paid-up share capital will be held by ANM, the Selling Shareholder (please refer to Section 9.3 of this Prospectus for further details on ANM's shareholding in our Company) and 29.2% of our enlarged issued and paid-up share capital will be held by investors participating in the IPO. Our Shares will be tradable on the Main Market without restriction following the Listing.

While ANM and our Company have entered into lock-up arrangements as set out in Section 4.10.2 of this Prospectus, and in addition, our Shares held by ANM are subject to a moratorium as described in Section 10.2 of this Prospectus, it is possible that we may issue additional Shares after the end of the lock-up period in connection with financing activities or otherwise in the future, and it is possible that ANM may dispose of a substantial number of Shares in the market (or otherwise reduce its shareholding in our Company) after the end of the lock-up period and moratorium period.

Further, as set out in Section 5.1.27 of this Prospectus, in the event that there is a change in the shareholding structure of ANM and/or AHSB after the moratorium period (e.g. following the distribution of the Shares held by ANM (the Selling Shareholder) pursuant to the shareholders' agreement mentioned in Section 15.1(iv) of this Prospectus) which would result in our Company having a different substantial shareholding composition, there can be no assurance that our substantial shareholders then will not reduce their shareholding in our Company pursuant to their own investment objectives.

If ANM or any party sells or is perceived as intending to sell a substantial amount of our Shares or otherwise substantially reduces its shareholding in our Company, the market price for our Shares could be materially and adversely affected.

5.2.5 There may be a delay in or failure of the Listing

The Listing may be potentially delayed or aborted upon the occurrence of certain events, including the following:

(i) we are unable to meet the public shareholding spread requirement under the Listing Requirements of having at least 25.0% of our Shares for which Listing is sought being held by at least 1,000 public shareholders holding not less than 100 Shares each at the point of Listing; or

(ii) the revocation of the approval of Bursa Securities for the Listing and/or admission to the Official List for whatever reason.

If the Listing is aborted, investors will not receive any Shares and the Selling Shareholder and our Company will return in full, without interest, all monies paid in respect of any application for our Shares. If any such monies are not repaid in full within 14 days after the Selling Shareholder and our Company become liable to repay it, the provisions of subsections 243(2) and 243(6) of the CMSA shall apply accordingly.

In the event that the Listing is aborted and our Shares have been allotted to the shareholders, a return of monies to holders of our Shares could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaysia) and the confirmation of the High Court of Malaysia. There can be no assurance that such monies can be recovered within a short period of time or at all in such circumstances.

6. INFORMATION ON OUR GROUP

6.1 Privatisation of AAAN and key developments since privatisation

By way of background, substantially all of the businesses currently held by our Group were part of the businesses of the AAAN group of companies ("**AAAN Group**"). AAAN was previously listed on 29 October 2003 on the then Main Board of the Kuala Lumpur Stock Exchange *(now known as the Main Market)*. In 2010, AHSB undertook a conditional take-over offer to acquire all the voting shares in AAAN ("**AAAN Shares**"), at a cash offer price of RM4.30 for each AAAN Share ("**GO**"), which represented an illustrative market capitalisation of approximately RM8.3 billion, based on the total issued and paid-up share capital of AAAN of 1,934.3 million AAAN Shares as at 17 March 2010, being the date of service of the notice of the GO. The offer price of RM4.30 per AAAN Share for the GO represented a price-to-book multiple of 9.35 times (based on the audited consolidated NA per AAAN Share for the financial year ended 31 January 2010 of RM0.46), a price-to-earnings multiple of 35.70 times (based on the audited basic earnings per share of the AAAN Group of RM0.12 for the financial year ended 31 January 2010) and an enterprise value over EBITDA multiple of 11.22 times (based on the EBITDA of the AAAN Group of RM831.0 million for the financial year ended 31 January 2010 and net debt of the AAAN Group of RM1,002.0 million as at 31 January 2010). Shortly after the closing of the GO, AAAN was delisted from the Main Market on 14 June 2010 ("**Privatisation**"). Following the completion of the GO, AHSB undertook a compulsory acquisition under the Companies Act 2006 of the UK of all the remaining voting shares in AAAN not held by AHSB at that time, which was completed on 28 July 2010. Thereafter, AAAN became a wholly-owned subsidiary of AHSB.

AHSB undertook the Privatisation as it envisaged at that time that AAAN's Malaysian and international businesses would require substantial capital outlay to further grow their products and offerings in the next few years.

- For the AAAN's Malaysian business, this would entail capital investment for the enhancement and expansion of multi-phase innovative products and services including for HD services, digital video recording and IPTV connectivity and related content cost.

- For the AAAN's international business, this would entail utilisation of additional capital to accelerate investment in existing businesses in India (pay-TV, radio, digital and linear TV), China/Hong Kong (movie library and content creation, aggregation and distribution), and also new initiatives such as IPTV and digital media in Australia and content creation for IPTV and other devices and platforms in the Middle East and North Africa.

At the point of the Privatisation, AHSB believed that the AAAN Group had the potential to accelerate its growth. However, this would significantly change its financial and risk profile as:

(i) the substantial capital outlay due to the foregoing initiatives may potentially strain AAAN Group's cash flow position; and

(ii) the increase in borrowings to fund potentially less certain businesses may result in higher borrowing costs and earnings volatility in the short to medium term, and adversely affect the dividend payment capacity of AAAN.

AHSB also believed that at that stage of the AAAN Group's development, private ownership would accord greater flexibility to:

(i) realise its vision for the AAAN Group to be a leading regional integrated digital media group; and

(ii) enable the AAAN Group to adopt an appropriate capital structure to escalate its growth aspirations.

Following the completion of the Privatisation, in March 2011 and April 2011, AHSB implemented a reorganisation of AAAN's Malaysian and international businesses, which resulted in AAAN's Malaysian businesses being transferred to our Company. The Reorganisation includes, among others, certain transactions involving our Group and our related entities as set out below:

(i) the acquisition by our Company from AAAN of the entire issued and paid up share capital of MBNS, Astro Shaw and MBNS Multimedia Technologies for an aggregate consideration of approximately RM6.8 billion which was determined based on the cost of investment of AAAN in such companies. The consideration was settled via an arrangement between AAAN, AHSB, ANM and our Company, whereby 98,236 ordinary shares of RM1.00 each and 6,700 RPS of RM0.10 each were issued by our Company to ANM as settlement for the said acquisition. Subsequently 1,500 RPS were redeemed while the remaining 5,200 RPS were redeemed as part of the pre-IPO restructuring. Please refer to Section 6.2 of this Prospectus for further details on the RPS and the pre-IPO restructuring;

(ii) the acquisition by MBNS from AAAN of the entire issued and paid up share capital of Astro Radio, MEASAT Radio Communications, Maestra Broadcast, Radio Lebuhraya and Perfect Excellence Waves for an aggregate cash consideration of approximately RM850.0 million which was determined based on the fair value of these entities; and

(iii) the disposal by Astro Radio of the entire registered capital of Adrep China Advertising Services Limited ("**Adrep China**") to All Asia Radio Technologies Media and Sales Sdn Bhd ("**AARTMS**") for a cash consideration comprising approximately RM32.9 million (which is the RM equivalent of the then current registered capital of Adrep China of approximately RMB68.3 million) and USD5.0 million (which is the USD equivalent of Adrep China's applied increase in registered capital of RMB33.0 million computed based on the then applicable prevailing exchange rate). Subsequently, Astro Radio entered into an amendment agreement with AARTMS to amend the sale and purchase agreement for the disposal of Adrep China wherein, among others, the said sum of USD5.0 million was amended to reflect an amount in USD that is equivalent to RMB33.0 million to cater for foreign currency fluctuations.

Since the Privatisation, we have invested over RM1.0 billion in capital expenditure for, among others, broadcast equipment inclusive of set-top boxes, infrastructure and system upgrades. We have also introduced new products and services, such as PVR, IPTV and OTT as well as increased our HD and SD content offerings from 5 HD and 119 SD channels respectively at the point of Privatisation to 22 HD and 134 SD channels as at 31 July 2012. To extend the reach of our HD services, we have since the Privatisation intensified efforts to roll-out Astro B.yond set-top boxes. As at 31 July 2012, 1.6 million of our subscribers have been equipped with Astro B.yond set-top boxes. In 2011, we transformed from a pure DTH satellite TV operator into a multi-platform pay-TV operator when we launched Astro B.yond IPTV, a triple-play service that includes our pay-TV services delivered through fibre optic broadband with high-speed broadband and telephony services, in partnership with TIME. In addition, in 2012, we launched:

(i) NJOI, Malaysia's first subscription free DTH satellite TV service that allows our NJOI customers to watch selected TV and radio channels through our DTH satellite TV platform with no monthly subscription fees. This was followed by the launch of a pre-paid service, to allow NJOI customers to purchase additional premium content on a pre-paid basis. We aim to expand our addressable market via the rollout of our NJOI service; and

(ii) Astro On-The-Go, our OTT online and mobile application service, to enable our customers to view our content via smartphones, tablets, PCs. We believe that our Astro-On-The-Go service is well suited to capitalise on the tendency of Malaysian consumers to view content on their preferred viewing platform.

Please refer to Section 7.2 of this Prospectus for our other significant milestones since the Privatisation.

Our pro forma revenue for the financial years ended 31 January 2010, 2011 and 2012 was RM3,242.3 million, RM3,664.1 million and RM3,888.8 million, respectively. For each of those financial years, 90% of our pro forma revenue was contributed by our TV segment, whose main source of revenue was subscription revenue.

Based on the audited consolidated financial statements of AAAN for the financial year ended 31 January 2010, the EBITDA of the AAAN Group was RM831.0 million ("**AAAN FY10 EBITDA**"). The pro forma EBITDA of our Group for the same financial year was RM986.2 million ("**AMH FY10 EBITDA**"). The difference between the AAAN FY10 EBITDA and the AMH FY10 EBITDA was attributable to the aggregate loss before the interest, taxation, the depreciation and amortisation of AAAN and its international group of companies of approximately RM155.2 million.

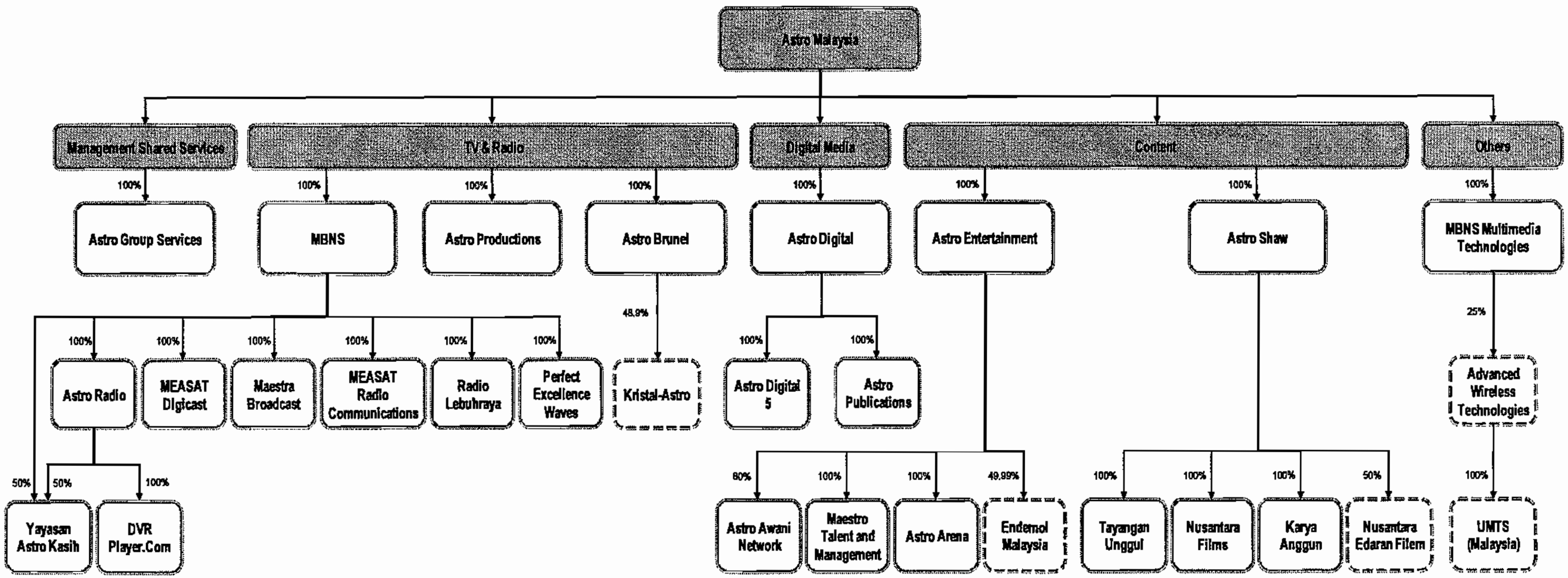
The pro forma EBITDA of our Group increased by RM383.6 million or 38.9% from RM986.2 million for the financial year ended 31 January 2010 to RM1,369.8 million for the financial year ended 31 January 2011, and further increased by RM44.9 million or 3.3% from RM1,369.8 million for the financial year ended 31 January 2011 to RM1,414.7 million for the financial year ended 31 January 2012. The increase in the pro forma EBITDA from the financial year ended 31 January 2010 to the financial year ended 31 January 2012 was mainly attributable to higher subscription revenue from the TV segment (from RM2,788.7 million for the financial year ended 31 January 2010 to RM3,273.1 million for the financial year ended 31 January 2012) which more than offset the higher operating expenses incurred during such financial years. The increase in subscription revenue was primarily attributable to the increase in Residential ARPU from RM82 to RM85 and RM89 per month for the financial years ended 31 January 2010, 2011 and 2012 respectively, reflecting among others a higher take-up of HD services, as well as a net addition of 136,000 pay-TV residential subscribers for the financial year ended 31 January 2012. The increase in pro forma EBITDA was also attributable to a decrease in set-top box and smart card costs by RM227.5 million and RM27.9 million during the financial years ended 31 January 2011 and 2012, respectively, primarily due to a reduction in the deployment of SD set top boxes following the introduction of Astro B.yond set top boxes. The cost of the Astro B.yond set-top boxes are capitalised and depreciated over their economic useful life of three years, following a change in our business model when our HD services were introduced during the financial year ended 31 January 2010, whilst the costs of the SD set-top boxes are recognised as expense when incurred.

With the growth of the Malaysian business following the Reorganisation as a result of the introduction of various new products and services, capital expenditure of more than RM1.0 billion incurred since the Privatisation and the separation of the international businesses of AAAN (which would still require substantial capital investment in its development stage), our ultimate shareholder i.e. AHSB intends to re-introduce the Malaysian business i.e. Astro Malaysia Group to the Malaysian equity market via the IPO and the Listing and provide an opportunity for the investing community to participate in the future performance of our Group.

Investors should note that the business profile of our Group is different from that of the AAAN Group, in view of our focus on the Malaysian business which has, subsequent to the Privatisation, commenced its expansion plans including the introduction of new products and services. We have also set a dividend policy which is set out in Section 12.7 of this Prospectus.

6. INFORMATION ON OUR GROUP *(cont'd)*

Our current Group structure following the Reorganisation is set forth below:



Legend:

Jointly controlled entities and associated companies of our Group.

6.2 Information on our Company

Our Company was incorporated in Malaysia under the Act as a private company limited by shares on 14 February 2011 under the name of Astro Malaysia Holdings Sdn Bhd and commenced business on 21 March 2011. Our Company was converted from a private company limited by shares to a public company limited by shares on 18 July 2012.

We are principally a holding company whilst our Group is principally engaged in the provision of TV services, radio services, creation, aggregation and distribution of content, publication and distribution of magazines and the provision of multimedia interactive services.

Our authorised share capital as at the date of the Prospectus is RM1.0 billion comprising 10.0 billion Shares whilst our issued and paid-up share capital as at the date of the Prospectus is RM472,300,000 comprising 4,723,000,000 Shares.

As at the LPD, our Company does not have any outstanding warrants, options, convertible securities or uncalled capital.

Prior to the IPO, our Company had undertaken a pre-IPO restructuring which comprised the following:

(i) the full redemption of all 5,200 outstanding RPS in our Company with a par value of RM0.10 each and a premium of RM999,999.90 each registered in the name of ANM ("**RPS Redemption**"), at a redemption price of RM1,000,000 per RPS or a total redemption amount of RM5.2 billion on 19 September 2012.

(ii) the reorganisation and classification of our 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 our ordinary shares from 100,000 ordinary shares of RM1.00 each into 1,000,000 Shares, followed by the subdivision of all the existing 98,238 issued and paid-up ordinary shares with a par value of RM1.00 each in our Company to 982,380 Shares and the increase in our Company's authorised ordinary share capital from RM100,000 comprising 1,000,000 Shares to RM1.0 billion comprising 10,000,000,000 Shares by the creation of 9,999,000,000 Shares; and

(iii) the issuance of 4,722,017,620 Shares to ANM at a total subscription price of RM5.2 billion or approximately RM1.10 per Share on 19 September 2012. The redemption amount payable by our Company to ANM for the RPS Redemption was set-off against the total subscription amount payable by ANM to our Company for the Share Issuance.

Details of the changes to our issued and paid-up share capital since the date of our incorporation up to the date of the Prospectus are as follows:

Date of allotment	No. of shares	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
Ordinary shares:				
14 February 2011	2	1.00	Cash	2
30 September 2011	98,236	1.00	Cash	98,238
19 September 2012	982,380	0.10	Nil (Subdivision of the par value from RM1.00 to RM0.10)	98,238
19 September 2012	4,722,017,620	0.10	Cash[(1)]	472,300,000
RPS:				
5 April 2011	2,000	0.10	Cash	200
30 September 2011	4,700	0.10	Cash	670
30 April 2012	(1,500)	0.10	Cash[(2)]	520
19 September 2012	(5,200)	0.10	Cash[(3)]	0

Notes:

(1) By way of a set-off against the total redemption amount payable to ANM for the RPS Redemption.

(2) By way of a set-off against amounts receivable from ANM.

(3) By way of a set-off against the total subscription amount payable by ANM for the Share Issuance.

(The rest of this page have been intentionally left blank)

6. INFORMATION ON OUR GROUP *(cont'd)*

6.3 Subsidiaries, associated companies and jointly controlled entities

As at the LPD, our subsidiaries, associated companies and jointly controlled entities are as follows:

Name	Date and country of incorporation	Issued and paid-up share capital	Our Group's effective interest %	Principal activities
Direct wholly-owned subsidiaries of Astro Malaysia				
Astro Group Services	02.11.95 Malaysia	RM250,000	100.00	Provision of management services
MBNS	12.05.92 Malaysia	RM260,217,142 (ordinary shares) RM10,000 (Class A RPS)	100.00	Provision of TV services
Astro Productions	04.09.96 Malaysia	RM5,000,000	100.00	Production and distribution of TV programmes, and letting of property and related services
Astro Brunei	16.10.97 Malaysia	RM300,000	100.00	Investment holding
Astro Digital	30.06.00 Malaysia	RM2	100.00	Investment holding
Astro Entertainment	22.01.97 Malaysia	RM350,000	100.00	Organising trade related projects, marketing, soliciting and sale of airtime such as advertisements and sponsorship for broadcast on TVs and other media
Astro Shaw	04.11.96 Malaysia	RM2,500,000	100.00	Film production, acquisition, commissioning and distribution
MBNS Multimedia Technologies	05.03.98 Malaysia	RM2	100.00	Research and development of multimedia related technologies
Subsidiaries of MBNS				
Astro Radio	25.09.96 Malaysia	RM350,000	100.00	Management of commercial radio broadcasting stations, content and programming provider and provision of multimedia and advertising agency services
MEASAT Digicast	12.05.92 Malaysia	RM50,000,000 (issued) RM10,000,002 (paid-up)	100.00	Inactive
Maestra Broadcast	18.04.95 Malaysia	RM1,000,000	100.00	Operation of commercial radio broadcasting stations
MEASAT Radio Communications	13.05.92 Malaysia	RM1,000,000	100.00	Operation of commercial radio broadcasting stations

Name	Date and country of incorporation	Issued and paid-up share capital	Our Group's effective interest %	Principal activities
Radio Lebuhraya	22.02.94 Malaysia	RM3,000,000	100.00	Establishing, operating and maintaining a radio broadcasting station
Perfect Excellence Waves	13.06.02 Malaysia	RM100,000	100.00	Operation of a licensed commercial radio station
Yayasan Astro Kasih	06.07.12 Malaysia	Not applicable	100.0	Advancing and benefitting the community
Subsidiary of Astro Radio				
DVR Player.Com	02.11.95 Malaysia	RM2	100.00	Provision of radio services via Internet
Associated company of Astro Brunei				
Kristal-Astro	18.01.00 Brunei	BND500,000	48.90	Provision of DTH digital satellite broadcast pay-TV services
Subsidiaries of Astro Digital				
Astro Digital 5	12.07.99 Malaysia	RM500,000	100.00	Development and licensing of multimedia and interactive applications
Astro Publications	13.03.96 Malaysia	RM350,000	100.00	Magazine publication and distribution
Subsidiaries of Astro Entertainment				
Astro Awani Network	20.12.00 Malaysia	RM17,122,502	80.00	Creation, production, acquisition and syndication of news and information-based content and end-to-end channel management for distribution across multiple platforms
Maestro Talent and Management	24.07.03 Malaysia	RM2	100.00	Inactive
Astro Arena	24.06.00 Malaysia	RM2	100.00	Creation and production of Malaysian sports programming and acquisition and packaging of related sports content
Jointly controlled entity of Astro Entertainment				
Endemol Malaysia	16.06.08 Malaysia	RM100,000	49.99	Creating, acquiring, developing, producing and selling audio visual entertainment content and programmes

Name	Date and country of incorporation	Issued and paid-up share capital	Our Group's effective interest	Principal activities
			%	
Subsidiaries of Astro Shaw				
Tayangan Unggul	06.11.95 Malaysia	RM100,000	100.00	Film production, acquisition, commissioning and distribution
Nusantara Films	06.03.00 Malaysia	RM250,000	100.00	Production, acquisition, commissioning and distribution of films
Karya Anggun	18.12.06 Malaysia	RM250,000	100.00	Film production, acquisition, commissioning and distribution
Jointly controlled entity of Astro Shaw				
Nusantara Edaran Filem	19.08.03 Malaysia	RM7,000,000	50.00	Film distribution
Associated company of MBNS Multimedia Technologies				
Advanced Wireless Technologies	21.06.00 Malaysia	RM3,333,336	25.00	Provider of wireless multimedia related services
Subsidiary of Advanced Wireless Technologies				
UMTS (Malaysia)	17.07.00 Malaysia	RM2,500,002 (ordinary shares) RM97,499,998 (Non-cumulative convertible redeemable preference shares)	25.00	Holder of 3G spectrum assignment

The details of our subsidiaries, associated companies and jointly controlled entities as at the LPD are set out below:

6.3.1 Direct wholly-owned subsidiaries of our Company

6.3.1.1 Astro Group Services (Company No. 365649-H)

(i) History and business

Astro Group Services was incorporated in Malaysia under the Act on 2 November 1995 as a private limited company under the name of Marvelista Sdn Bhd. On 30 April 1999, it changed its name to Hotspotz.Com Sdn Bhd. On 8 March 2011, it assumed its present name. Astro Group Services commenced its business on 1 April 2011.

The principal activity of Astro Group Services is the provision of management services.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Group Services is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

Details of the changes to the issued and paid-up share capital of Astro Group Services for the past three years preceding the LPD are as follows:

Date of allotment	No. of shares	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
Ordinary shares:				
10.03.11	249,998	RM1.00	Cash	250,000

(iii) Shareholder

As at the LPD, Astro Group Services is our wholly-owned subsidiary.

(iv) Subsidiary and associated company

As at the LPD, Astro Group Services does not have any subsidiary or associated company.

6.3.1.2 MBNS (Company No. 240064-A)

(i) History and business

MBNS was incorporated in Malaysia under the Act on 12 May 1992 as a private limited company under its present name. MBNS commenced its business on 25 September 1996.

The principal activity of MBNS is provision of TV services.

(ii) Share capital

As at the LPD, the authorised share capital of MBNS is RM302,860,100 comprising 300,000,000 ordinary shares of RM1.00 each, 285,000,000 RCPS of RM0.01 each, 10,000 Class A RPS of RM1.00 each and 1,000 Class B RPS of RM0.10 each. The issued and paid-up share capital of MBNS as at the LPD is RM260,227,142 comprising 260,217,142 ordinary shares of RM1.00 each and 10,000 Class A RPS of RM1.00 each.

Details of the changes to the issued and paid-up share capital of MBNS for the past three years preceding the LPD are as follows:

Date of allotment/ redemption	No. of shares	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
Ordinary shares:				
22.03.11	5,000,000	1.00	Exchange for the entire issued and paid-up share capital of Astro Radio, MEASAT Radio Communications, Maestra Broadcast and Radio Lebuhraya	260,217,142
RCPS:				
23.02.09	(285,000,000)	0.01	Redemption of RCPS	-
Class B RPS:				
24.03.11	75	0.10	Bonus issue	7.5
10.06.11	(75)	0.10	Redemption of Class B RPS	-

There have been no changes to the Class A RPS for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, MBNS is our wholly-owned subsidiary.

(iv) **Subsidiaries and associated company**

The direct subsidiaries of MBNS as at the LPD are Astro Radio, MEASAT Digicast, Maestra Broadcast, MEASAT Radio Communications, Radio Lebuhraya and Perfect Excellence Waves and Yayasan Astro Kasih, details of which are set out in Section 6.3.2 of this Prospectus. The indirect subsidiary of MBNS as at the LPD is DVR Player.Com, details of which are set out in Section 6.3.3.1 of this Prospectus.

MBNS does not have any associated company as at the LPD.

6.3.1.3 Astro Productions (Company No. 400778-V)

(i) **History and business**

Astro Productions was incorporated in Malaysia under the Act on 4 September 1996 as a private limited company under its present name. Astro Productions commenced its business on 1 September 1997.

The principal activities of Astro Productions are production and distribution of TV programmes, and letting of property and related services.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Productions is RM30,000,000 comprising 30,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Productions for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Productions is our wholly-owned subsidiary.

(iv) Subsidiary and associated company

As at the LPD, Astro Productions does not have any subsidiary or associated company.

6.3.1.4 Astro Brunei (Company No. 450230-A)

(i) History and business

Astro Brunei was incorporated in Malaysia under the Act on 16 October 1997 as a private limited company under its present name. Astro Brunei commenced its business on 12 August 2002.

The principal activity of Astro Brunei is investment holding.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Brunei is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Brunei for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Brunei is our wholly-owned subsidiary.

(iv) Subsidiary and associated company

Astro Brunei does not have any subsidiary as at the LPD.

The associated company of Astro Brunei as at the LPD is Kristal-Astro, details of which are set out in Section 6.3.4 of this Prospectus.

6.3.1.5 Astro Digital (Company No. 518676-T)

(i) History and business

Astro Digital was incorporated in Malaysia under the Act on 30 June 2000 as a private limited company under the name of IMT-2000 (Malaysia) Sdn Bhd. On 15 March 2011, it assumed its present name. Astro Digital commenced its business on 5 April 2011.

The principal activity of Astro Digital is investment holding.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Digital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2.00 comprising two ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Digital for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Digital is our wholly-owned subsidiary.

(iv) Subsidiaries and associated company

The subsidiaries of Astro Digital as at the LPD are Astro Digital 5 and Astro Publications, details of which are set out in Section 6.3.5 of this Prospectus.

Astro Digital does not have any associated company as at the LPD.

6.3.1.6 Astro Entertainment (Company No. 418101-U)

(i) History and business

Astro Entertainment was incorporated in Malaysia under the Act on 22 January 1997 as a private limited company under its present name. Astro Entertainment commenced its business on 1 September 2006.

The principal activities of Astro Entertainment are organising trade related projects, marketing, soliciting and sale of airtime such as advertisements and sponsorship for broadcast on TV and other media.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Entertainment is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, and its issued and paid-up share capital is RM350,000 comprising 350,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Entertainment for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Entertainment is our wholly-owned subsidiary.

(iv) Subsidiaries and associated company

The subsidiaries of Astro Entertainment as at the LPD are Astro Awani Network, Maestro Talent and Management and Astro Arena, details of which are set out in Section 6.3.6 of this Prospectus.

The jointly controlled entity of Astro Entertainment as at the LPD is Endemol Malaysia, details of which are set out in Section 6.3.7 of this Prospectus.

Astro Entertainment does not have any associated company.

6.3.1.7 Astro Shaw (Company No. 408829-U)

(i) History and business

Astro Shaw was incorporated in Malaysia under the Act on 4 November 1996 as a private limited company under its present name. Astro Shaw commenced its business on 1 April 1998.

The principal activities of Astro Shaw are film production, acquisition, commissioning and distribution.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Shaw is RM30,000,000 comprising 30,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2,500,000 comprising 2,500,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Shaw for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Shaw is our wholly-owned subsidiary.

(iv) Subsidiaries and associated company

The subsidiaries of Astro Shaw as at the LPD are Tayangan Unggul, Nusantara Films and Karya Anggun, details of which are set out in Section 6.3.8 of this Prospectus.

The jointly controlled entity of Astro Shaw as at the LPD is Nusantara Edaran Filem, details of which are set out in Section 6.3.9 of this Prospectus.

Astro Shaw does not have any associated company as at the LPD.

6.3.1.8 MBNS Multimedia Technologies (Company No. 458630-W)

(i) History and business

MBNS Multimedia Technologies was incorporated in Malaysia under the Act on 5 March 1998 as a private limited company under its present name. MBNS Multimedia Technologies commenced its business on 25 August 2004 by virtue its investment holding in Advanced Wireless Technologies.

The principal activities of MBNS Multimedia Technologies are research and development of multimedia related technologies.

(ii) Share capital

The authorised share capital of MBNS Multimedia Technologies is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2.00 comprising two ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of MBNS Multimedia Technologies for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, MBNS Multimedia Technologies is our wholly-owned subsidiary.

(iv) Subsidiary and associated company

MBNS Multimedia Technologies does not have any subsidiary as at the LPD.

The direct associated company of MBNS Multimedia Technologies as at the LPD is Advanced Wireless Technologies, details of which are set out in Section 6.3.10 of this Prospectus. The subsidiary of Advanced Wireless Technologies as at the LPD is UMTS (Malaysia), details of which are set out in Section 6.3.11 of this Prospectus.

6.3.2 Subsidiaries of MBNS

6.3.2.1 Astro Radio (Company No. 403472-D)

(i) History and business

Astro Radio was incorporated in Malaysia under the Act on 25 September 1996 as a private limited company under the name of Airtime Management And Programming Sdn Bhd. On 25 May 2012, it assumed its present name. Astro Radio commenced its business on 1 January 1997.

The principal activities of Astro Radio are management of commercial radio broadcasting stations, content and programming provider and provision of multimedia and advertising agency services.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Radio is RM510,000 comprising 500,000 ordinary shares of RM1.00 each and 10,000 RPS of RM1.00 each and its issued and paid-up share capital is RM350,000 comprising 350,000 ordinary shares of RM1.00 each.

Details of the changes to the issued and paid-up share capital of Astro Radio for the past three years preceding the LPD are as follows:

Date of redemption	No. of shares	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
RPS:				
10.02.11	(10,000)	1.00	Redemption of RPS	Nil

(iii) Shareholder

As at the LPD, Astro Radio is a wholly-owned subsidiary of MBNS.

(iv) Subsidiaries and associated company

The subsidiary of Astro Radio as at the LPD is DVR Player.Com, details of which are set out in Section 6.3.3 of this Prospectus.

Astro Radio does not have any associated company as at the LPD.

6.3.2.2 MEASAT Digicast (Company No. 240062-V)

(i) History and business

MEASAT Digicast was incorporated in Malaysia under the Act on 12 May 1992 as a private limited company under its present name.

MEASAT Digicast is currently inactive.

(ii) Share capital

As at the LPD, the authorised share capital of MEASAT Digicast is RM50,000,000 comprising 50,000,000 ordinary shares of RM1.00 each, of which two ordinary shares were issued and fully paid up and the remaining 49,999,998 ordinary shares were each issued and paid-up to RM0.20 with the balance RM0.80 uncalled. The total paid-up share capital of MEASAT Digicast is RM10,000,002. The remaining uncalled capital is RM39,999,998.

There has been no change to the issued and paid-up share capital of MEASAT Digicast for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, MEASAT Digicast is a wholly-owned subsidiary of MBNS.

(iv) **Subsidiary and associated company**

As at the LPD, MEASAT Digicast does not have any subsidiary or associated company.

6.3.2.3 Maestra Broadcast (Company No. 340960-P)

(i) **History and business**

Maestra Broadcast was incorporated in Malaysia under the Act on 18 April 1995 as a private limited company under its present name. Maestra Broadcast commenced its business in May 1997.

The principal activity of Maestra Broadcast is the operation of commercial radio broadcasting stations.

(ii) **Share capital**

As at the LPD, the authorised share capital of Maestra Broadcast is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Maestra Broadcast for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, Maestra Broadcast is a wholly-owned subsidiary of MBNS.

(iv) **Subsidiary and associated company**

As at the LPD, Maestra Broadcast does not have any subsidiary or associated company.

6.3.2.4 MEASAT Radio Communications (Company No. 240145-A)

(i) **History and business**

MEASAT Radio Communications was incorporated in Malaysia under the Act on 13 May 1992 as a private limited company under its present name. MEASAT Radio Communications commenced its business on 1 September 1996.

The principal activity of MEASAT Radio Communications is the operation of commercial radio broadcasting stations.

(ii) **Share capital**

As at the LPD, the authorised share capital of MEASAT Radio Communications is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of MEASAT Radio Communications for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, MEASAT Radio Communications is a wholly-owned subsidiary of MBNS.

(iv) Subsidiary and associated company

As at the LPD, MEASAT Radio Communications does not have any subsidiary or associated company.

6.3.2.5 Radio Lebuhraya (Company No. 290272-M)

(i) History and business

Radio Lebuhraya was incorporated in Malaysia under the Act on 22 February 1994 as a private limited company under its present name. Radio Lebuhraya commenced its business on 1 September 1994.

The principal activities of Radio Lebuhraya are establishing, operating and maintaining a radio broadcasting station.

(ii) Share capital

As at the LPD, the authorised share capital of Radio Lebuhraya is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM3,000,000 comprising 3,000,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Radio Lebuhraya for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Radio Lebuhraya is a wholly-owned subsidiary of MBNS.

(iv) Subsidiary and associated company

As at the LPD, Radio Lebuhraya does not have any subsidiary or associated company.

6.3.2.6 Perfect Excellence Waves (Company No. 582842-A)

(i) History and business

Perfect Excellence Waves was incorporated in Malaysia under the Act on 13 June 2002 as a private limited company under its present name. Perfect Excellence Waves commenced its business on 22 September 2003.

The principal activity of Perfect Excellence Waves is the operation of a licensed commercial radio station.

(ii) Share capital

As at the LPD, the authorised share capital of Perfect Excellence Waves is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Perfect Excellence Waves for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Perfect Excellence Waves is a wholly-owned subsidiary of MBNS.

(iv) Subsidiary and associated company

As at the LPD, Perfect Excellence Waves does not have any subsidiary or associated company.

6.3.2.7 Yayasan Astro Kasih (Company No. 1008882-A)

(i) History and business

Yayasan Astro Kasih was incorporated in Malaysia under the Act on 6 July 2012 as a company limited by guarantee under its present name.

The principal activity of Yayasan Astro Kasih is advancing and benefitting the community.

(ii) Member

As at the LPD, the members of Yayasan Astro Kasih are MBNS and Astro Radio.

(iii) Subsidiary and associated company

As at the LPD, Yayasan Astro Kasih does not have any subsidiary or associated company.

6.3.3 Subsidiary of Astro Radio

6.3.3.1 DVR Player.Com (Company No. 365636-T)

(i) History and business

DVR Player.Com was incorporated in Malaysia under the Act on 2 November 1995 as a private limited company under the name of Axis Television Sdn Bhd and on 23 December 1998, it changed its name to Digital Visual Radio Sdn Bhd. On 28 January 2000, it assumed its present name. DVR Player.Com commenced its business during the financial year ended 31 January 2001.

The principal activity of DVR Player.Com is the provision of radio services via Internet.

(ii) **Share capital**

As at the LPD, the authorised share capital of DVR Player.Com is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2.00 comprising two ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of DVR Player.Com for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, DVR Player.Com is a wholly-owned subsidiary of Astro Radio.

(iv) **Subsidiary and associated company**

As at the LPD, DVR Player.Com does not have any subsidiary or associated company.

6.3.4 Associated company of Astro Brunei

6.3.4.1 Kristal-Astro (Company No. AGO/RC/4927)

(i) **History and business**

Kristal-Astro was incorporated in Brunei Darussalam under the Companies Act (Cap 39) on 18 January 2000 as a private limited company under its present name. Kristal-Astro commenced its business on 18 January 2000.

The principal activities of Kristal-Astro are the provision of DTH digital satellite broadcast pay-TV services.

(ii) **Share capital**

As at the LPD, the authorised share capital of Kristal-Astro is BND1,000,000 comprising 1,000,000 ordinary shares of BND1.00 each and its issued and paid-up share capital is BND500,000 comprising 500,000 ordinary shares of BND1.00 each.

There has been no change to the issued and paid-up share capital of Kristal-Astro for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, Kristal-Astro is a 48.9%-owned associated company of Astro Brunei whilst the remaining 51.1% is owned by Kristal Sdn Bhd.

(iv) **Subsidiary and associated company**

As at the LPD, Kristal-Astro does not have any subsidiary or associated company.

6.3.5 Subsidiaries of Astro Digital

6.3.5.1 Astro Digital 5 (Company No. 488331-D)

(i) History and business

Astro Digital 5 was incorporated in Malaysia under the Act on 12 July 1999 as a private limited company under the name of Multimedia Interactive Technologies Sdn Bhd and on 20 November 2008, it changed its name to Digital Five Sdn Bhd. On 25 May 2012, it assumed its present name. Astro Digital 5 commenced its business on 14 December 1999.

The principal activities of Astro Digital 5 are the development and licensing of multimedia and interactive applications.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Digital 5 is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Digital 5 for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Digital 5 is a wholly-owned subsidiary of Astro Digital.

(iv) Subsidiary and associated company

As at the LPD, Astro Digital 5 does not have any subsidiary or associated company.

6.3.5.2 Astro Publications (Company No. 379611-V)

(i) History and business

Astro Publications was incorporated in Malaysia under the Act on 13 March 1996 as a private limited company under the name of MEASAT Publications Sdn Bhd. On 25 May 2012, it assumed its present name. Astro Publications commenced its business on 1 October 1996.

The principal activities of Astro Publications are magazine publication and distribution.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Publications is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM350,000 comprising 350,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Publications for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Publications is a wholly-owned subsidiary of Astro Digital.

(iv) Subsidiary and associated company

As at the LPD, Astro Publications does not have any subsidiary or associated company.

6.3.6 Subsidiaries of Astro Entertainment

6.3.6.1 Astro Awani Network (Company No. 535275-D)

(i) History and business

Astro Awani Network was incorporated in Malaysia under the Act on 20 December 2000 as a private limited company under the name of Mambo Networks Sdn Bhd. On 25 January 2011, it assumed its present name. Astro Awani Network commenced its business on 1 June 2011.

The principal activities of Astro Awani Network are the creation, production, acquisition and syndication of news and information-based content and end-to-end channel management for distribution across multiple platforms.

(ii) Share capital

As at the LPD, the authorised share capital of Astro Awani Network is RM25,000,000 comprising 25,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM17,122,502 comprising 17,122,502 ordinary shares of RM1.00 each.

Details of the changes to the issued and paid-up share capital of Astro Awani Network for the past three years preceding the LPD are as follows:

Date of allotment	No. of shares	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
Ordinary shares:				
11.05.11	17,122,500	1.00	Cash	17,122,502

(iii) Shareholder

As at the LPD, Astro Awani Network is a 80%-owned subsidiary of Astro Entertainment whilst NDTV Networks Limited and NDTV One Holdings Limited each own 10% of Astro Awani Network.

(iv) **Subsidiary and associated company**

As at the LPD, Astro Awani Network does not have any subsidiary or associated company.

6.3.6.2 Maestro Talent and Management (Company No. 622782-W)

(i) **History and business**

Maestro Talent and Management was incorporated in Malaysia under the Act on 24 July 2003 as a private limited company under its present name.

Maestro Talent and Management is currently inactive.

(ii) **Share capital**

As at the LPD, the authorised share capital of Maestro Talent and Management is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2.00 comprising two ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Maestro Talent and Management for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, Maestro Talent and Management is a wholly-owned subsidiary of Astro Entertainment.

(iv) **Subsidiary and associated company**

As at the LPD, Maestro Talent and Management does not have any subsidiary or associated company.

6.3.6.3 Astro Arena (Company No. 518046-T)

(i) **History and business**

Astro Arena was incorporated in Malaysia under the Act on 24 June 2000 as a private limited company under the name of Golden Oldies Sdn Bhd. On 5 October 2009, it assumed its present name. Astro Arena commenced its business on 1 December 2009.

The principal activities of Astro Arena are the creation and production of Malaysian sports programming and acquisition and packaging of related sports content.

(ii) **Share capital**

As at the LPD, the authorised share capital of Astro Arena is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM2.00 comprising two ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Astro Arena for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Astro Arena is a wholly-owned subsidiary of Astro Entertainment.

(iv) Subsidiary and associated company

As at the LPD, Astro Arena does not have any subsidiary or associated company.

6.3.7 Jointly controlled entity of Astro Entertainment

6.3.7.1 Endemol Malaysia (Company No. 821648-H)

(i) History and business

Endemol Malaysia was incorporated in Malaysia under the Act on 16 June 2008 as a private limited company under the name of Endemol South East Asia Sdn Bhd. On 25 June 2010, it assumed its present name. Endemol Malaysia commenced its business on 16 June 2008.

The principal activities of Endemol Malaysia are creating, acquiring, developing, producing and selling audio visual entertainment content and programmes.

(ii) Share capital

As at the LPD, the authorised share capital of Endemol Malaysia is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Endemol Malaysia for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Endemol Malaysia is a 49.999%-owned associated company of Astro Entertainment whilst the remaining 50.001% is owned by Endemol OpCo Holding B.V.

(iv) Subsidiary and associated company

As at the LPD, Endemol Malaysia does not have any subsidiary or associated company.

6.3.8 Subsidiaries of Astro Shaw

6.3.8.1 Tayangan Unggul (Company No. 365949-V)

(i) History and business

Tayangan Unggul was incorporated in Malaysia under the Act on 6 November 1995 as a private limited company under its present name. Tayangan Unggul commenced its business on 1 February 1997.

The principal activities of Tayangan Unggul are film production, acquisition, commissioning and distribution.

(ii) Share capital

As at the LPD, the authorised share capital of Tayangan Unggul is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Tayangan Unggul for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Tayangan Unggul is a wholly-owned subsidiary of Astro Shaw.

(iv) Subsidiary and associated company

As at the LPD, Tayangan Unggul does not have any subsidiary or associated company.

6.3.8.2 Nusantara Films (Company No.507144-T)

(i) History and business

Nusantara Films was incorporated in Malaysia under the Act on 6 March 2000 as a private limited company under the name of AQON.Com Sdn Bhd. On 11 October 2006, it assumed its present name. Nusantara Films commenced its business on 13 October 2006.

The principal activities of Nusantara Films are production, acquisition, commissioning and distribution of films.

(ii) Share capital

As at the LPD, the authorised share capital of Nusantara Films is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Nusantara Films for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, Nusantara Films is a wholly-owned subsidiary of Astro Shaw.

(iv) **Subsidiary and associated company**

As at the LPD, Nusantara Films does not have any subsidiary or associated company.

6.3.8.3 Karya Anggun (Company No.756671-M)

(i) **History and business**

Karya Anggun was incorporated in Malaysia under the Act on 18 December 2006 as a private limited company under its present name. Karya Anggun commenced its business during the financial year ended 31 January 2008.

The principal activities of Karya Anggun are film production, acquisition, commissioning and distribution.

(ii) **Share capital**

As at the LPD, the authorised share capital of Karya Anggun is RM500,000 comprising 500,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Karya Anggun for the past three years preceding the LPD.

(iii) **Shareholder**

As at the LPD, Karya Anggun is a wholly-owned subsidiary of Astro Shaw.

(iv) **Subsidiary and associated company**

As at the LPD, Karya Anggun does not have any subsidiary or associated company.

6.3.9 Jointly controlled entity of Astro Shaw

6.3.9.1 Nusantara Edaran Filem (Company No. 625358-K)

(i) **History and business**

Nusantara Edaran Filem was incorporated in Malaysia under the Act on 19 August 2003 as a private limited company under the name of Ecstasy Records Sdn Bhd. On 15 January 2010, it assumed its present name. Nusantara Edaran Filem commenced its business on 1 February 2010.

The principal activity of Nusantara Edaran Filem is film distribution.

(ii) Share capital

As at the LPD, the authorised share capital of Nusantara Edaran Filem is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM7,000,000 comprising 7,000,000 ordinary shares of RM1.00 each.

Details of the changes to the issued and paid-up share capital of Nusantara Edaran Filem for the past three years preceding the LPD are as follows:

Date of allotment	No. of shares	Par value	Consideration	Cumulative issued and paid-up share capital
		RM		RM
Ordinary shares:				
08.02.10	49,998	1.00	Cash	50,000
13.08.10	6,950,000	1.00	Cash	7,000,000

(iii) Shareholder

As at the LPD, Nusantara Edaran Filem is a 50%-owned jointly controlled entity of Astro Shaw and MVP Entertainment Pte Ltd.

(iv) Subsidiary and associated company

As at the LPD, Nusantara Edaran Filem does not have any subsidiary or associated company.

6.3.10 Associated company of MBNS Multimedia Technologies

6.3.10.1 Advanced Wireless Technologies (Company No. 517551-U)

(i) History and business

Advanced Wireless Technologies was incorporated in Malaysia under the Act on 21 June 2000 as a private limited company under its present name. Advanced Wireless Technologies commenced its business on 15 May 2002 by virtue of its investment holding in UMTS (Malaysia).

The principal activity of Advanced Wireless Technologies is the provider of wireless multimedia related services.

(ii) Share capital

As at the LPD, the authorised share capital of Advanced Wireless Technologies is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and its issued and paid-up share capital is RM3,333,336 comprising 3,333,336 ordinary shares of RM1.00 each.

There has been no change to the issued and paid-up share capital of Advanced Wireless Technologies for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, Advanced Wireless Technologies is a 25%-owned associated company of MBNS Multimedia Technologies whilst the remaining 75% is owned by Maxis, a related party.

(iv) Subsidiary and associated company

The subsidiary of Advanced Wireless Technologies as at the LPD is UMTS (Malaysia) details of which are set out in Section 6.3.11 of this Prospectus.

Advanced Wireless Technologies does not have any associated company as at the LPD.

6.3.11 Subsidiary of Advanced Wireless Technologies

6.3.11.1 UMTS (Malaysia) (Company No. 520422-D)

(i) History and business

UMTS (Malaysia) was incorporated in Malaysia under the Act on 17 July 2000 as a private limited company under its present name. UMTS (Malaysia) commenced its business on 18 April 2005.

The principal activity of UMTS (Malaysia) is the holder of 3G spectrum assignment.

(ii) Share capital

As at the LPD, the authorised share capital of UMTS (Malaysia) is RM100,000,000 comprising 2,500,002 ordinary shares of RM1.00 each and 97,499,998 non-cumulative convertible redeemable preference shares of RM1.00 each ("**NCCRPS**"). The issued and paid-up share capital of UMTS (Malaysia) is RM100,000,000 comprising 2,500,002 ordinary shares of RM1.00 each and 97,499,998 NCCRPS all of which are held by Advanced Wireless Technologies.

There has been no change to the issued and paid-up share capital of UMTS (Malaysia) for the past three years preceding the LPD.

(iii) Shareholder

As at the LPD, UMTS (Malaysia) is a wholly-owned subsidiary of Advanced Wireless Technologies.

(iv) Subsidiary and associated company

As at the LPD, UMTS (Malaysia) does not have any subsidiary or associated company.

Save as disclosed above:

(i) there have been no changes in the issued and paid-up share capital of the abovementioned subsidiaries, associated companies and jointly controlled entities for the past three years preceding the LPD; and

(ii) the abovementioned subsidiaries, associated companies and jointly controlled entities do not have any outstanding warrant, option, convertible security or uncalled capital as at the LPD.

6.4 MSC companies

As at the LPD, five of our subsidiaries, namely MBNS, Astro Digital 5, Astro Productions, Astro Shaw and Astro Radio and our jointly controlled entity, Endemol Malaysia, are approved MSC companies. As an approved MSC company, the subsidiaries and jointly controlled entity benefit from the Government's Bill of Guarantees and other financial incentives, including the unrestricted employment of knowledge workers, freedom to source funds globally, competitive financial incentives, intellectual property protection and cyberlaws as well as no Internet censorship. The financial incentives are investment tax allowance or pioneer income exemption and duty free importation of multimedia equipment. The subsidiaries had enjoyed the corporate tax incentives, which have since expired but will continue to enjoy indirect tax incentives including duty exemptions of the importation of production and multimedia equipment. As at the LPD, Endemol Malaysia is in the process of applying to Multimedia Development Corporation for a confirmation on the commencement date of its pioneer exemption period. Please refer to Section 12.2.2(vii) of this Prospectus for further details.

(The rest of this page has been intentionally left blank)

7. BUSINESS OVERVIEW

7.1 Overview

We are Malaysia's and one of Southeast Asia's leading integrated consumer media entertainment groups, engaging primarily within Malaysia in the creation, aggregation and distribution of content over multiple delivery platforms including TV, radio, publications and digital media. During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content and, as at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. Our leading position is reflected by our 156 TV channels as at 31 July 2012, of which 68 are Astro-created and branded channels. We distribute content to our customers via broadcast and on-demand programmes through our DTH satellite TV, IPTV and OTT platforms, making our TV offerings increasingly platform-agnostic in reaching our customers.

As at 31 July 2012, we had a residential pay-TV subscriber base of over three million. In 2011, we had a market penetration rate of approximately 50% of the Malaysian TV Households of which we had a market share of approximately 99% of Malaysia's residential pay-TV market. Our radio business comprises nine commercial radio stations available over FM, DTH satellite TV, IPTV, mobile and Internet platforms, which include the highest rated radio stations in the Malay, Chinese, Indian and English languages in terms of listenership. According to the IMR Report, we had approximately 13 million weekly listeners capturing 52% share of listenership in Malaysia in April 2012, while for the three month financial period ended 30 April 2012, our share of the radio Adex market in Malaysia was 53%.

We were awarded the "Brand of the Year" award at Malaysia's recent Putra Brand Awards 2012. The Putra Brand of the Year award is given to the brand that best exemplifies innovation, quality and strong corporate social responsibilities.

Based on the pro forma consolidated financial information for the financial years ended 31 January 2010, 2011 and 2012 and the unaudited condensed consolidated financial statement for the six month financial period ended 31 July 2012, our Group recorded revenue of RM3,242.3 million, RM3,664.1 million and RM3,888.8 million and RM2,054.9 million, respectively and EBITDA of RM986.2 million, RM1,369.8 million and RM1,414.7 million and RM700.0 million, respectively. From the financial year ended 31 January 2010 to the financial year ended 31 January 2012, our Group's pro forma revenue and EBITDA grew by 19.9% and 43.4% respectively.

7.1.1 TV business

We are the largest pay-TV operator in Southeast Asia by subscriber base, with over 3.1 million residential pay-TV subscribers. Based on the IMR Report, which excludes East Malaysia viewers and viewers at commercial establishments, in June 2012, our pay-TV services, through our DTH satellite TV and IPTV platforms reached an average of 10.4 million resident viewers.

We have developed content creation, aggregation and distribution capabilities in ten major languages and dialects to cater to the interests of Malaysia's three main ethnic groups. Our broadcast centre, the AABC, houses Malaysia's first fully-digitalised HD TV programme production facility that supports our production of feature films, original games and reality shows, variety specials, live sports, news and current affairs programmes, documentaries, drama series and children's content. During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content and, as at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. We develop, license and supply Asian-language content to local and regional TV operators.

As at 31 July 2012, we exclusively broadcast some of our third party internationally sourced channels in Malaysia such as the National Geographic Channel, Disney Channel, Discovery Channel, AXN, ESPN and FOX Movies Premium. In addition, we also broadcast an extensive collection of international and regional sports content including, the Barclays Premier League, the UEFA Champions League, the FIFA World Cup, the European Football Championship and the AFC Champions League.

As at 31 July 2012, we broadcast 156 TV channels (both SD and HD channels), of which 68 are Astro-created and branded channels. The table below sets out our channels by type.

Channels by type	**SD**	**HD**	**Total**
Subscription channels	91	20	111
Pay-per-view channels	10	2	12
NVOD channels	22	0	22
Service related channels	2	0	2
Free-to-air channels	6	0	6
Other local channels	3	0	3
Total	**134**	**22**	**156**

We provide broadcast and on-demand programmes to our customers through DTH satellite TV, IPTV and OTT platforms, making our TV offerings increasingly platform-agnostic in reaching our customers.

We initially launched DTH satellite TV in 1996. In 1997, we were granted exclusive right to provide DTH satellite TV services in Malaysia until 2017. In 2009, we launched Astro B.yond, a hybrid DTH satellite TV and broadband-enabled set-top box and distribution platform to provide among others, HD services. In 2011, we transformed from a pure DTH satellite TV operator into a multi-platform pay-TV operator when we launched Astro B.yond IPTV, a triple-play service that includes our pay-TV services delivered through fibre optic broadband with high-speed broadband and telephony services, in partnership with TIME. To further increase our Astro B.yond IPTV distribution reach to up to approximately 1.3 million homes passed by 31 December 2012, we have entered into a collaboration with the Maxis Group for the delivery of Astro B.yond IPTV via fibre and for the packaging and co-marketing of both the Maxis Group's and our services for a period of ten years with an exclusivity period of three years (from the commercial launch of the packaged services). During the exclusivity period, the Maxis Group will become the exclusive fibre network partner for us (for areas within the fibre footprint of the Maxis Group but excluding areas within the fibre footprint of TIME) while we will be the exclusive IPTV service provider for the Maxis Group in providing content services to customers. We expect to soft launch the co-marketing of Astro On-The-Go and Astro B.yond IPTV with the Maxis Group services by the first quarter of 2013.

Through Astro On-The-Go, our OTT online and mobile application service, we currently offer 11 linear TV channels and a wide selection of non-linear content, and have plans to expand the line-up in the near future. We offer up to 500 on-demand titles at any one time through our various platforms. We further distribute content through other online social media and video portals, such as Facebook and YouTube.

In February 2012, we launched NJOI, our non-subscription based DTH satellite TV service which is also Malaysia's first. As at 31 July 2012, we offered 18 TV and 20 radio channels.

To reach our consumers, we leverage on our wide range of sales channels, targeting different customer segments, to increase effective market reach and promote cost efficiency in distribution. Our distribution network primarily consists of more than 1,000 sales personnel comprising direct sales and telemarketing staff, and an extensive retailer network with nationwide reach, covering both urban and rural regions of Malaysia.

Our Group's revenue from our TV business consists predominantly of subscription based revenue, and contributed approximately 94% of our Group's total revenue for the six month financial period ended 31 July 2012.

7.1.2 Radio business

Astro Radio broadcasts radio content through 20 different stations, nine of which are our commercial radio stations which are delivered as FM stations and broadcast on our DTH satellite TV, IPTV, mobile and Internet platforms while the other 11 additional direct-to-user radio stations are broadcast only on our DTH satellite TV, IPTV, mobile and Internet platforms. According to the IMR Report, our radio stations collectively reached approximately 13 million weekly radio listeners in April 2012, representing 52% share of listenership in Malaysia. For the three month financial period ended 30 April 2012, our share of the radio Adex market which comprises 52 radio stations in Malaysia was 53%. We have the highest rated radio stations in the Malay, Chinese, Indian and English languages in terms of listenership in April 2012. Our radio business contributed approximately 5% of our Group's total revenue for the six month financial period ended 31 July 2012.

7.1.3 Publications business

Astro Publications publishes seven print magazines, including our TV viewing guide, AstroView, which is the most widely circulated magazine in Malaysia with a circulation of approximately six million in 2010. There are four different editions of AstroView in circulation: editions in three different languages and a Traveller edition for hotels. Our other commercial publications include the English titles FourFourTwo, Style and FHM, the Malay-language title InTrend and the Chinese titles men's uno and iFeel, with a combined circulation of approximately 1.7 million in 2010.

7.1.4 Digital services business

Astro Digital develops and manages online and mobile portals to provide sports, entertainment and other key content to online audiences. These digital services allow us to expand our reach and to engage with customers and viewers by providing digital content such as latest news and sporting results, behind-the-scene and special features, programme highlights and social integration. In addition, our digital media platforms provide us with another medium for advertisements, forming part of our integrated media advertisement offering strategy.

7.2 Significant milestones

Year	Key milestones / Achievements / Awards / Recognitions
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 five radio stations. We introduced format radio programming, the first broadcaster to introduce this into the Malaysia market.

Year	Key milestones / Achievements / Awards / Recognitions
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	We surpassed one million residential pay-TV subscribers.
2007	We surpassed two million residential pay-TV subscribers.
	We introduced Astro On Demand, Malaysia's first TV NVOD service.
2009	We launched the Astro B.yond initiative which comprises hybrid DTH and broadband-enabled set-top boxes and distribution platform to provide among others, HD services.
	We launched Astro B.yond with the first HD service in Malaysia.
	We won the "CASBAA Chairman's Award" for our outstanding contribution to the pay-TV industry in the region.
2010	We brought the first 3D broadcast in Malaysia and Southeast Asia for the 2010 FIFA World Cup.
	We launched the Astro B.yond PVR.
	We launched the innovative 'Astro Tutor TV UPSR' examination revision channel.
	We were awarded the "Gold" award in the Media and Entertainment category at the Putra Brands Awards 2010, Malaysia's premier consumer brand awards.
2011	We introduced our IPTV services through Astro B.yond IPTV, in collaboration with TIME, to deliver IPTV through TIME's fibre optic broadband network.
	We launched Astro First, the first movie pay-per-view with near cinema window offerings in Malaysia, made available through our set-top boxes.
	We launched the Super Packs which comprise the best of our content, including HD and PVR services, to enhance our value proposition for our customers.
	We surpassed three million residential pay-TV subscribers.
	We were awarded the "Gold" award in the Media and Entertainment category at the Putra Brands Awards 2011, Malaysia's premier consumer brand awards.
2012	We were awarded 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.
	We launched Astro On-The-Go, our OTT entertainment service for smartphones, tablets and PCs, as well as broadband-based VOD.
	We launched NJOI, Malaysia's first non-subscription based DTH satellite TV with 18 TV and 19 radio channels.
	We entered into a collaboration with the Maxis Group to further increase our Astro B.yond IPTV distribution reach to up to approximately 1.3 million homes passed by 31 December 2012.

7.3 Competitive strengths

We believe that we are well positioned to maintain leadership in the Malaysian consumer media entertainment market and deliver growth as a result of the following competitive strengths:

7.3.1 Leading integrated consumer media entertainment group in the fast growing Malaysian market

We believe that our capabilities across content production, aggregation and distribution over multiple platforms reflect our position as Malaysia's leading integrated consumer media entertainment group. We hold a leading position across our various distribution platforms as follows:

- More than three million residential pay-TV subscribers reached via our DTH satellite TV, IPTV and OTT platforms, comprising a market penetration rate of approximately 50% of Malaysian TV Households of which we had a market share of approximately 99% of the residential pay-TV market in Malaysia in 2011, making us the largest residential pay-TV operator in Malaysia.

- Approximately 13 million weekly radio listeners to our radio stations available over FM, DTH satellite TV, IPTV, mobile and Internet platforms in April 2012, capturing a 52% share of listenership in Malaysia. For the three month financial period ended 30 April 2012, our share of the radio Adex market in Malaysia was 53%.

- Approximately 7.7 million circulation of our publication in 2010, comprising seven print magazines including AstroView, which is Malaysia's most widely circulated magazine,with a circulation of approximately six million in 2010.

- Over seven million monthly page views across our digital platform (excluding radio listening and Astro On-The-Go viewing) in July 2012, based on internal tracking powered by Google Analytics.

Based on our existing position, we believe we are well positioned to capitalise on the potential growth of the Malaysian economy and a young population demography that is open to the adoption of new technologies. According to the IMR Report, Malaysia's nominal GDP is expected to grow at a CAGR of 8.0% from 2011 to 2016 and the Malaysian average monthly household income is expected to grow at a CAGR of 5.3% from 2011 to 2016, higher than many developed countries. We believe this economic growth will contribute to higher consumer spending in media, expansion of the advertising market and an increase in residential pay-TV subscriber penetration from 50% of Malaysian TV Households in 2011 to 63% in 2014, based on the forecast contained in the IMR Report.

7.3.2 Leading multi-lingual content powerhouse in Malaysia with strong in-house production capabilities and an extensive international content portfolio

We believe we have developed a strong understanding of the viewing preferences of Malaysia's diverse population through our 16 years of operation in the Malaysian residential pay-TV market. With this knowledge, we are able to produce and aggregate a broad suite of what we believe to be attractive local, regional and international content that specifically targets the different segments of Malaysian viewers.

We are the leading producer of local vernacular content catering to multi-ethnic and multi-lingual communities of Malaysia. As at the LPD, we have produced or commissioned for production over 40,000 hours of TV content in various languages and were the first company in Malaysia to develop a local news channel, Astro Awani, with news available for 24/7 and a local sports channel, Astro Arena with sports coverage available for 24/7. This production capability is enabled by eight TV production studios and facilities and an award-winning domestic talent pool comprising some of the biggest stars in Malaysia. We believe our production experience provides us with a competitive edge and has led to the production of popular local content, such as Malay content Maharaja Lawak Mega, Chinese content Astro Classic Golden Melody and Indian content Vaanavil Super Star, which had TV peak ratings of 15.5, 17.2 and 26.2, respectively, and achieved peak viewership numbers of 1.0 million, 0.4 million and 0.3 million, respectively, throughout the programmes' broadcasts for the financial years ended 31 January 2010, 2011 and 2012, according to Nielsen Television Audience Measurement database.

We have created our own series of Astro SuperSport channels showing popular international sports content such as the UEFA European Football Championship, the German Bundesliga, NBA, Roland Garros (French Open), the FIFA World Cup and the Barclays Premier League, where a portion of the matches is broadcast on the ESPN and Star Sports channels. We also source content from third-party international, regional, local and sports content providers, and as at the LPD, have exclusive broadcasting rights in Malaysia to premium channels such as the National Geographic Channel, Disney Channel, Discovery Channel, AXN, ESPN and FOX Movies Premium. We believe that our large customer base is of high value to content providers, and that our long-standing relationships with leading regional and international content providers enable us to provide Malaysian viewers a large and diverse selection of content.

As at 31 July 2012, we broadcast 156 TV channels, including 68 Astro-created and branded channels with 22 HD channels over multiple genres and 25 languages, outnumbering our competitors' channels in Malaysia. Our closest competitor, Hypp.TV has over 50 channels. We believe the breadth of our content portfolio enables us to offer our subscribers a greater selection of content, further differentiating us from our competitors.

7.3.3 Multi-platform distribution supported by continuous innovation

Since our inception, we have sought to use technology to develop and expand our product offerings in order to address consumers' evolving entertainment preferences. Initially, our pay-TV business was launched on a DTH satellite TV platform for cost effective mass market reach. In recent years, we have transformed ourselves into a multi-platform distributor, embracing opportunities to reach customers and aim to deliver our content anywhere, anytime and on any device. Over our multiple platforms, we have launched a number of products and services, including Astro B.yond HD, Astro B.yond PVR, Astro B.yond IPTV, Astro First and Astro On-The-Go. In particular, we believe our Astro On-The-Go service is well-suited to capitalise on the tendency of Malaysian consumers to view content on their preferred viewing platform. As at 31 July 2012, we had approximately 50% of our subscribers on Astro B.yond set-top boxes and approximately 34% of our subscriber base had subscribed to Astro B.yond services. We believe that the encouraging take-up rate of Astro B.yond services demonstrates a healthy demand for our services and our ability to sell value-added services to our subscribers.

The launch of new services has been enabled by continuous innovation of set-top boxes and broadcasting and IT infrastructures. For example, our new generation Astro B.yond set-top boxes support HD, PVR and VOD services via DTH satellite TV and fixed broadband, with the flexibility of utilising the same Astro B.yond set-top boxes for our Astro B.yond IPTV offering. We have invested in our broadcasting, production and IT systems to ensure an efficient and effective operating model. In addition, we have completed a large-scale upgrade of our customer care and billing systems and enhanced our ability to better serve our customers and gain deeper insight in consumer preferences. Over the financial years ended 31 January 2010, 2011 and 2012, we have spent RM1,248.2 million in infrastructure and system enhancements, not including costs relating to leasing of satellite transponders.

7.3.4 Extensive sales and distribution network and strong customer service platform

We have an extensive distribution network that spans across Malaysia with more than 1,000 sales personnel as at the LPD, comprising direct sales and telemarketing staff, and an extensive retailer network with nationwide reach, covering both urban and rural regions of Malaysia. We believe we have built a robust logistics network capable of cost-effectively scaling to customer demand, leveraging on our established partnerships with third party service providers with extensive geographical reach and on our base of over 1,700 installers as at the LPD, to deliver installation services throughout Malaysia.

Our multi-channel distribution strategy coupled with flexible pricing and packaging of products and services, allows for effective market penetration by matching customer segments with optimal content needs. In particular, we believe that innovative bundling and targeted cross-selling of products and services have allowed us to increase the Residential ARPU of our subscriber base and also to reduce churn by increasing customer loyalty.

We continuously seek to improve our overall customer experience and customer satisfaction. We launched customer care on-boarding programmes, loyalty programmes and are in the process of implementing enterprise-wide sales automation and service integration platforms aimed at achieving end-to-end visibility, faster sales facilitation, faster service turnaround and provision of a seamless viewing experience.

7.3.5 One of Malaysia's best brands leading to significant customer loyalty

We are an award-winning organisation and we believe we have a strong and loyal following in the Malaysian market. We have focused on closely interacting with our subscriber base since our inception in 1996 and have developed a widely recognised brand, winning the "Gold" award in the "Media and Entertainment" category at the Putra Brand Awards consecutively from 2010 to 2012. The award incorporates responses from approximately 6,000 consumers. In addition, we received the "Brand of the Year" award across all categories at the Putra Brand Awards in 2012.

We continuously monitor and systematically improve our brand equity by engaging Milward Brown to conduct brand equity studies, which is based on 1,500 respondents consisting of both our subscribers and non-subscribers. According to Milward Brown's Brand Equity Study 2012, as at June 2012, when asked about large companies in Malaysia, Astro was the most mentioned brand in the Malaysian market, higher than the other two popular brands – "Maybank" and "Maxis". We believe that recognition of our brand has been instrumental in growing our subscriber base, reducing churn and improving customer loyalty.

7.3.6 Resilient business model with significant economies of scale and a strong track record

We generate most of our revenue from our pay-TV services, a subscription business model that provides us with a steady stream of cash receipts and stable margins. We have been able to consistently add pay-TV subscribers and grow our revenue, competing against multiple new entrants and withstand economic downturns such as the recent US debt crisis and Eurozone crisis.

We believe our large scale operations and subscriber base spanning multiple platforms provide us with economies of scale and operational leverage, for example in the procurement of content and set-top boxes. In addition, we believe our large subscriber base enables us to pursue opportunistic collaborations with third parties to further expand the range of our product offerings and to extend the reach of our distribution network.

These characteristics have translated to strong historical financial performance during the past three financial years. Based on the pro forma consolidated financial information, our Group's revenue grew by 19.9% from RM3,242.3 million for the financial year ended 31 January 2010 to RM3,888.8 million for financial year ended 31 January 2012, while our Group's EBITDA grew by 43.4% from RM986.2 million for the financial year ended 31 January 2010 to RM1,414.7 million for the financial year ended 31 January 2012.

7.3.7 Strength and depth in leadership and talent

Our leadership team comprises talents drawn from around the world with both local and international experience which has resulted in our leadership in the Malaysian consumer media entertainment market. In particular, we believe that our management team's initiatives have resulted in an increase in Residential ARPU concurrent with subscriber growth, while reducing churn, as well as the launch of new products and services. Since 2009, we have launched various products and services such as Astro B.yond HD, Astro B.yond PVR, Astro B.yond IPTV and Astro On-The-Go.

We train our employees across a diverse cross-section of disciplines, developing highly innovative employees to support and maintain our leadership position in the Malaysian media market. We are regarded as one of Malaysia's top employers as demonstrated by the Malaysia's 100 Leading Graduate Employers 2011 award. We believe that we have sustained a culture of high performance by focusing on recruiting of results-driven employees, and monitoring their progress through, among others, a rigorous performance management system.

7.4 Strategies and future plans

We aspire to maintain our leadership in the consumer media entertainment sector in Malaysia. Specifically, we are executing the following strategies to increase revenue, profitability and returns to our shareholders.

7.4.1 Continue to strengthen our position as the preferred content hub in Malaysia to extend market leadership

We believe that we produce and procure the best and most comprehensive suite of content offerings for Malaysian consumers and audiences, positioning us as the country's leading integrated consumer media entertainment group. Going forward, we intend to continue to build on our content leadership through the following initiatives:

- Extend our position as the preferred partner for local, regional and international content owners. For example, as at the LPD, we have secured from third party content providers exclusive broadcasting rights in Malaysia to premium channels such as the National Geographic Channel, Disney Channel, Discovery Channel, AXN, ESPN and FOX Movies Premium. We believe this is due to our distribution scale, relationship strength with the content providers and monetisation capabilities;

- Utilise our knowledge of the local entertainment market to produce and aggregate what we believe is the most attractive mix of global, regional and local content for Malaysian audiences. To this end, we will continue to develop our local talent pool and our own content intellectual properties, expand our production facilities and collaborate with international partners to produce localised content;

- Seek to expand our content line-up, including HD and VOD content, and broaden our content genre to include wellness and self-improvement content; and

- Secure cross-platform and cross-geography content rights for both our produced and selected procured content, with the aim of distributing and monetising this content with subscribers anytime and anywhere, within Malaysia and potentially in other regional markets.

7.4.2 Leverage on new technologies to develop products that enhance reach and service proposition

We will continue to capitalise on the emergence of new technologies and develop new products to expand our customer reach and enhance our service proposition to consumers. We intend to continue our partnership with TIME to provide bundled IPTV and high-speed broadband services via Astro B.yond IPTV. In addition, using Astro On-The-Go to extend our TV business to new devices, we aim to enhance multi-room TV to go beyond the household to access individual customers across multiple screens, and enable customers to access our content offerings anytime and anywhere.

To further increase our Astro B.yond IPTV distribution reach to up to approximately 1.3 million homes passed by 31 December 2012, as well as to expand the take-up of Astro On-The-Go, we have entered into a collaboration with the Maxis Group for the delivery of Astro B.yond IPTV via fibre and for the packaging and co-marketing of both the Maxis Group's and our services for a period of ten years with an exclusivity period of three years (from the commercial launch of the packaged services). During the exclusivity period, the Maxis Group will become the exclusive fibre network partner for us (for areas within the fibre footprint of the Maxis Group but excluding areas within the fibre footprint of TIME) while we will be the exclusive IPTV service provider for the Maxis Group in providing content services to customers. We expect to soft launch the co-marketing of Astro On-The-Go and Astro B.yond IPTV with the Maxis Group services by the first quarter of 2013.

We intend to bring to market new product enhancements and services for our Astro B.yond customer base. We are also committed to continuing to expand our pre-paid services for our NJOI customer base. With the expected increase in our transponder satellite capacity following the planned launch of MEASAT-3B by MSS in 2014, we expect to be able to significantly increase our HD offerings as well as launch other new high bandwidth services as they become commercially viable. We expect our focus on technology will allow us to further improve our proposition to both existing and new customers, reinforcing our market leadership.

7.4.3 Drive new product adoption to increase share of customer wallet

We believe that our long operating history and comprehensive customer analytics provide in-depth insights that enable us to offer compelling product propositions relevant to our customers' viewing needs. Going forward, we intend to leverage on this strategic advantage and focus on selling our premium services through segmented marketing efforts. We aim to expand our breadth of subscription package options and offer value-for-money bundled propositions such as Super Packs, to drive services take-up. Premium services such as HD, PVR, multi-room, VOD and Astro On-The-Go are targeted to address the viewing needs of the affluent segment as well as the young and urban segments of the Malaysian population. As we develop new products and services, we will continue to build on our bundling capabilities to create more value propositions for customers.

To further support the adoption of such new products and services, we are also proactively migrating our customer base from the legacy set-top boxes to our Astro B.yond set-top boxes, which will provide all customers access to additional value-added services and a better viewing experience. Through our NJOI service, we are also creating new opportunities to sell a variety of pre-paid based products to customers as they seek to access selected content offerings.

We believe that these initiatives will increase existing customer spending and the value of our subscriber base.

7.4.4 Pursue a targeted acquisition strategy to drive subscriber base growth

The penetration rate of our residential pay-TV services was approximately 50% of Malaysian TV Households in 2011. We believe that there is room for continued subscriber base growth. To access this potential growth, we are adopting an analytics-driven customer segmentation approach, which involves customising our product offerings to cater to the varied viewing preferences and income levels of the remaining market and expanding our reach beyond households to reach individual customers through our Astro On-The-Go platform. We are also expanding and modernising our sales network to effectively penetrate different customer segments in a cost-efficient manner.

We also aim to expand our addressable market through the rollout of our NJOI service. We believe that our NJOI service is a cost-efficient way of leveraging our existing infrastructure to reach the lower income segment and those unwilling to commit to a recurring fee, while establishing an upgrade path towards full subscription based services. We believe that the ability to migrate churned subscribers from our subscription based services to our NJOI service also allows us to reduce subsequent customer acquisition costs by maintaining an ongoing relationship with such customers.

7.4.5 Grow our share of the Malaysian advertising spend via a multi-pronged approach

We believe that we command a substantial share of Malaysia's Adex by virtue of our position as a leading integrated consumer media entertainment group in the country. Going forward, 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. We will continue to leverage on our high value added service offerings to attract advertisers wishing to capture premium audiences who subscribe to higher Residential ARPU services such as HD, PVR and VOD. In addition, we will continue to market our ability to provide premium advertisers customised and demographically targeted solutions through our mix of content and delivery platforms. To increase our share of Adex geared towards the Malaysian mass market, we will seek to attract lower-income mass market subscribers through our NJOI service. Finally, we can also offer 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.

7.4.6 Enhance customer experience to strengthen customer loyalty

We are committed to enhancing customers' experience to improve overall customer satisfaction and promote customer loyalty. We intend to achieve this by raising our service levels across all customer touch points, from installation to after-sales services and ongoing customer interactions. Such ongoing initiatives include:

- Adopting a segmentation-based servicing strategy, leveraging customer insights and analytics, to deliver a customised service experience;
- Enhancing information and technology capabilities as well as automation of service platforms to allow our business partners, such as retailers and technical service partners, to improve their response to customers' servicing needs while enabling a higher level of convenience;
- Optimising online customer experience to enable ease of access to support and services while managing our customer service costs; and
- On-going optimisation of operational processes to improve installation and servicing experience.

We intend to continue to improve our overall service levels and customer experience, which we believe will in turn build customer loyalty and brand equity, and reduce churn.

7.4.7 Continue to focus on operating efficiency and scalability to ensure profitable growth

We are committed to achieving profitable growth and aim to accomplish this through the following initiatives:

- Observe stringent investment criteria in evaluating content production and acquisition choices, and for approving the development or upgrading of products, systems and infrastructure;

- Increase the portion of in-house production of local and vernacular content, which is a cost-effective method to enhance customer satisfaction;

- Manage customer acquisition costs through targeted acquisition strategy, deployment of multi-channel sales teams and purchasing economics;

- Reduce our total cost of ownership for our pay-TV business by proactively migrating our subscriber portfolio from the legacy set-top boxes to our Astro B.yond set-top boxes in order to reduce the cost of technical development and maintenance and after sales support associated with maintaining multiple types of set-top boxes as well as to optimise transponder capacity upon full migration; and

- Contain average costs to serve a customer by improving our customer service platform, leveraging on information and technology capabilities to increase efficiency and expanding functionality of web-based self-care service.

7.5 Business units

7.5.1 TV business

7.5.1.1 Subscribers

We aim to provide our customers with a highly-fulfilling TV content viewing experience with a large variety of content offerings, covering both international and vernacular content across different customer segments.

In addition to offering pay-TV services to residential subscribers, we also cater to commercial subscribers, such as financial institutions, hospitals, shops, restaurants and other food and beverage outlets. Commercial outlets, schools and hotels, while contributing relatively marginal revenue, are important in increasing the brand awareness of our pay-TV services.

The table below sets out our number of subscribers, excluding NJOI customers, as at the dates specified.

	As at 31 January 2010	As at 31 July 2012
	'000	'000
Residential subscribers	2,930	3,166
Commercial subscribers	9	12
Hotel rooms[(1)]	109	136
Public schools[(2)]	3	12

Notes:

(1) Calculated on a per room basis.

(2) We provide subscription services to public schools on a complimentary basis as part of our corporate social responsibility.

In 2011, we had a penetration rate of approximately 50% of Malaysia's TV Households which consist of many ethnic groups. As at 31 January 2010, the ethnic composition of our residential subscriber base was 58% Malay, 23% Chinese, 11% Indian and 8% from other ethnic groups. As at 31 July 2012, the ethnic composition of our residential subscriber base was 61% Malay, 21% Chinese, 10% Indian and 8% from other ethnic groups.

7.5.1.2 Products and services

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 the mass market and premium subscribers, as well as the urban and young segments. Our content is delivered via broadcast and on demand through our multiple platforms of DTH satellite TV, IPTV and OTT.

(i) Subscription packages

In designing the pay-TV service packages, we aim to offer current and potential subscribers choice and flexibility. As at 31 July 2012, all packages included 41 basic channels and services (our Basic Family package) and 20 radio channels. In addition to these basic channels, subscribers have the option to choose from (i) three Prime packages such as Sports, Movies and Dynasty, (ii) four Mini packages, each of which offers a selection of channels along a specific theme such as news, learning, variety, and kids, (iii) six Plus packages, each of which offers a selection of channels which appeals to the various ethnic groups in Malaysia such as Mustika, Gold, New Emperor, Maharaja, Metro, Indo Pek, and special interest channels on an a-la-carte basis, and (iv) four Super Packs, each of which we believe offers more value to subscribers by bundling the most popular channels by customer segment and demographic for various ethnic groups. We also offer premium packages and pay-per-view services with the latest dramas and movies from the region such as Astro On Demand, Astro Box Office Movies, Astro First as well as niche sporting events on Astro Box Office Sports.

7. BUSINESS OVERVIEW *(cont'd)*

The following table shows our subscription packages as at 31 July 2012:

Basic Family Packages

• TV1* • TV2* • TV3 • Astro Ria • Astro Prima* • Astro Oasis*	• NTV7 • Zee Variasi • Arab Radio & TV Variety (ART) • TV AlHijrah	• TV9 • i130* • Tvi* • Astro Vaanavil* • Astro Vellithirai	• Makkal TV* • Astro AEC* • iVIEW* • Jia Yu*	• TVB Classic • Astro Xiao Tai Yang* • CCTV4* • KBS World • Astro Awani* • Bernama TV*	• CCTV News • Nat Geo Wild • Astro Tutor TV UPSR* • Astro Tutor TV PMR* • Astro Tutor TV SPM*	• Astro TVIQ • Astro Ceria • AXN • DIVA Universal • Asian Food Channel • Astro HITZ TV	• TLC • 8TV • Astro Arena • ESPNews • ITV Granada (preview)

Mini Packages

News	Learning	Variety	Kids
• CNN • CNBC Asia • BBC World • Bloomberg • Australia Network • Al-Jazeera English	• National Geographic Channel • Discovery Channel • Discovery Science • History • Animal Planet	• Star World • FOX • MTV • E! Entertainment • Animax	• Nickelodeon • Disney Channel • Cartoon Network • Disney Junior

Prime Packages

Sports	Movies	Dynasty
• Astro SuperSport • ESPN • Star Sports • Eurosport • Golf Channel • Astro SuperSport 2 • Astro SuperSport 3	• HBO Asia • MAX • FOX Movies Premium	• Astro Wah Lai Toi • TVB Entertainment News • Phoenix Chinese Channel • TVB Xing He • NHK World • TVBS Asia • Astro Shuang Xing

Plus Packages

Mustika	Gold	New Emperor	Maharaja	Metro	Indo Pek	Special Interest
• Astro Citra • Astro Warna • Astro Bella	• CTI Asia • Phoenix InfoNews Channel • Astro Hua Hee Dai	• Phoenix Chinese Channel • CTI Asia • Celestial Movies • Phoenix InfoNews Channel • Astro Shuang Xing • Astro Hua Hee Dai	• SUN TV • Chutti TV • Sun Music • Adithya TV	• The Biography Channel • Crime & Investigation • Discovery Home & Health • Discovery Turbo	• Bintang • Pelangi	• Baby TV • Astro Stocklink

Premium Packages		Pay Per Event / Pay-Per-View
• Astro Box Office Movies Thangathirai • Astro Box Office Movies Tayangan Hebat	• Astro On Demand Dragon Pack	• Astro Box Office Sports • Astro First

HD Channels

Basic HD	Movies	Variety	Learning	Sports	Local / Vernacular / Others
• One HD • BeTV HD • AXN HD • FX HD • KIX HD • Celestial HD • Astro Lifestyle HD: Food Network Asia HD & Life Inspired (Li)	• HBO HD • FOX Movies Premium HD • Sundance Channel HD	• Star World HD	• Discovery HD World • National Geographic Channel HD • History HD	• Astro SuperSport HD • Astro SuperSport HD 2 • ESPN HD	• Astro Zhi Zun HD (Chinese) • Astro Mustika HD • Astro First HD • Astro 'Signature' HD

Note: Channels signified with "" are channels offered on our NJOI service.*

The Basic Family package is available to all subscribers and includes vernacular and international channels that represent the main genres such as drama, general entertainment, learning, local sports, news and movies.

With the additional packages to the Basic Family package, we aim to provide more quality, value and choice. Subscribers are able to choose the package or combination of packages that are most suitable to them on top of the Basic Family package, and pay subscription rates based on the packages that they selected. In June 2011, we also launched the Super Packs, a content-bundling proposition with value-added services such as HD and PVR.

Our pay-TV services are intended to provide a diverse mix of programmes that appeal to the various ethnic groups of the Malaysian population. We secure local, regional and international content and/or channels that include general entertainment, sports, news, movies, music, documentaries, business news, education and children's programmes. As at 31 July 2012, we broadcast 156 TV channels in total, including 68 Astro-created and branded channels with 22 HD channels.

We routinely conduct quantitative and qualitative market research activities to understand both the appeal of our services to our subscribers and how to attract non-subscribers to our services. These activities enable us to devise strategies for pricing, programming and packaging to our subscribers. Through such activities, we have evolved from having only a single package structure at the time of our initial launch, into the current structure of multiple package offerings today. We believe that the changes and developments over the years have been successful and instrumental in improving our subscriber base growth, keeping churn rate low and enhancing Residential ARPU for selected subscriber segments.

(ii) Additional value-added services under the packages

We also provide an improved viewing experience to our subscribers with an array of value-added-services, as follows:

(a) HD/3D

We launched the first HD service in Malaysia in December 2009 under the brand Astro B.yond HD. Following the launch of Astro B.yond HD, Astro B.yond PVR was introduced in June 2010. As at 31 July 2012, Astro B.yond HD had 22 HD channels that offer movies, drama, sports, general entertainment and documentaries.

Where 3D feed is available, we also broadcast 3D TV content as special events such as the Semi-Finals and Finals of the 2010 FIFA World Cup, the final match of the UEFA European Football Championship 2012, selected Barclays Premier League matches and golf tournaments.

The table below sets out SD/HD breakdown of our channels as of the dates indicated:

	As at 31 January			As at 31 July
	2010	2011	2012	2012
SD channels	115	127	132	134
HD channels	4	13	19	22
Total	**119**	**140**	**151**	**156**

(b) PVR

The Astro B.yond PVR set-top box provides a PVR function, which allows subscribers to record content, rewind live TV, pause live TV and play back any recorded programmes. The PVR hard disk allows for 500GB of storage, which can record approximately 300 hours of content.

(c) Multi-room service

The multi-room service allows customers to sign-up for a second subscription at a discounted monthly subscription fee-the second subscription package mirrors that of their primary subscription. This requires an additional set-top box to be installed for each additional location in the household, but connects to the same satellite dish as the primary box.

To continue to drive value for our multi-room customers, we provide our multi-room service customers with access to the Astro On-The-Go service for free. The multi-room service allows customers to enjoy a richer suite of services catering for different needs of their family in the home. We believe this service is well positioned to benefit from Malaysia's average household size of 4.3 people per household in 2011.

(d) NVOD

We offer various NVOD services to our customers. NVOD is the 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.

Astro On Demand was launched in July 2007, providing the screening of the latest dramas from Hong Kong at the same time as their release in Hong Kong, as part of a monthly subscription package. We also offer various selections of first-run movies and Telemovies through Astro Box Office Movies, Tayangan Hebat and Thangathirai on a subscription basis.

We had in January 2011 and August 2012 launched Astro First and Astro Best respectively, which are pay-per-view movie products offering both local and foreign theatrical movies, of which local movies are offered as early as two weeks after their theatrical releases. Astro First and Astro Best can be ordered through SMS and customers are able to view the content as many times as they wish over a period of 48 hours commencing from successful authentication.

(e) Pay per event

For significant events or niche sports such as cricket and wrestling, we offer two pay-per-event channels on Astro Box Office Sports. Once purchased, customers have access to the channel throughout the entire duration of the event.

(f) VOD

In 2011, we launched broadband-based VOD for downloading to our Astro B.yond PVR set-top boxes. Initially, the service was only available to our IPTV customers, but in May 2012, the service was made available to all of our pay-TV subscribers with the Astro B.yond PVR service when connected to a broadband service of the customer's choice. Up to 500 titles are concurrently available for download at any time. Content is available as transactional VOD ("**TVOD**") and subscription-based VOD ("**SVOD**") to subscribers. For the TVOD service, a customer is able to purchase an individual title or a complete drama series on demand. They can also subscribe to the SVOD service at the same time, which allows customers to view selected content from the TV channels they subscribe to for the duration of their subscription.

In addition, as part of our collaboration with the Maxis Group as set out in Section 7.1.1 of this Prospectus, we plan to create a SVOD content package to be made available to subscribers of certain co-marketed/bundled packages to be offered pursuant to such collaboration.

A Push Video On Demand ("**PushVOD**") service is planned to be launched by the end of 2012 to cater to PVR customers without a broadband connection. Under the PushVOD service, the content will be pre-downloaded into the hard disk of the PVR through satellite transmission. Customers will be able to view the content once it has been fully downloaded into the PVR hard disk.

(g) High-speed broadband and telephony services

We launched our Astro B.yond IPTV services in April 2011, a triple-play bundling proposition of pay-TV, high-speed broadband and telephony services. Our IPTV customers can get all of the channels and value-added services described above and also a bundled value offering including a high-speed broadband connection and home telephony services through high-speed fibre optic broadband. The broadband and home telephony services are provided through a partnership with TIME. In addition, similar services will be provided following our collaboration with the Maxis Group as set out in Section 7.1.1 of this Prospectus. This multi-play bundled service enables us to provide an advanced digital lifestyle via a seamless experience to meet the voice, data and entertainment needs of all generations within a home.

(h) Astro interactive services

We offer interactive TV services to our subscribers. For example, an interactive application that is incorporated across some of the most popular TV programmes, such as Akademi Fantasia and Mania, allows viewers to vote and participate in real-time chat rooms and contests.

We offer a "Red Button" interactive feature on some channels to provide a link to several different feeds from certain events, thereby enabling viewers to select between events or sporting matches taking place simultaneously. The "Red Button" feature is also used to provide interactive services such as programming updates, event news, scores, contest information and sponsor advertising. For example, for the 2010 FIFA World Cup football programmes, the "Red Button" function allowed subscribers to view multiple matches and to get updates and news on the matches.

(iii) Non-subscription based DTH satellite TV with pre-paid options

In February 2012, we launched NJOI, our non-subscription based DTH satellite TV service. As at 31 July 2012, NJOI customers are able to watch 18 TV channels, including educational channels, such as Astro Tutor TV UPSR, Astro Tutor TV PMR, Astro Tutor TV SPM and Astro Xiao Tai Yang as well as other entertainment and information channels like Astro Prima, Astro Oasis, Astro Awani, Astro AEC, Jia Yu, Astro Vanaavil, Makkal TV, CCTV4, Bernama TV, iView, i130, TVi, TV1 and TV2, and 20 radio channels through our DTH satellite TV platform with no monthly subscription fee. NJOI customers only need to make a one-time payment for the necessary equipment and installation charges to enjoy the channels offered. We launched a pre-paid service in July 2012 to allow NJOI customers to purchase additional premium content on a pre-paid basis. We believe that NJOI will further increase our market penetration by providing access to the non-subscription bound segment, and serving as a platform for us to sell subscription-based services.

(iv) OTT services

Taking advantage of the potential for OTT services driven by consumers' preference for viewing content on multiple devices, we launched the Astro On-The-Go service in May 2012. With this service, customers are able to access our selected content through their smartphones, tablets and PC/laptops, while connected to any fixed or mobile broadband connection.

Astro On-The-Go offers the following:

- a selection of live sport matches and signature events or programmes;
- a selection of 11 linear TV channels across kids, news and entertainment;
- "Catch-up" and SVOD services for previously aired signature programmes; and

- "Pay-Per-View" offering TVOD and Astro First content.

The services will be offered as a value-added bundle to our premium multi-room, Super Pack and Astro B.yond IPTV Super Pack subscribers while TVOD and Astro First are available on a pay-per-view basis to any customer. Going forward, we also intend to make available the Astro On-The-Go service for a fixed monthly subscription fee for non-pay-TV customers and those who do not subscribe to the multi-room, Super Pack or Astro B.yond IPTV Super Pack products.

(v) Residential ARPU

Residential ARPU is the monthly average revenue per residential pay-TV subscriber and does not include NJOI customers.

Our Residential ARPU has increased from approximately RM82 for the financial year ended 31 January 2010 to approximately RM89 for the financial year ended 31 January 2012.

	For financial year ended 31 January			For the six month financial period ended 31 July
	2010	2011	2012	2012
Residential ARPU (RM)	82	85	89	92

The base for our Residential ARPU is generated by our Basic Family package but is bolstered by our Mini, Prime, Plus and Premium packages and Super Packs, as well as our other value added services such as PVR, HD and Astro First. We have increased our HD channels offering from four channels in December 2009, when we first launched our HD services, to 22 channels as at 31 July 2012. The launch of the Super Packs in June 2011 has further increased the take up of our HD services. We further strengthened our Residential ARPU growth with the launch of Astro First, a pay-per-view movie product which offers both local and foreign theatrical movies, of which local movies are offered as early as two weeks after their theatrical releases.

7.5.1.3 Advertising sales

We offer an opportunity for advertisers to associate with and advertise across some of the best global, regional and local content from around the world. The content spans multiple genres including drama, documentary, education and learning, general entertainment, kids, lifestyle, movie, news, reality and sports. We offer our clients an unparalleled choice of targeted and contextual advertising opportunities. The share of Adex generated by TV was 36% of total media Adex revenue in Malaysia in 2011. In 2011, we had a 26% market share of the TV Adex in Malaysia.

In order to continue increasing our share of TV Adex/airtime revenue, we intend to focus on promoting targeted and contextual advertising, and leveraging on our products with mass distribution for mass advertising. We anticipate that our different premium packages will offer our clients and advertisers a strong medium to target relevant and premium audiences. As we have close to one million Astro B.yond HD subscribers, our advertisers have the option of effectively targeting premium viewers for their advertising campaigns. Furthermore, our pay-TV services are packaged to target specific segments. We believe our new lifestyle-based products such as Astro On-The-Go and Stadiumastro will allow advertisers to target customers across different complementary platforms. In addition, we believe that products such as Astro Tutor TV will allow business with education-oriented products to target their Adex to a relevant audience base. Further, we anticipate that our NJOI service will give advertisers a chance to choose from a wide variety of 18 channels spread across different language segments to target the mass market, thereby providing a traditional mass market advertising option.

The commercial terms of our advertising packages are based on the volume and duration of commitment of a particular advertiser.

As at 31 July 2012, we have a TV advertising sales force of over 70 permanent staff.

7.5.1.4 TV content

We create, aggregate and distribute content on multiple delivery platforms to cater to the needs and preferences of the multi-ethnic groups in Malaysia. During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content. As at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. As at 31 July 2012, we broadcast 156 TV channels, including 68 Astro-created and branded channels with 22 HD channels. We have also created our own series of Astro SuperSport channels showing popular international sports content such as the 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 (where a portion of the matches is broadcast on the ESPN and Star Sports channels). The remaining channels are from third parties, sourced from international, regional, sports and local content providers. As at the LPD, we have exclusive broadcasting rights in Malaysia to premium channels such as the National Geographic Channel, Disney Channel, Discovery Channel, AXN, ESPN and FOX Movies Premium. The contracts for such premium channels are due for renewals between 2012 and 2020. We are currently in the process of negotiating for the renewals for those contracts ending in 2012.

The table below sets out our channels by type as at 31 July 2012:

Channels by type	SD	HD	Total
Subscription channels	91	20	111
Pay-per-view channels	10	2	12
NVOD channels	22	0	22
Service related channels	2	0	2
Free-to-air channels	6	0	6
Other local channels	3	0	3
Total	**134**	**22**	**156**

We offer a mix of local, regional and international content spanning multiple genres such as drama, documentary, education and learning, general entertainment, kids, lifestyle, movie, news, reality and sports. Our segmented approach to content provides content with mass appeal, such as content for our Basic Family package and NJOI services, as well as premium content such as international sports, premium movies, HD and on demand content for the high Residential ARPU customers. Our segmented approach also includes targeting content to appeal to our younger audience who are typically multi-device users. In addition, we differentiate our content offering to include vernacular content to appeal to the different ethnic groups in Malaysia. Such content is available across multiple platforms, enhancing the viewing experience.

Viewership share on our platforms for the three main ethnic groups during the financial years ended 31 January 2010, 2011 and 2012 was as follows:

	Financial year ended 31 January		
Year	**2010**	**2011**	**2012**
	%	%	%
All	70	70	71
Malays	57	58	61
Chinese	85	87	87
Indians	93	94	93

Source: *Nielsen Television Audience Measurement database based on viewers age six and above. Viewership share is based on viewership in Astro households of all channels (excluding the free-to-air channels) versus viewership of free-to-air channels carried on the Astro service.*

To ensure we offer a compelling and relevant selection of content, we routinely assess new channels and review existing channels' performance. The factors which we consider for any new channel acquisition and renewal of existing channels include channel performance, channel proposition and their relevance and fit for our customers, licence fees and bandwidth capacity.

(i) Aggregating international and regional content

As at 31 July 2012, we had a total of 46 international channels, including 12 HD channels. We have long-standing relationships with international content providers from whom we acquire the channels on a contractual basis. Fee structures range from a flat fee per annum to a variable fee on a per subscriber basis or a combination of both. Some of the popular international channels offered by us include CNBC, CNN, Discovery Channel, Disney Channel, FOX Movies Premium, HBO, History and the National Geographic Channel.

We also broadcast an extensive collection of international and regional sports including, the Barclays Premier League, the UEFA Champions League, German Bundesliga, J. League (Japan), the AFC Champions League, Wimbledon, F1, NBA, Thomas & Uber Cup, COPA America, the FIFA World Cup, the UEFA European Football Championship, Olympics and Asian Games. We broadcast sports channels such as ESPN and Star Sports and also bundle sports content in our series of Astro SuperSport channels. As at 31 July 2012, we had a total of 15 sports channels, including three HD channels.

In addition to international channels, we also have a selection of regional content and channels from Hong Kong, Taiwan, China, India, Indonesia, Korea and Japan in our content portfolio. These Asian channels and content appeal to the different ethnic groups in Malaysia and are procured from regional content providers such as TVB, CTi, CCTV, SUN TV, KBS and SBS. As at 31 July 2012, we had a total of 24 regional channels, including two HD channels.

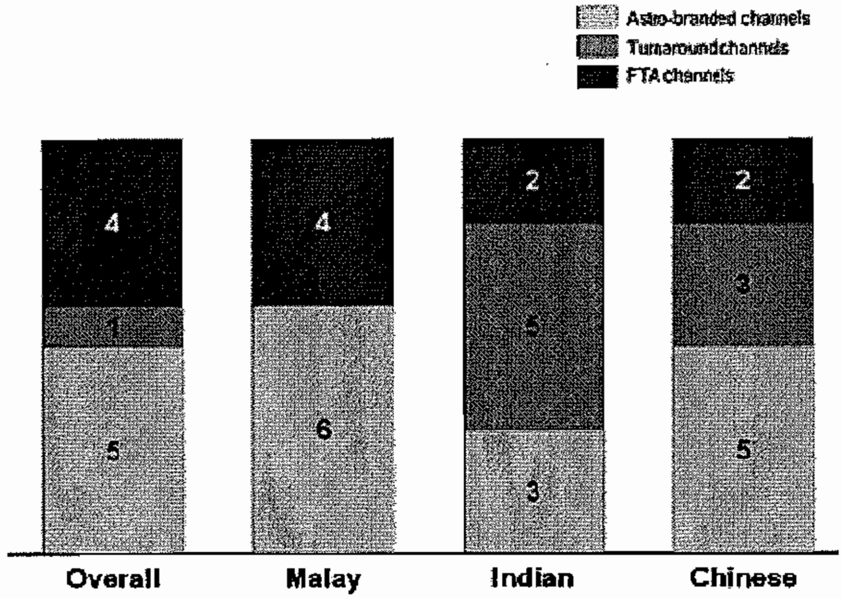
Many of our international and regional channels are offered in their respective original languages as well as with multiple subtitle options and multiple audio tracks to offer greater relevance to our customers.

(ii) Producing local and vernacular content

We aim to differentiate our content portfolio by producing or commissioning for production local and vernacular content targeted at the various ethnic groups in Malaysia. As at 31 July 2012, we had 68 Astro-created and branded channels, including seven HD channels, to serve Malaysia's three main ethnic groups, while our vernacular content is also tailored to meet the diverse multi-lingual needs of different customer segments. Going beyond the four primary languages in Malaysia comprising Bahasa Malaysia, English, Mandarin and Tamil, we also produce content in dialects such as Cantonese and Hokkien for our Chinese subscribers, and Hindi, Telegu and Malayalam for our Indian subscribers. For our Malay segment, we were the first in Malaysia to launch a 24/7 Islamic lifestyle channel, Astro Oasis, a 24/7 comedy channel, Astro Warna and an in-house produced and packaged Malay HD channel, Astro Mustika HD. For the Chinese segment, we launched the first 24/7 Hokkien channel, Astro Hua Hee Dai and the first self-packaged 24/7 Chinese HD channel in Southeast Asia, Astro Zhi Zun HD. We also created the first 24/7 news channel in Malaysia, Astro Awani, and the first 24/7 local sports channel in Malaysia, Astro Arena, to promote local sports.

We believe Astro-created and branded channels have become a major source of TV entertainment for our subscribers. Astro Ria, Astro Prima, Astro Hua Hee Dai, Astro Wah Lai Toi, Astro AEC, Astro Vaanavil and Astro Vellithirai are among the top ten viewed channels in the households of each ethnic group that we broadcast to. Astro self-produced content, such as MasterChef Malaysia, Raja Lawak, and Astro Classic Golden Melody, have achieved a relatively high rating even when compared to some free-to-air content.

The chart below sets forth the top ten channels viewed by our subscribers by ethnic groups.



Source: IMR Report

The tables below set forth our notable vernacular content (based on viewership and TV rating) for Malaysia's three main ethnic groups for the financial years ended 31 January 2010, 2011 and 2012:

Malay content intellectual property

Programme	Genre and description	Highest viewership '000	TV rating[1]
Maharaja Lawak Mega	Comedy reality show across Malaysia, Indonesia and Singapore	1,035	15.5
Imam Muda	Islamic reality show in search of the new Imam	737	13.3
Kilauan Emas	Singing competition for senior citizens	654	11.7
Tanah Kubur	Tales from grave-diggers	611	9.1

Chinese content intellectual property

Programme	Genre and description	Highest viewership '000	TV rating[1]
Astro Classic Golden Melody	Singing competition for senior citizens	406	17.2
Miss Astro Chinese International Pageant	Beauty pageant, with its winner representing Malaysia to compete in the Miss Chinese International Pageant	289	13.0
Hua Hee Everyday	The first locally-produced Hokkien sitcom in Malaysia	275	11.8
My New Village Stories	Documentary series of Chinese villages, cultures and heritage in Malaysia	259	11.4

Indian content intellectual property

Programme	Genre and description	Highest viewership	TV rating[1]
		'000	
Vaanavil Super Star	Singing competition	343	26.2
Aattam 100 Vagai	Dance competition	284	21.9
Thigil	Documentary on horror and supernatural stories in Malaysia	201	13.9
Viyarvai	Documentary of community involved in jobs such as cleaning toilets and rubbish for a living	145	10.0

Source: Nielsen Television Audience Measurement database.

Note:

(1) A TV viewership rating is the number of individuals tuning into a particular chennel or programme divided by the viewing universe by each respective segment comprising individuals aged six and above.

Besides entertainment content, we produce or commission the production of educational content, which is broadcast through Astro Tutor TV, the first "exam preparation" channel in Malaysia. Astro Tutor TV UPSR, Astro Tutor TV PMR and Astro Tutor TV SPM are Malaysia's exam preparation channels designed to help students prepare for Malaysia's three major national exams. The content featured is based on Malaysia's national curriculum, and is designed to help students study and prepare for exams in an enjoyable and interactive manner. These educational channels are available in most public schools via our partnership with the Ministry of Education, Malaysia.

In addition to three Astro Tutor TV channels, we also offer educational content on Astro TVIQ for the Malay and English-speaking segment as well as Astro Xiao Tai Yang for the Chinese segment. For example, Oh My English! is a recently launched educational comedy on Astro TVIQ channel that aims to help Malaysians improve their conversational English in a fun manner. Happy Trilingual is another educational series on Astro Xiao Tai Yang that helps children learn Bahasa Malaysia, English and Mandarin. As at 31 July 2012, our educational content offerings were delivered over six channels in four languages comprising Bahasa Malaysia, English, Mandarin and Tamil.

(iii) Talent pool

We have actively cultivated, groomed and developed our own local in-house talent, who we believe will contribute to the quality of the content produced by us. Our local in-house talent comprises employees under permanent employment with our Group and contracted talents with our Group. As at the LPD, our Group has approximately 105 talents of whom approximately 35 are under permanent employment with us and approximately 70 are talents contracted directly with our Group. Our talents span across a variety of genres, including general entertainment, music, news and sports programming. Some of our in-house talent are as follows:

	Name	Achievements
	Mohamad Yazid Lim bin Mohamad Aziz (Johan)	Most popular male comedian, Anugerah Bintang Popular Berita Harian ("**ABPBH**") 2011
	Aznil Hj Nawawi (Pak Nil)	Most popular male TV host, ABPBH 2003 to 2010
	Nurul Elfira Loy binti Ahmad Sabri (Elfira Loy)	Best supporting actress, Anugerah Skrin 2010
	Aaron Mustapha bin Aziz (Aaron Aziz)	Most popular artiste and most popular film actor, ABPBH 2011
	Fazira binti Wan Chek (Erra Fazira)	Top five best actress in leading role, Asian TV Awards 2011
	Mohd Hafiz bin Mohd Suip (Hafiz)	Most popular male singer, ABPBH 2011
	Stracie Angie Anam (Stacy)	Best new female artiste, ABPBH 2008
	Tha Kien Ying	Most popular award, Million Star Taiwan 2011
	Gan Hwee Peng (Geraldine)	Finalist, Million Star Taiwan 2011; Champion, Astro Star Quest 2011

We seek to identify, develop and promote our talent pool, including actors, singers, announcers and other performers, to maximise their career potential and marketability by providing airtime and exposure to new artistes on our various integrated media platforms. Some talents are identified and nurtured through our own talent search programmes such as Akademi Fantasia for Malay talent, Astro Star Quest for Chinese talent and Vannavil Super Star for Indian talent. We believe that supporting the career of popular Malaysian and Asian entertainers and thereby developing strong relationships with them will further enable us to develop and produce successful TV, film, radio and other content.

In addition to our talent pool in the general entertainment space, we also have a line-up of TV hosts for our locally produced sports and news content. Some of our TV hosts and anchors in sports and news are as follows:

	Name	Position/Achievements
	Jason Dasey	Sports TV host and executive producer
	Peter Barnes	Sports pundit, former international footballer
	Jayshini Menon	Sports TV host
	Akbar Sahari	Sports TV host for Astro Arena
	Ashwad Ismail	Broadcast journalist and news anchor, Special Jury Award, Anugerah Seri Angkasa 2010 and Best TV News Anchor, Anugerah Seri Angkasa 2010
	Mohd Fadzrie Hazis	News anchor, Best Sports Commentary (Electronic), Sportswriters Association of Malaysia (SAM)-100PLUS for 2011
	Syed Farradino Omar	News anchor, Health Journalism Award – TV category, Ministry of Health 2011
	Zulhelmi Zainal Azam	Broadcast journalist, Best Special Report and Best Reporter, Sportswriters Association of Malaysia (SAM)-100PLUS 2010

As at 31 July 2012, we had approximately 65 producers and directors to support our production requirements.

(iv) In-house end-to-end production capabilities

During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content. As at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. We provide approximately 15,000 hours of voice-over dubbing and subtitling of over 25 languages in the financial year ended 31 January 2012.

We have eight TV production studios located across three different locations in the Klang Valley:

- five digital TV studios located at the AABC, four of which have been upgraded in 2011 to cater for the production of HD content;

- two HD studios operated by Astro Arena are located at an independently located self-sufficient facility that are predominantly used for production of local sports content; and

- a SD studio located at an independently located self-sufficient facility that is predominantly used for news production for the Astro Awani news channel and broadcast stations.

In addition, we have upgraded our facilities to position ourselves to meet the steadily increasing demand for HD content. Astro Productions has HD production facilities in Malaysia comprising three HD studio production facilities and two HD outside-broadcast production vehicles (outside-broadcast vans) providing flexibility in how and where HD content is produced. Astro Productions is an end-to-end production service company comprising production, post production, graphics and visual effects, file delivery and storage. It has a trained and skilled workforce comprising, among others, camera operators, sound designers, lighting directors, floor management and electrical, engineering and technical management. Astro Productions also has a trained post production department carrying out, among others, video editing, audio post production, graphics and visual effects, audio dubbing, multimedia, systems engineering and production.

We also extend our production services to third parties or collaborate with third parties by making available our production personnel and/or facilities to optimise utilisation rates. Examples of such arrangements include the first two seasons of Minute to Win it (in HD), Masterchef, Kamilah Bintang and Serasi Bersama.

(v) Film entertainment

Our film entertainment unit primarily has two roles within our Group. First, it complements our pay-TV business by providing additional movie content across various products and bundles including Astro First, premium movie packs, premium channels and our NJOI service. Second, it produces cinematic content which contributes to the development of and generates interest in the local film industry as well as cross-promoting our in-house talent. Film production and distribution is operated by Astro Shaw, which presents films produced by our three wholly-owned production houses: Tayangan Unggul, Nusantara Films and Karya Anggun.

As at 31 July 2012, Astro Shaw had distributed over 50 foreign titles and, released 43 local titles. Astro Shaw is one of the biggest film studios in Malaysia and is well-regarded for the quality of its movies as evidenced by more than 20 awards from local and foreign film festivals.

Astro Shaw's films target younger audiences. Starting from 2010, Astro Shaw has expanded beyond Malay language films to include Tamil and Chinese (mainly Cantonese and Mandarin) titles. It has formed partnerships with producers and established companies in order to offer a variety of co-produced films.

Astro Shaw's most successful film, in terms of box office revenue, was Ombak Rindu, grossing the second highest box office collection in the history of Malaysian cinema amounting to RM10.9 million according to FINAS. During the financial year ended 31 January 2012, Astro Shaw released seven films with a total theatrical gross box office collection of RM16.0 million.

(vi) Forming collaborations and content alliances

We believe that our strategic content-focused alliances and co-productions with content partners internationally provide a global benchmark for the creation of high-quality entertainment with local preferences in mind. We have continued to expand our efforts in forming regional content joint ventures and partnerships to support our strategy of expanding our content capabilities, with regard to both origination and aggregation. We believe that these alliances with leading content providers in the region will enable us to expand our presence as a creator and distributor of content throughout Asia. Our joint venture with Endemol OpCo Holding B.V. through, Endemol Malaysia, provides us with access to a content catalogue which can be localised for the Malaysian market, and also provides us with know-how regarding the content creation process and potential opportunities to use world-wide content distribution networks to distribute some of our locally created formats to an international market. In addition, our joint venture alliance with NDTV Limited on our local Malaysian news content allows us to incorporate best practices for news production in the industry.

7.5.1.5 Sales and marketing

(i) Distribution network

We have a wide range of sales channels, targeting different customer segments, to increase effective market reach and promote cost efficiency in distribution. Our primary sales channels are through our direct sales, telemarketing and retailer networks. We regard our retailers as close business partners and invest in strengthening relationship with them by providing strong trade and marketing support programmes for premium retailers while continuing to develop new strategic partnerships. We plan to continue expanding and strengthening our brand presence to expand distribution coverage by establishing sales and service kiosks, which provide an additional avenue to showcase our services and products. In addition, we also plan to continue expanding the reach of our payment channels and improve accessibility by expanding electronic and online payment options in collaboration with relevant service providers to cater to customers' needs for mobility and convenience. We believe such strategic efforts are important in acquiring new customers and retaining existing customers.

Sales channel	Description
Our proprietary channels:	
Direct sales	Approximately 800 direct sales personnel nationwide as at the LPD; direct sales efforts focus on high traffic areas such as hypermarkets, shopping malls, Malaysian carnivals, conventions and major events.
Telemarketing	A team of approximately 350 telemarketers as at the LPD, comprising both in-house telemarketers and those outsourced from third-party telemarketing companies.
IPTV specialist	A team of in-house sales personnel specialising in IPTV service.
Online	A self-service cost-effective channel, offering convenience and hassle-free services to customers.
Sales and service kiosks	Plan to roll out by the end of 2012, targeting major cities, to strengthen brand presence and increase urban reach.
Strategic partnerships:	
Retailer	A network of approximately 1,000 retailers nationwide as at the LPD, including electrical and electronic retailers and telecommunication distributors who have their own networks of retail outlets.
Reseller	A team of resellers, tapping into their sales force for IPTV sales.
Corporate partnerships	Strategic alliances with corporations to target customers efficiently, particularly for the urban customer segment.

Sales channel	Description
Master distributor	Leveraging the readily available and extensive distribution network of master distributors (such as the telecommunication pre-paid distributors) for a cost-efficient distribution model.

(ii) Customer experience

We are committed to providing the best customer experience to our customers. Our aim is to provide subscribers with easy accessibility, convenience and a seamless service experience. We continuously strive to enhance our service delivery to promote a higher level of customer advocacy.

We have over 800,000 interactions with our customers each month, averaging three interactions per customer, per year relating to among others, installation matters, after-sales services, enquiries, requests, feedback and complaints via our major contact points. We manage our customer interaction in an optimal way that is aligned with our delivery processes and contact points to facilitate efficient management of customer service.

As part of our commitment to exceed the service expectations of our customers, we have customer care on-boarding programmes during the first six months of their relationship with us. On an ongoing basis, service improvement initiatives are implemented to raise our service delivery levels at every customer interaction point. Quality standards are stringently set for all installation, upgrades, network management and technical service. We employ trained professionals to facilitate and handle every customer interaction.

We are in the process of implementing enterprise-wide sales automation and service integration platforms to achieve end-to-end visibility, faster sales facilitation, faster service turnaround, and a seamless experience to both our customers and business partners, including our retailers, installers and service providers. We are also in the process of improving installation and servicing processes to minimise inconvenience to our customers. In terms of providing information and promoting convenience, we have expanded the options available to our subscribers online, including new help forums and interactive tools. We plan to further improve customers' online experiences through social media service support and more self-service features, such as bill enquiries, bill payments, and package upgrades.

We value customer insights and gather qualitative and quantitative data on customer experience on key performance indicators to measure service levels and satisfaction rates. Customer feedback such as through our Voice of the Customer programme which includes surveys which are carried out periodically, is also an important source of information.

Major contact points for customer interaction are as follows:

- **Our installers.** We have a network of approximately 1,700 sub-contracted installers nationwide, who are trained and accredited by us to provide installation services to subscribers;

- **Authorised after-sales service providers.** We have three authorised third party after sales service providers with access to over 200 technicians to provide after-sales services to subscribers;

- **Our customer service centres.** We have 18 customer service centres which are located in major cities across Malaysia. Our customer service centres provide a range of services, such as billing enquiries and payments, new subscriptions and packages sign-up, technical support and other account enquiries. We plan to roll out the sales and service kiosks in major cities by the end of 2012 to strengthen our brand presence and increase our urban reach;

- **Our contact centres.** We operate two contact centres located at Menara ICON and Capital Square, Kuala Lumpur which are available all-year round to handle customers' enquiries, requests, feedback and complaints via telephone;

- **Our website.** Our customers can access our website as a self-service alternative to check their accounts, change packages, subscribe to new services and make bill payments; and

- **Payment channels**. We have a wide network of payment channels throughout Malaysia. Customers have the option of making payments through post offices, selected bank branches and ATMs, selected banks' Internet payment portals, direct debit, our website, our contact centres, our customer service centres and third party electronic and mobile payment service providers.

(iii) Customer relationship management ("CRM")

We have a loyalty and rewards programme, the Astro Circle, which we plan to leverage on as one of the key vehicles for customer retention.

Satisfying and enhancing customers' experiences through various rewards and activities are the key charter for Astro Circle. The programme encompasses a wide variety of activities, including:

- *Rewards:* Examples of rewards provided under the programme include giveaways of movie premiere tickets, access to events and other activities. We constantly reward our customers either directly or through collaboration and partnership, to provide vouchers, product trials and concert discounts; and

- *Experience events*: We create and organise experience events catering to the diverse interests of our different customer segments, including:

    - exclusive meet-and-greet sessions with visiting artistes; and

    - events for kids, such as Astro Xiao Tai Yang (our own children's fun learning channel) school camps, workshops and talks.

To further enhance customer advocacy for our services and products, customer appreciation programmes are organised to engage them in educational entertainment, sports, healthy living and wellness events.

Our CRM platform and analytics capability are enhanced by investments in our CRM platform, including our IT enterprise data warehouse and customer analytics tools.

We recognise the importance of understanding our customers' behaviour as we move towards more targeted marketing activities and loyalty programmes directed at customer growth and retention. These capabilities facilitate the use of customer segmentation analysis, allow us to provide differentiated customer retention propositions and enhance the effectiveness of our loyalty and retention programmes.

(iv) Billing cycle

The customers' bills are typically generated on a monthly basis. From the point of bill generation, a 30-day period is given to the customer to settle the outstanding amount, followed by a 15-day grace period, failing which we will disconnect their service. Payment reminders are done frequently via SMS, letters and outbound telephone calls.

7.5.2 Radio business

When we commenced operations in 1996, we operated five radio stations. We now broadcast 20 themed-music stations including nine commercial radio stations and 11 additional direct-to-user stations which are broadcast only on our DTH satellite TV, IPTV, mobile and Internet platforms across most of Malaysia. We were the first broadcaster to introduce format radio programming into the Malaysian market.

Notwithstanding the emergence of meaningful competition from other channels, we have consolidated our market leadership in Malaysia, retaining the top position in terms of listenership in total radio channel market share as well as the top position across all the main language categories. According to the IMR Report, in April 2012, ERA, our Malay radio station, was the country's largest and most popular radio network with approximately 5.0 million weekly listeners, while MY FM, our Chinese radio station, was the largest and most popular Chinese language network had approximately 2.7 million weekly listeners. In the Indian language market, THR Raaga was the largest and most popular Indian radio network with approximately 2.2 million weekly listeners, while Hitz.fm remained the largest and most popular English language network with approximately 2.2 million weekly listeners. According to the IMR Report, our radio stations collectively reached approximately 13 million weekly radio listeners in April 2012 capturing 52% share of listenership in Malaysia. For the three month financial period ended 30 April 2012, our share of radio Adex market in Malaysia was 53%. We continue to develop new initiatives to develop listenership in line with consumers' rising income levels in all key market sectors.

Each radio station's programming is targeted at a particular demographic group and the programming is formatted through frequent research of the target audience and implementing the findings through disciplined programming principles. Each of our radio stations is individually branded, marketed and programmed to appeal to specific demographic groups and market segments. We believe that this segmentation generates listener loyalty, a higher level of listener interaction and offers advertisers a more targeted reach to the intended market segments.

In Malaysia, 92.0% of individuals aged 10 years old and above listen to the radio. According to the IMR Report, in 2009, 2010, 2011 and April 2012, our share of listenership in the Malaysian radio market was 54%, 52%, 50% and 52%, respectively. Total Adex on radio grew from RM195 million in 2007 to RM346 million in 2011, representing a CAGR of 15%. Moving forward, the IMR Report forecast a CAGR of 8% between 2011 to 2016. We believe that the growth in radio Adex reflects the potential for further growth as compared to other regional advertising markets.

The following table sets forth our competitors' position in the Malaysian radio market based on radio Adex share for each of the financial years ended 31 January 2010, 2011 and 2012 and the three month financial period ended 30 April 2012 based on the IMR Report:

	Financial year ended 31 January			**Three month financial period ended 30 April**
	2010	**2011**	**2012**	**2012**
Astro Radio	57%	52%	53%	53%
Radio Televisyen Malaysia ("**RTM**")	6%	5%	5%	5%
Media Prima Berhad ("**Media Prima**")	21%	24%	21%	27%
Star Rfm Sdn Bhd ("**Star Rfm**")	16%	19%	21%	15%
Total	100%	100%	100%	100%

We own a fully digitalised and extensive radio distribution platform with Internet websites, allowing media bundling of on-air, online, mobile and on-ground advertising. We also provide interactive online content sponsorship, which includes information on artistes, details of upcoming concerts, promotions, downloadable content and contests. This has resulted in an increase in Internet traffic to our radio websites from approximately 81 million page views as at 31 January 2010 to approximately 104 million page views as at 31 January 2012. In addition, we continue to provide an array of on-ground event entertainment throughout the year to complement our on-air and online advertising, capitalising on convergence and bundling opportunities. We seek to capitalise on our multiple delivery platforms and popular media personalities and programmes in one medium to increase audience share in another medium. Currently, Astro Radio's radio stations serve as key outlets for promoting many of our TV programmes including Mania (Malay) and Astro Talent Quest (Chinese) which are among Malaysia's most popular TV shows.

Astro Radio provides technical, programming, sales integration, marketing and management services for the radio stations, via MEASAT Radio Communications, Maestra Broadcast, Radio Lebuhraya and Perfect Excellence Waves. Since 1995, Astro Radio has worked with Austereo Group Limited, Australia's leading radio group, and maintains its relationship with Southern Cross Austereo which was formed pursuant to the merger between Southern Cross Media Group and Austereo Group.

7.5.2.1 Content

We believe that the primary strength of Astro Radio is the ability to aggregate local content that is relevant to its listeners and the ability to further dissect this into various demographics as well as personality, values, attitudes, interests, or lifestyles. In addition, given the nature of the radio industry, which provides a better potential return in relation to TV due to its relatively lower costs, radio is a platform which is sought after as a value-effective proposition by advertisers.

According to the IMR Report, Astro Radio's nine radio stations had a combined reach of approximately 13 million weekly radio listeners in April 2012, capturing 52% share of listenership in Malaysia. For the three month financial period ended 30 April 2012, our share of radio Adex market in Malaysia was 53%.

The following are our commercial stations and programming formats:

Station	Target audience age	Format	Language	Weekly audience[1]	Website	Adex share[2]
	years			million		%
ERA	18-34	Adult contemporary	Malay	5.0	era.fm	7
Sinar FM	35-49	Malay retro tunes	Malay	4.8	sinar.fm	10
THR.fm Raaga	18-39	Adult contemporary	Tamil/Malay	2.2	raaga.thr.fm	4
THR.fm Gegar	18-39	Adult contemporary	Tamil/Malay	1.7	gegar.thr.fm	2
MY FM	18-34	Adult contemporary	Mandarin, Cantonese	2.7	my.com.my	13
Hitz.fm	10-29	Top 40	English	2.2	hitz.fm	10
Mix FM	25-39	Adult contemporary	English	0.6	mix.fm	4
Lite FM	35-49	Easy listening	English	0.4	litefm.com.my	2
XFM[3]	18-39	By teens for teens of latest music	Malay	0.2	xfm.com.my	*[4]
Melody[5]	35-49	Easy listening	Mandarin, Cantonese	-	melody.com.my	-

Notes:

(1) In April 2012. Astro Radio's total listenership was approximately 13 million after adjusting for overlaps in listeners across the Astro Radio stations above.

(2) For the three month financial period ended 30 April 2012.

(3) XFM was discontinued on 9 July 2012.

(4) Less than 1%.

(5) Melody commenced test transmission on 9 July 2012 and was officially launched on-air on 15 August 2012.

Source: IMR Report, Astro Radio

Astro Radio currently broadcasts its nine FM stations in 16 locations and their surrounding areas namely Klang Valley, Alor Setar, Langkawi Island, Penang Island, Ipoh, Tapah, Seremban, Melaka, Johor Bahru, Taiping, Kuantan, Kuala Trengganu, Kota Bahru, Kuching, Kota Kinabalu and Miri.

The 11 direct-to-user radio stations that are broadcast on our DTH satellite TV and IPTV platforms are as follows:

Channel name	Description
India Beat	Hindi and Tamil pop and movie music
Golden Oldies	Good times and great oldies
Jazz	Best of Jazz from over 80 years and from all over the world
Opus	Fine classical music
Rock	Legendary rock music
Osai	Southern Indian channel with Tamil music
Bayu	Indigenous music catered to Sabah
Kenyalang	Indigenous music catered to Sarawak
Nasional FM	National radio station operated by RTM
Sabah V FM	RTM station operating in Sabah
Wai FM	RTM station operating in Kuching

7.5.2.2 Radio talent pool

We have actively developed our own radio hosts, who 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 include the following:

	Name	Position
	JJ & Ean	Hosts of hitz.fm Morning Crew, Malaysia's No.1 English Breakfast Show[1].
	Salih Yaccob, Raja Azura & Kharil Rashid	Hosts of SINAR Pagi, the No.1 Breakfast Show for listeners[1], aged 30 years and above.
	Jack Lim, Gan Mei Yan & Jeff Chin	Hosts of MY FM Breakfast Show, the No.1 Chinese Breakfast Show in the country[1].
	Johan, Haniff & Ray	Hosts of JoHaRa Pagi ERA, the No.1 Breakfast Show in Malaysia[1].

	Name	Position
	Jin	hitz.fm announcer, winner of the Funniest Video Of The Year at Digi WWWOW Internet For All Awards 2012.

Note:

(1) Source: Nielsen Radio Audience Measurement Survey #1 2012.

7.5.2.3 Advertising sales and integration

Astro Radio's primary revenue source is from airtime sales on our nine commercial FM stations. This revenue is enhanced by the sale of integrated promotions to clients in the form of on-air, on-the street and on-line campaigns. Astro Radio's sales philosophy is predicated on solution provision through the understanding of the clientele to create tailored campaigns focused on specific target markets and/or platforms.

As pioneers of full format radio in Malaysia and with a history dating back to 1997, Astro Radio is recognised as the market leader with products positioned at premium advertising rates within the market. We believe that our format-specific programming strategy gives advertisers the ability to place their advertisements on the stations which provide the greatest exposure to the particular market segments they wish to target, maximising their advertising's effect and efficiency. The integration of on-air advertising schedules with other promotions available through Astro Radio is also intended to add to the effectiveness of the advertising. Advertisers can purchase advertising space by choosing a particular time slot or commit to buy a minimum amount of airtime over a period. Advertisers can also sponsor a particular programme, which provides the added value of concurrent on-air, online, ground activity and mobile technology platform advertising.

The advertising rate pricing methodology is based on cost per thousand, which is dependent on a combination of listenership, advertising rate and demand (based on the medium of radio, station, target market, language, genre and time of day). The primary objective is to generate high-yield advertisement sales by increasing and balancing two measures: fill rates (calculated as a percentage of available airtime sold over total available airtime) and AUR. With a suite of nine stations, part of our strategy is to offer the market specific combinations of multiple stations. This is intended to offer stronger market penetration for advertisers and increase the aggregate demand for Astro Radio. Astro Radio's ability to direct advertising demand across its network of stations is key in maximising fill rates and AUR. We believe we have been successful in managing our fill rates across all nine stations with an increase of 26% in total fill rates over the six month financial period ended 31 July 2012 as compared to the same period in the last financial year.

Astro Radio has the strategic advantage of being able to offer the market locally-based advertising to regional areas such as Central, Northern and Southern Peninsula Malaysia and East Malaysia, and specific content to regional areas in Sabah and Sarawak. At present, regionally sourced revenue account for approximately 10% of Astro Radio's total revenue for the financial year ended 31 January 2012.

7.5.2.4 Astro Radio Interactive

Astro Radio Interactive is the division responsible for the creation and development of the radio websites in Malaysia with a combined reach of 104 million page views, equivalent to 16 million unique visitors to the websites over the financial year ended 31 January 2012.

The Astro Radio Interactive team believes it had made content available to Astro On-The-Go users 24/7, building radio communities across multiple platforms. At present, Astro Radio's broadcasts can be received via the online DVR player, smart phone applications and tablet applications.

Astro Radio Interactive was the first within our Group to launch mobile applications on the iOS platform in September 2009 and won the "inOvation Malaysia 2009 – Best In Mobility Applications & Services" award for its product. As at the LPD, we have approximately three million listeners across our online and mobile platforms. In 2010 and 2011, Astro Radio Interactive launched its suite of applications on the Symbian and BlackBerry platforms and followed these launches with the launch of its Android application in 2012.

We believe Astro Radio Interactive's advertising proposition of selling bundled advertising space on the radio, Internet and mobile platforms to the local market is the first of its kind in Malaysia and has been well-received by both national and multinational advertisers. New listening platforms also offer more interaction opportunities for consumers, opening up new channels of communication for advertisers. Astro Radio's availability across multiple platforms is intended to allow advertisers to target consumers in more listening occasions, places and mindsets.

As digital media quickly evolves, radio-related content is becoming increasingly visual. Consequently, Astro Radio Interactive's video strategy offers what we believe are powerful new marketing opportunities for clients, such as, a range of innovative video sponsorship packages combining a 15-second pre-roll advertisement (a video advertisement played before a video content) with a video content.

Astro Radio Interactive employs social media, with fan pages for all stations on Facebook, Twitter profiles and YouTube channels. These provide interaction and engagement opportunities with loyal fans and client integration prospects, which are tailored to fit the personal nature of social media.

Astro Radio Interactive contributed RM12.0 million in revenue on a pro forma basis for the financial year ended 31 January 2012 and continues to grow as it provides integrated solutions for clients across on-air, online, mobile and social media channels.

7.5.3 Publications business

Through Astro Publications, we currently publish seven publications, including our TV viewing guide AstroView, which complements our TV business. Published in three languages, AstroView is Malaysia's most widely circulated magazine with a circulation of approximately six million in 2010. AstroView contains comprehensive TV listings for all Astro channels, as well as certain entertainment news and programme highlights. There are four different editions of AstroView in circulation: editions in three different languages and a Traveller edition for commercial establishments. We plan to increase the magazine's content by covering areas such as local sports news. In addition to AstroView, we also publish other magazines with a combined circulation of approximately 1.7 million in 2010. The following table lists some of our commercial publications as at the LPD.

Title of publication	Language	Description
InTrend	Bahasa Malaysia	Celebrity-focused beauty and fashion magazine
men's uno	Chinese	Men's magazine on style and culture
iFEEL	Chinese	Chinese teen magazine in Malaysia
FourFourTwo	English	In-depth coverage of football
FHM	English	Men's lifestyle magazine
Style	English	Chic and elegant fashion magazine

Although our publication business does not generate a significant portion of our advertising revenue, it allows us to provide an option for advertisers to advertise by print media and thereby forming an important part of our strategy of providing an integrated media advertisement solution to our advertisers.

7.5.4 Digital services business

Astro Digital develops and manages online and mobile portals to provide sports, entertainment and other key content to online audiences. In addition to our use of Internet to distribute our TV and radio programmes, we also aggregate digital content to extend our engagement with local audiences. We strive to reflect forthcoming consumption trends on our numerous digital portals.

We have built a strong overall online offering that brings our content to the digital space. Our official website serves as an informational guide to TV, highlights a suite of web portals built to complement the initiatives of our various channels, and provides online catch-up videos for selected shows that are provided on these channels. Our digital content includes the latest news and sporting results, behind-the-scene and special features, programme highlights and social integration. Our website also provides a variety of self-service functionalities to customers, such as a comprehensive knowledge base for troubleshooting, new sign ups, change of TV packages, view payment and bill payment information.

We have several dedicated web portals that focus on key content genres, such as our one-stop online sports web portal, Stadiumastro. Stadiumastro brings together selected content from the various sports channels that we broadcast and adds editorial content including news, sports results, statistics and commentaries. For entertainment content, we have used web portals for specific programmes like Mania, Tutor TV and Maharaja Lawak which offer exclusive behind-the-scenes videos, photo galleries, social media integration, blog articles and interactive activities like voting, polls and chats. Recently, we launched a dedicated Malay entertainment portal which brings together not just programmes but also general entertainment news, gossip and more from around Malaysia.

We are pursuing an aggressive digital mobile strategy that is aimed to create applications that are rich, engaging and useful. Specific mobile applications like Mania and Stadiumastro complement our respective online counterparts while adding a layer of mobile-centric capabilities where the viewer will be able to interact with the TV show using mobile device to participate in voting and chatrooms. We are also using mobile applications as a way to create better content discovery through our Astro Guide application, which offers users remote access to the TV guide and the ability to set their PVR to record a programme via their phone.

We expect that the benefits of our digital services will come from driving customer satisfaction with content that will increase our TV viewership and radio listenership. Additionally, our digital media platform provides us with another medium for advertisements, forming part of our integrated media advertisement offering strategy. Furthermore, we expect digital services to become an increasingly relevant and important part of our multimedia advertising offering.

7.6 Technology

We use technology as an enabler for us to deliver high quality and efficient service to our customers. Our technical assets include:

- Broadcasting and production infrastructure that enable us to produce, acquire, process, playout and distribute our TV content to our customers via different distribution platforms ("**TV Infrastructure**");
- Satellites and transponders for the broadcast of DTH satellite TV across Malaysia and Brunei ("**Satellite and Transponders**");
- Our radio infrastructure for the production and transmission of our radio stations ("**Radio Infrastructure**")
- Technical facilities that house our platforms and systems needed to run our business ("**Technical Facilities**"); and
- Back-end and operational systems that allow us to acquire customers, provide customer service throughout the customer life cycle, perform billing and collection, and manage both internal and external facing operations efficiently ("**IT Infrastructure**").

We have spent RM1,248.2 million over the financial years ended 31 January 2010, 2011 and 2012 upgrading our technology assets (not including cost relating to leasing of satellite transponders), to ensure that we have the necessary capability and flexibility to execute our business strategies. These investments have enabled our platform agnostic distribution strategy, allowing us to continue to leverage on economies of scale and access the reach advantages of a DTH satellite TV platform while expanding our services to existing and new customers over fixed and wireless broadband networks.

7.6.1 TV Infrastructure

Our digital broadcasting infrastructure conforms fully to the standards set by the European Digital Video Broadcasting Group and the European Telecommunications Standards Institute for digital satellite broadcasting. Our TV services comprise three types of channels:

- **Direct pass through channels** – free-to-air and international channels that are received, digitalised and retransmitted by us without any further modification to the content;

- **Content controlled channels** – international channels that are received, digitalised, delayed and edited for content compliance purpose before being retransmitted to our customers; and

- **Local playout channels** – channels fully packaged and originated by us from our broadcast centres.

We follow the following process to distribute these channels to customers via satellite and IPTV:

- **Step 1** – the content is acquired and received through various means. International and free-to-air channels are received through a mixture of C-band satellite downlink and dedicated fibre link. Content for local playout channels is received in the form of digital video tapes or digital files.

- **Step 2** – the content is processed and converted into digital format and routed through the relevant part of the broadcast centre for further processing. The feed for the content controlled channels will be routed to the content control system for compliance editing and replacement of foreign commercials, while the pass through channels are retransmitted without any further editing.

- **Step 3** – the content for the local playout channels is scheduled and played out locally from both AABC and CBC.

- **Step 4** – the content for all three types of channels is compressed to optimise bandwidth utilisation. The content is also encrypted to limit viewing to customers who have subscribed to the service.

- **Step 5** – for satellite service, the content is converted into a Ku-band signal and transmitted to the satellites. For IPTV service, the content is converted into an IP stream and distributed through a managed IP network.

- **Step 6** – the content is received by the customer either through a satellite dish that is 60-centimetres in diameter mounted outside of their home or through a broadband connection. Our set-top box is connected to the satellite dish by a coaxial cable or to the broadband connection directly by an ethernet cable. The set-top box includes a smart card-based conditional access system which decodes the satellite or IPTV signal into video and audio output to a TV for display.

All the steps above take place at both the AABC and CBC which have similar broadcast infrastructure designs.

These steps are elaborated in further detail in the following sections.

(I) Content acquisition

The content acquired by us is received through various means. The direct pass through and content controlled channels are received mainly from other C-band satellites via our TV receive only ("**TVRO**") dish farm. The TVRO dish farm consists of an array of receiving satellite dishes that point to nearly all satellites visible from Kuala Lumpur. Both AABC and CBC also have multi-beam antennas that are able to receive signals from multiple satellites via a single antenna compared to normal TVRO which is one-to-one. The local free-to-air channels where we retransmit are received via fibre and terrestrial UHF signal.

The majority of the content for the local playout channels and VOD comes in through digital video tapes or data files transported via Internet or digital storage medium, with occasional live feeds coming in via satellite, IP or microwave link.

(ii) Content processing

The incoming line processing systems are the first point of conversion of the RF signals coming through the TVRO dish farm to a video/audio signal. This is where the incoming signal is corrected for any signal level errors and then converted into a digital format (SD or HD) and further distributed in the broadcast centres for recording or further processing.

The content controlled channels are routed through our bespoke non-linear editing suite to allow compliance editing and removal of foreign commercials in accordance with the Malaysian censorship guideline. The system also enables the insertion of local advertisement and promotions on to the live incoming channels. The system can be operated with a variable delay between 1 to 120 minutes.

For content that we receive via digital video tapes and in digital file format, all tapes or files are converted into digital file format to facilitate further processing and editing. We have continued to migrate our legacy content stored on digital video tape into digital video/audio files format that can be stored in a hard disk (nearline) and data tape based storage system (deep archive). The near-line storage is available for programmes that are near transmission, while other content is stored in a deep archive. The content in the deep archive storage systems is constantly being mirrored across both broadcast centres for business continuity purpose.

(iii) Content playout

The local playout channels are fully packaged locally and played out for broadcast directly from our broadcast centres. Content for these channels are stored on large volume broadcast video servers. Based on the programme schedule, the playout automation system will play out the right content from the video server at per specified time. The system is fully redundant with main/back up automation systems and video servers.

(iv) Content compression and protection (headend)

For pay-TV service, all three types of channels are finally routed to the headend systems. The headend comprises the compression and encoding systems which compresses the video/audio signals using MPEG2 and MPEG4 compression technology. This process is able to compress a very large size video signal required in production and editing into a much smaller and efficient signal in order to optimise the viewing quality and the number of channels that the signal can transmit via both the satellite and IP delivery network.

At the same time when the signal is being compressed, it is encrypted to ensure it can only be decoded by authorised set-top-boxes/smart cards. The encryption is done at the headend using industry standard conditional access technology where the final encrypted signal is then distributed to both the high power amplifiers for satellite distribution and the IP encapsulator for IPTV distribution.

(v) Content transmission

For satellite service, the encrypted signals are routed to the uplink and high power antenna system. The signal is further modulated into DVB-S2 format, amplified and upconverted to Ku-band frequencies. These amplified signals are then uplink to MEASAT-3 and MEASAT-3A via a 13 metre antenna. The system is fully redundant at all stages including a backup 13 metre antenna. For IPTV service, the same signals from the headend are routed to the IP encapsulation system, where the signals are converted into IP form for distribution to a managed IP network.

(vi) Multi platform content distribution

For satellite service, we utilise 11 high-powered Ku-band transponders on the MEASAT-3 and six high-powered Ku-band transponders on the MEASAT-3A to transmit our signal across Malaysia and Brunei. Customers are able to receive our DTH satellite TV service via a 60cm satellite dish that is 60-centimetres in diameter mounted at each customer's location or our IPTV service through a broadband connection. Our set-top box (with a smart card) can be used to decode the services delivered from the distribution platforms.

(vii) Set-top box

Our Astro B.yond set-top box supplied to each customer receives and decodes our encrypted signal. Multiple manufacturers produce our set-top boxes in accordance with our specifications. Our set-top boxes are installed with middleware software, which supports an intuitive interactive TV experience and CAS decryption, which is used to protect and encrypt all content delivered to the set-top boxes through our network.

Our set-top boxes are "Tribrid set-top boxes" and have three modes for accessing our services:

- DTH mode – connecting via a satellite dish to the signal from our satellite network;
- IPTV mode – connecting to our IPTV service via the IP managed network; and
- Broadband mode – connecting to our servers over any broadband connection (fixed or wireless) connected to the set-top-box.

Our Astro B.yond set-top boxes currently operate in three modes, DTH only mode, DTH + broadband hybrid mode, and IPTV + broadband hybrid mode. We plan to enable any Astro B.yond set-top box to operate in "Tribrid" mode, capable of switching seamlessly across DTH, IPTV and broadband connections by the end of 2012.

Currently we offer two types of HD set-top boxes to our customers - the Astro B.yond set-top box and the Astro B.yond PVR set-top box. The Astro B.yond PVR enables customers to record two programmes simultaneously to an internal hard disk drive ("**HDD**") while watching either one of the programmes or playing back pre-recorded content. The Astro B.yond set-top box is a PVR ready device capable of supporting an external HDD which would convert the Astro B.yond set-top box into a Astro B.yond PVR.

Astro B.yond PVR supports VOD services whereby content can be downloaded to the set-top box's HDD. In addition, the resident software in the set-top box is embedded with an HTML browser to run IP based interactive applications.

We plan to deploy a next generation Astro B.yond PVR in the first quarter of 2013 which will have built-in WiFi to ease the connectivity between the set-top box and broadband modem.

(viii) VOD and OTT delivery infrastructure

Capitalising on our core broadcast infrastructure, we have invested in technologies that allow us to deliver IP based services OTT via any Internet connection in addition to the traditional linear pay-TV service. Our broadband-based on-demand service delivers video downloads to any Internet connected Astro B.yond set-top box, and Astro On-The-Go provides live channels and on demand streaming to PCs/laptops, mobiles and tablets.

We offer VOD via progressive download to any broadband connected Astro B.yond PVR. Content is handled as a digital file and hosted on a content management system ("**CMS**") until a viewer selects to watch it. When a user chooses an on-demand programme to download, the CMS starts downloading the programme to the user's HDD. As soon as there is enough of the programme downloaded to the HDD to ensure continuous viewing until the end of the programme, the user can start watching the programme. On a high-speed connection (e.g. more than 4Mbps), viewing can start almost instantly. For slower connections, progressive download ensures a quality viewing experience for any customer without buffering or stuttering views. Astro B.yond VOD is protected using the same smart card based CAS as our broadcast channels delivered over satellite and IPTV.

For Astro On-The-Go and OTT delivery, we use a different headend system. For OTT content, both on demand and linear TV channels, we take the programme files and streams generated for Astro B.yond and compress them using MPEG4 technology with different resolution and bit-rate profiles that cater for viewing on devices such as PCs, tablets and smartphones which require lower bitrate and screen size as compared to TV screens.

OTT content is protected via industry standard digital rights management ("**DRM**") technology to allow secure distribution over any Internet connection. The final DRM protected signal is then distributed to the Internet via a third party content distribution network provider.

(ix) Overall station wide monitoring

In line with our dedication to provide a high standard of customer experience, we have stringent requirements for making our broadcast infrastructure available at all times. System health checks and video/audio quality monitoring probes have been instituted at critical points of the entire broadcasting chain to allow non-stop monitoring and rectification of system errors before such errors lead to a service outage which impacts customers' viewing experience. The operations of the TV infrastructure are monitored and managed from our Master Control Rooms at AABC and CBC, which are staffed 24/7.

7.6.2 Satellite and Transponders

We use 11 high-powered Ku-band transponders on MEASAT-3 and six high-powered Ku-band transponders on MEASAT-3A to transmit our signal across Malaysia and Brunei. MEASAT-3 and MEASAT-3A are owned by MSS. The number of TV and radio channels that can be broadcasted to subscribers is dictated by the amount of capacity available on the Ku-band transponders. We have the capacity to broadcast up to 179 TV channels, including 36 HD channels, over our DTH satellite TV platform through MEASAT-3 and MEASAT-3A.

MEASAT-3 was launched into orbit in December 2006 at 91.5 degrees east. MEASAT-3 commenced commercial service in February 2007 and has a design lifetime of 15 years. MEASAT-3A, which has a design lifetime of 15 years, commenced commercial service in July 2009 and is co-located at the same orbital slot as MEASAT-3. Both satellites are controlled from the Measat Teleport and Broadcast Centre located in Cyberjaya, in the same facility as CBC. A back-up satellite control facility is located at AABC. MEASAT-3B is expected to commence commercial operation in 2014 and will have 18 transponders. Once MEASAT-3B commences its full commercial service, we expect to be able to expand our broadcasting capacity to a projected maximum capacity of 180 SD and 102 HD channels from the current capacity of 179 channels (including 36 HD channels) as at the LPD.

7.6.3 Radio Infrastructure

Astro Radio currently broadcasts nine FM formats and 11 satellite radio channels from state of the art digital broadcasting facility in AABC. Astro Radio's operations, including content programming, commercial production, news production and digital audio broadcasting are primarily accomplished from AABC. The AABC facilities include 13 on-air studios, eight production suites, four news studios, three voice track studios, one news gathering area and five equipment rooms for its digital audio distributions and FM transmissions. Astro Radio also has four on-air studios, two production suites and one equipment room in Kuching and Kota Kinabalu to leverage on localisation and its presence in those regions.

Astro Radio broadcasts to Northern (Kedah, Penang and Perak), Central (Klang Valley, Selangor and Negeri Sembilan), Southern (Melaka and Johor Bahru) and the East Coast of Malaysia (Kelantan, Terengganu and Pahang) to allow for content and commercial localisation. Astro Radio currently has 16 transmission sites with 107 live transmitters in Malaysia. It plans to expand its broadcasting coverage in East Malaysia by increasing the number of transmission sites in East Malaysia.

7.6.4 Technical Facilities

Our main technical facilities include our two broadcasting centres and two data centers. The facilities offer us room for expansion and business continuity via redundancy. There are also several smaller locations that include production studios and editing facilities, such as Astro Arena and Astro Awani, or smaller IT infrastructure locations.

We operate our broadcasting services in facilities located outside of Kuala Lumpur's city centre. The AABC is located at Bukit Jalil, and it also serves as our corporate headquarters. CBC is located in Cyberjaya, 20 kilometres away from the AABC. Both broadcast centres are end-to-end digital broadcasting facilities with acquisition, playout and distribution capabilities. In addition, AABC also houses TV production (including five studios) and post-production facilities, as well as the majority of our radio operations. Both the AABC and CBC are connected via diversely routed fibre optic cables, enabling distribution to be shifted between the two facilities as and when needed. For example, if excessive rainfall at one facility inhibits the satellite signal uplink ability at one facility, we can transfer 100 per cent of our channel uplink to the other facility.

Our IT infrastructure is hosted across two different data centres located approximately 20 kilometres apart, with one situated at the AABC and the other in Taman Tun Dr Ismail, Kuala Lumpur. The data centres are connected through a fully redundant, high-capacity data link. There is also significant technical setup located in Menara Icon, Kuala Lumpur and Wisma Ali Bawal, Petaling Jaya hosting the operations for call centre, telemarketing and local sports programme production. All critical IT systems are built with redundancy, split across both data centres with data replication performed in real-time between the facilities.

During critical failure or degraded service scenario, we are expected to be able to switch to the redundant site or system to allow operations to continue almost seamlessly. The disaster recovery switchover process is rehearsed on a quarterly basis to ensure all personnel involved are fully trained and are able to support a real-life recovery situation. The technical facilities are equipped with full emergency backup power generating equipment and uninterruptible power supply to allow operations to continue without disruption in the event of a power failure.

As at the LPD, we have not experienced any significant failure of our entire network.

7.6.5 IT Infrastructure

We invest significantly in our IT infrastructure in order to ensure that we can continually improve service to our customers whilst at the same time grow our business aggressively by having capabilities that are ahead of our competitors. Internally, we place significant focus on improving our operational efficiency in order to improve the overall cost.

7.6.5.1 Customer care and billing system

We successfully upgraded our customer management system in November 2010, delivering improved data reliability and better flexibility and scalability for supporting new marketing campaigns, pricing and packaging and product offerings.

This single integrated system is being used by more than 1,500 end-users across multiple locations nationwide to perform all types of customer related operations. These include product management, customer acquisition, customer relationship management, order logistics and fulfilment, after sales support and all other aspects of the customer life cycle.

Billing and collections are also being performed using the same system along with all the necessary subscription revenue management. We generate more than 100,000 customer bills on a daily basis.

Further enhancements to this platform will be implemented during the financial year ending 31 January 2013 to deliver increased functionality and additional efficiency gains such as improving the end-to-end fulfilment and inventory management process in order to better manage complex new lines of business such as IPTV. Further capabilities will be introduced in the areas at customer and partner self-service, partner management, workforce management, service level management and advanced pre-paid services.

7.6.5.2 Multi-channel customer service

We have implemented a strategy to offer multi-channel customer service capabilities to end customers and partners. We are able to serve our customers through various means such as telephony, web self-service, online chat, email, SMS and a self-service portal on the set-top box. These capabilities allow customers and partners (e.g. installers, retailers) to have their sales and service needs fulfilled through the method most convenient to them. These capabilities are being enhanced on a continuous basis with further web self-service and mobile applications to be implemented in the near future.

7.6.5.3 Online and digital platforms

We operate more than 40 different web sites and mobile applications to allow our customers and general users to access to our TV, radio and publication content online through PCs, laptops, tablets and mobile devices. The majority of the customer facing sites and applications are being hosted by one of the major global cloud service providers, ensuring flexibility to economically scale our services while maintaining high performance. Applications handling confidential customer transactions are hosted internally in our IT data centres. To ensure we continue to deliver the highest possible customer experience, critical sites and applications are built with full redundancy.

7.6.5.4 Information management programme

As we pursue our segmentation strategy, customer insight and analysis are becoming increasingly critical. As a result, we have recently commenced a programme to improve our information management capability. This has included the development of an enterprise data warehouse integrating all data into a common database against which reporting and analysis is conducted. This consolidation ensures a single version of the relevant data and information for all customer insight and reporting. We intend to continue to enhance the data analytics capability of the system, and to integrate our insights into the operational tools and processes at every cost efficient opportunity.

7.6.5.5 IT security

We place significant importance on system security and the confidentiality of customer and corporate information. We were certified as ISO/IEC27001 Information Security Management System (ISMS) ("**ISO 27001**") compliant in July 2010. In December 2011, we were also certified as fully compliant with the Payment Card Industry Data Security Standard ("**PCI-DSS**"). Both ISO 27001 and PCI-DSS are intended to provide assurance that confidential customer and corporate information stored within our IT systems is securely protected. We have proactively implemented changes to key customer related systems to ensure compliance with the new Personal Data Protection Act, 2010, which is expected to come into force in the near future.

7.7 Competition

7.7.1 TV

There are two free-to-air operators, Media Prima and RTM with six channels between them, which compete with us for viewership and advertising revenue. Media Prima is one of the largest integrated media groups in Malaysia, operating four popular free-to-air TV channels, namely TV3 (Malay and English channel), 8TV (Chinese and English channel), ntv7 (English, Chinese and Malay channel) and TV9 (Malay channel). In 2011, the share of Malaysia TV viewership of Media Prima, our Company and RTM were approximately 48%, 39% and 14%, respectively. As Media Prima had the highest viewership ratings, it had the majority share of Malaysia's TV Adex, being a 64% share in 2011 as compared to our 26% share of Malaysia's TV Adex in the same period. In view of our expanding viewership base, our ability to provide targeted and contextual advertising as well as by leveraging on our products with mass distribution such as our NJOI service for mass advertising, we believe we are well positioned to increase our share of Malaysia's TV Adex.

In the pay-TV market, Telekom Malaysia Bhd entered the market in March 2010 through the launch of Hypp TV, their IPTV product complementing their high-speed broadband offering. Hypp TV currently offers over 50 channels.

In relation to other potential competitors, the Asia Broadcasting Network has announced plans to launch its digital cable TV aimed at the lower income groups in 2012. Several other competitors, such as DE Multimedia, DMD Fone, Maha Semerak, Vasseti Datatech and YTL Communications, have also obtained licences to provide pay-TV services.

7.7.2 Radio

The main competitors of our radio business are Media Prima, Star Rfm and RTM. Media Prima's top ranking radio station in terms of listenership is Hot FM which is one of the top five ranked radio stations in Malaysia as at April 2012. Media Prima also has English and Chinese radio stations which are called Fly FM and One FM, respectively. Star Rfm has four radio stations in total. Its top ranked radio station is Suria FM, which is ranked in the top five radio stations in Malaysia in terms of listenership based on the IMR Report. Star Rfm also has one Chinese radio station called 988, and two English radio stations, RedFM and Capital FM.

For further information of our market share, please refer to Section 7.5.2 of this Prospectus.

7.8 Intellectual property

We rely on a combination of trademarks, servicemarks, copyright protection and domain name registrations to establish and protect our brand names and logos, marketing designs, Internet domain names and our intellectual property in works eligible for copyright including broadcasts, films, sound recordings, musical works, literary works and artistic works.

- *Trademarks and servicemarks.* Various brand names and logos used in our businesses are at various stages of application for registration as trademarks and servicemarks for various classes of goods and services (primarily Classes 16, 25, 38 and 41) in Malaysia. Applications for registration of trademarks and servicemarks have also been made in other territories including Brunei, Indonesia, Singapore, Laos, Cambodia and Vietnam. Please refer to Annexure C for details of the more significant brand names and logos owned by us.

- *Copyright.* Our copyright relates principally to the works eligible for copyright in our filmed entertainment, magazine publications, in-house productions, editorial works and commissioned programmes for our broadcasting service, online websites and publications businesses.

- *Domain names.* We own a number of Internet domain names such as www.astro.com.my, www.onthego.astro.com.my and www.stadiumastro.com, among others.

7.9 Corporate responsibility

Through our employee volunteer programme, Astro Kasih, we are committed to community development initiatives focusing on four main categories of corporate responsibility, namely learning, community, sports and wellness and the environment. As at the LPD, Astro Kasih employee volunteers have invested over 57,000 hours in more than 600 activities across these four categories.

- ***Learning***

We provide approximately 5.3 million students and 400,000 teachers in over 9,800 schools and teacher activity centres throughout Malaysia with access to world-class educational content by providing the Kampus Astro Learning System, which consists of an Astro decoder, a TV set and access to 17 international and local learning channels. In partnership with the Ministry of Education Malaysia, we have engaged with over 100,000 students and teachers from more than 600 schools throughout Malaysia by introducing them to the services and content available on the Kampus Astro Learning System.

- ***Community***

We believe we are in a unique position to make a difference to the communities and as part of this commitment we have built "Astro Hostels" at two schools in Sabah and Sarawak to assist students living in remote areas in gaining access to education. To this end, we built three blocks of hostel in SK Magandai, Sabah, equipped them with the Kampus Astro Learning Systems, provided school supplies to 170 students and conducted educational workshops to guide students toward academic success. Through these efforts, the passing rate of SK Magandai students in the 2011 national primary school assessment examinations more than doubled. Encouraged by the success of SK Magandai, we built the second Astro Hostel at SK Sungai Paku, Sarawak to benefit 100 students of the school.

In working together with the Malaysian Government, we will distribute, on a complimentary basis, 50,000 NJOI decoders and satellite dishes to those registered under e-Kasih, a national database of the poor. This is our initiative to provide free access to education, information, entertainment and sports to low-income communities, social and charitable organisations, as well as to homes in areas with no current access to TV and radio services.

- ***Sports and Wellness***

To create a healthy society, we encourage and support participation in sports through the Stadium Astro Kem BOLA football camp. Working with the Football Association Malaysia ("**FAM**"), we engaged eight FAM coaches to conduct football training sessions with approximately 180 children with ages between ten and 14 for a period of six weeks. A total of 18 participants are currently pursuing further training under the Penang State Football Association. In April 2012, our Company and 1 Malaysia Cardiff City ("**1MCC**") announced the 1MCC – Astro Kem BOLA, a football training programme with coaches from Cardiff City Football Club.

- ***Environment***

We seek to raise awareness about the importance of preserving the environment by engaging the local community with hands-on coral restoration activities through our Beautiful Malaysia initiative. Since 2009, Astro Kasih has organised and performed annual coral transplanting exercises off the coast of Sabah and engagement sessions to advocate the preservation of the environment and coral life. In 2011, Astro Kasih, in collaboration with the Ministry of Tourism, Culture and Environment, Sabah and international divers from around the world, organised and participated in the largest coral transplanting exercise at Ribbon Reef, Tun Sakaran Marine Park, Semporna, Sabah where 777 individual corals were transplanted to an underwater nursery, a new record in the Malaysia Book of Records.

We place great importance in ensuring that our business operations have minimal impact on the environment. Using the International Organization for Standardization's 14001 ("**ISO 14001**") standards for environmental management systems, we closely monitor the impact of our operations on the environment and endeavour to reduce adverse impact on the environment by having in place systems and processes to reduce waste. For example, we use an online system for human resource-related administrative tasks to reduce paper usage, have a polystyrene-free and styrofoam-free day every Friday to reduce non-biodegradable waste, have reserved parking spaces for employees that participate in our car-pooling program, have desktop computer monitors at workstations that switch off automatically after a certain time, and have installed motion sensors for lighting to reduce electricity consumption. These efforts led to us being awarded with the ISO 14001 certification in 2009, and ASTRO continues to comply with the certification.

As a media broadcaster, we are also in a good position to spread community service messages to our viewers and listeners. Our TV platform runs an average of 283 minutes of community service announcements each day across all available channels. On radio, we broadcast more than 432 minutes of public service announcements each day across all our nine commercial radio stations.

As an extension of our commitment to develop the community, we have incorporated a non-profit organisation known as the Astro Kasih Foundation ("**Foundation**") dedicated to initiating and executing all of our corporate responsibility programmes. The Foundation aims to build on its 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.

7.10 Major suppliers

Except for ESPN Star Sports, none of our suppliers accounts for more than 10.0% of our Group's total pro forma operating expenses for each of the financial years ended 31 January 2010, 2011 and 2012 and total operating expenses for the six month financial period ended 31 July 2012. The total fees paid to ESPN Star Sports was more than 10.0% of our Group's total pro forma operating expenses for the financial year ended 31 January 2010 and less than 10.0% of our Group's total pro forma operating expenses for the financial years ended 31 January 2011 and 2012 and total operating expenses for the six month financial period ended 31 July 2012. We believe that we are not dependent on ESPN Star Sports.

7.11 Major customers

Our customers include subscribers, purchasers of our content and advertisers. There is no customer that individually contributes 10.0% or more of our Group's pro forma revenue for each of the financial years ended 31 January 2010, 2011 and 2012 and revenue for the six month financial period ended 31 July 2012.

7.12 Insurance

We maintain insurance policies covering business interruption and property damage to both our real and personal properties including but not limited to, broadcasting equipment and systems, devices, accessories and other properties material to our digital broadcast satellite services, against natural disasters or similar events, subject to customary limits based on the relevant asset values and risk exposure. We also maintain business interruption insurance for the total loss of the MEASAT-3 and MEASAT-3A transponders, where total loss is considered to be any situation covering the complete loss, destruction or failure of the satellite, or if we have less than five transponders available for our Malaysian operations or if the remaining operational lifetime of the satellite is reduced to less than 730 days. Renewal of adequate insurance cover is subject to market conditions, premium rates and capacity.

We also carry insurance for professional liability, public liability and directors' and officers' liability. We will also rely on legal defences such as disclaimers and "take-down" procedures and policies to control and limit potential liability for information disseminated through our network.

7.13 Employees

As at 31 July 2012, we had 4,139 permanent and fixed term employees. None of our employees is represented by any union. We believe that there is a cohesive and harmonious labour environment that is conducive for us to be both flexible and productive.

The table below sets forth the number of permanent employees for each of our business segments as at 31 January 2010, 2011 and 2012 and as at 31 July 2012:

	As at 31 January			As at 31 July
	2010	**2011**	**2012**	**2012**
TV	2,266	2,401	2,793	3,109
Radio	276	303	297	286
Featured films	13	17	19	18
Digital services	85	82	78	73
Publications	66	72	74	69
Content production	577	642	453	492
Corporate[(1)]	111	125	90	92
Total	3,394	3,642	3,804	4,139

Note:

(1) Employees who provide corporate services to both our Group and other companies within the AHSB Group.

Following the Reorganisation, employees in content production were re-assigned to the TV operations which resulted in a corresponding reduction in the content production department during the financial year ended 31 January 2012. In addition, certain employees in the corporate division were re-assigned to other divisions within our Group during the financial year ended 31 January 2012.

We believe human capital is the cornerstone of our success. With this in mind, we provide extensive training and development opportunities to our employees by offering a variety of training programmes at Astro Capability Centre where our employees may attend the required training to upgrade and sharpen their knowledge and skills. In addition, we invest approximately 2% of our total staff cost during the financial year ended 31 January 2012 in hosting in house Harvard Business School programmes conducted and facilitated by Harvard Business School professors on subject matters related to media strategies, strategic planning for new media, leading innovation for media companies to keep our employees abreast of new developments in the media and broadcast industries around the globe.

Every year, we work towards identifying high performing and high potential employees among our staff for further employee development. We hire an independent human resources consultant to assess our employees' leadership potential and develop a plan to develop employees into future leaders who can be part of our leadership succession plan. A robust succession planning process is in place to ensure that the potential individuals assume key and critical positions in our Group.

7.14 Research and development

As mentioned in Section 7.5.1.2(i) of this Prospectus, we routinely conduct quantitative and qualitative market research activities to understand both the appeal of our services to our subscribers and how to attract non-subscribers to our services. These activities enable us to devise strategies for pricing, programming and packaging to our subscribers and are carried out as part of our marketing efforts. Accordingly, we do not have any formal research and development facilities and systems or policies in place as at the LPD. For the financial years ended 31 January 2010, 2011 and 2012, we have not incurred any material research and development expenditure.

7.15 Quality assurance

We place significant emphasis on maintaining high standards for our services and products, and adhere to stringent quality standards. We emphasise quality management assurance to ensure that all industry and regulatory standards and requirements are adhered to. We also benchmark ourselves with world-class best practices. For instance, we use the best practices to develop our key performance indicators, which are then applied and monitored. Additionally, we have also embedded process improvement reviews and validation on all of our business processes to enable us to deliver services that are aimed towards optimum service delivery and resources that exceed customer needs. These services include compelling content as well as service availability.

We have achieved annual compliance with the PCI-DSS and ISO/IEC 27001 Information Security Management System.

7.16 Environmental matters and occupational safety and health

We believe that we are in compliance in all material respects with applicable environmental regulations in Malaysia and are not aware of any environmental issues which may materially and adversely affect our operations. We are committed to achieving the highest industry standards through continuous improvement and adoption of best practices to maintain a healthy and safe working environment. We are certified under OHSAS 18001: 2007. We have been awarded with the prestigious National Occupational Safety and Health Award by the National Council of Occupational Safety and Health of Malaysia.

7.17 Interruptions to business for the past 12 months

There was no interruption to our business and operations which had a significant effect on our operations in the past 12 months preceding the LPD.

7.18 Relevant laws and regulations governing our business

7.18.1 Broadcasting

Legislative Framework

The principal legislation forming the legislative framework governing the communications and multimedia industry in Malaysia is the CMA and its subsidiary legislation. The CMA came into force on 1 April 1999 and replaced the Telecommunications Act 1950 and the Broadcasting Act 1988, which were repealed with effect on the same date. With its tenets based on principles of increased transparency, competitiveness and self-regulation, the CMA facilitated the convergence of the communications and multimedia sectors in Malaysia.

Among the objects of the CMA is the promotion of national policy objectives for the communication and multimedia industry, which include the following:

- establishing Malaysia as a major global centre and hub for communications and multimedia information and content services;
- promoting a high level of consumer confidence in service delivery from the industry;
- ensuring an equitable provision of affordable services over ubiquitous national infrastructure;
- facilitating the efficient allocation of resources; and
- promoting the development of capabilities and skills within Malaysia's convergence industries.

Various pieces of subsidiary legislation have been issued under the CMA to regulate specific aspects of the industry in more detail, including rules and regulations on technical standards, spectrum, licensing and rates. Where relevant, guidelines may also be issued to provide clarification on specific areas.

Regulatory Framework

The communications and multimedia industry is regulated by the Minister and the MCMC. The MCMC was established pursuant to the Malaysian Communications and Multimedia Commission Act, 1998 which came into force on 1 November 1998. Its functions include, among others, the following:

- advising the Minister on all matters concerning the national policy objectives for communications and multimedia activities;
- implementing and enforcing the provisions of the communications and multimedia laws;
- considering and recommending reforms to the communications and multimedia laws;
- supervising and monitoring communications and multimedia activities;
- encouraging and promoting the development of the communications and multimedia industry, including in the area of research and training; and

- encouraging and promoting self-regulation in the communications and multimedia industry.

The MCMC is empowered by the CMA to issue directions to licensees, to make determinations and to issue guidelines. It also has the power to hold public inquiries and to conduct investigations.

Policy-making responsibilities lie with the Minister. The Minister has the power to grant licences, after giving due regard to the recommendations of the MCMC. The Minister is also empowered, among other things, to issue directions to the MCMC on the exercise of its powers and the performance of its duties, and to make subsidiary legislation in the form of orders, rules and regulations. The Minister may also make determinations where the CMA expressly provides for them.

Self regulation and industry forums

The CMA seeks to establish a regime of self-regulation by providing for the creation of industry forums. An industry body may be designated or appointed as an industry forum if the MCMC is satisfied that the criteria stipulated in Section 94 of the CMA have been fulfilled.

The primary function of a designated industry forum is to formulate and implement voluntary industry codes, which would serve as a guide for the industry to operate. The relevant codes may be developed on the industry forum's own initiative or upon request by the MCMC.

If the MCMC is of the view that a voluntary code prepared by the designated industry forum is ineffective, the MCMC may determine a mandatory standard for any matter which is the subject matter of the voluntary industry code. The Minister may also direct the MCMC to determine a mandatory standard in place of a voluntary industry code.
As at the LPD, the Malaysian Access Forum Berhad ("**Access Forum**"), the Communications and Multimedia Consumer Forum of Malaysia ("**Consumer Forum**"), the Communications and Multimedia Content Forum of Malaysia ("**Content Forum**") and the Malaysian Technical Standards Forum Berhad ("**Technical Standards Forum**") are all industry forums designated under the CMA.

Licensing Regime

Under the CMA, the following four main categories of activities require licences to be issued by the Minister:

- **Network facilities provider ("NFP") licence:**

  For the ownership and/or provision of physical infrastructure used to provide communications services (for example cables, towers, satellite earth stations, broadband fiber optic cables and telecommunications lines);

- **Network service provider ("NSP") licence:**

  For the provision of network services over network facilities (for example, broadcasting distribution services);

- **Applications services provider ("ASP") licence:**

  For the provision of application services by means of network services for example voice services, data services, Internet access and electronic commerce delivered to end users; and

- **Content application services provider ("CASP") licence:**

  For the provision of content applications services including TV and radio broadcast services (for example, satellite broadcasting, subscription broadcasting, terrestrial free-to-air TV and terrestrial radio broadcasting).

Within these categories, the CMA provides for the issuance of either individual or class licences (except in the case of licensing of ASPs, which since April 2005, is regulated only by way of class licences, due to Ministerial Direction No. 3 of 2001 On General Licensing Policies issued on 23 March 2001).

- **Individual licences**, which must be applied for and are granted by the Minister. They require a high degree of regulatory control and may include special conditions.

- **Class licences**, which are less heavily regulated and only require registration, which is an administrative process, rather than the making of an application.

Individual Licences

Licence conditions consist of standard and special conditions which vary depending on the category of licences. The standard licence conditions applicable to individual licences generally include the following:

- the licensee shall be a company that is incorporated in Malaysia;

- the shareholding of the licensee shall comply with relevant Malaysian foreign investment restrictions;

- the licensee shall notify the Minister of any changes of shareholdings which are required to be notified to the relevant authority;

- the licensee shall notify the Minister of any joint ventures entered into with other licensees;

- the licensee shall comply with the provisions of the CMA;

- the licensee shall comply with the provisions of any subsidiary legislation made, or other instruments, guidelines or regulatory policies issued under the CMA;

- the licensee shall indemnify the Minister and the MCMC against any claim or proceeding arising from any breach or failings on the part of the licensee; and

- the licensee shall comply with any other standard conditions and matters as declared by the Minister, or provided in any subsidiary legislation, under the CMA.

The Minister may declare special licence conditions applicable to individual licences which may include but are not limited to the following:

- period of the licence;
- licence fees;
- licensed area;
- specific undertakings with respect to levels of investments, specific activities and operations; and
- specific rights and privileges agreed between the licensee and the Government which are conditional upon the undertakings entered into by the licensee.

An individual licence granted under the CMA shall be valid for a period of 10 years from the date of grant of the individual licence unless cancelled by the Minister before its expiry.

Under the CMA, the Minister is vested with the power to make a declaration at any time:

- to modify or vary the special or additional conditions (as distinguished from the standard conditions) of an individual licence;
- to revoke the special or additional conditions of an individual licence; or
- to impose further special or additional conditions on an individual licence.

On the recommendation of the MCMC, an individual licence may be suspended or cancelled by the Minister if:

- the licensee fails to pay any amount required under the CMA or the individual licence;
- the licensee fails to comply with the provisions of the CMA or the terms and conditions of the individual licence;
- the licensee contravenes the provisions of any other written law relevant to the communications and multimedia industry;
- the licensee fails to comply with any instrument issued by the Minister or the MCMC; or
- the suspension or cancellation is in the public interest.

Class Licences

In the case of a class licence, conditions that may be imposed include, among others, the following:

- compliance with the provisions of the CMA;
- compliance with the provisions of all subsidiary legislation made, or other instruments, guidelines or regulatory policies issued under the CMA;

- an obligation to indemnify the Minister and the MCMC against any claim or proceeding arising from any breach or failings on the part of the licensee; and

- compliance with any other standard conditions and matters as may be declared by the Minister, or provided in any subsidiary legislation, under the CMA.

A person who intends to operate under a class licence is required to register with the MCMC under that class. The registration is valid for one year. The Minister may by declaration amend the conditions of class licences.

Foreign Ownership Restrictions

A foreign company (as defined under the Act) is ineligible to apply for an individual licence or to be registered as a class licensee. Pursuant to the announcement by the Prime Minister of Malaysia on 30 June 2009, the Foreign Investment Committee Guidelines have been repealed and equity ownership restrictions, if any, for companies issued with licences under the CMA, will be imposed by the Minister. Typically, the standard licence conditions require licensees to comply with all relevant laws or rules under any legislation or guidelines issued by the Government or its agencies pertaining to restrictions on foreign shareholdings in the licensee.

Individual licences issued under the CMA may be suspended or cancelled by the Minister on the recommendation of the MCMC if the licensee breaches any relevant rules or laws pertaining to restrictions on foreign equity ownership.

Spectrum/Apparatus Assignment

The CMA subjects the use of any frequency spectrum in Malaysia to the requirement to obtain a spectrum assignment, an apparatus assignment or a class assignment, all of which are issued by the MCMC. Under the CMA, the Minister may, after taking into account the recommendations of the MCMC, determine that a certain spectrum is to be reallocated for spectrum assignments.

The MCMC may issue an apparatus assignment which confers rights on persons to use spectrum to operate a network facility of a specified kind at a specified frequency or in any specified frequency band or bands. An apparatus assignment is issued for a period of five years or less and must be in line with the spectrum plan. The spectrum plan is a vital document which contains radio frequency allocation for various wireless services in Malaysia and accompanying notes on constraints when using the frequencies. It essentially divides the spectrum in Malaysia into a number of frequency bands and specifies the general purpose in which the frequency bands can be used.

UMTS (Malaysia) holds a spectrum assignment with spectrum allocation bands of 1935-1950 MHz, 2125-2140 Mhz and 2015-2020 Mhz. As for apparatus assignments, in total there are 212 apparatus assignments held by five entities within the Group.

Rates

Subject to the relevant provision of the CMA, broadcasting services are generally not subject to any rate setting and broadcasters are free to set prices for the services provided. Under Section 197 and Section 198 of the CMA, a facilities or services provider may set prices in accordance with market rates on the basis of the following principles:

- rates must be fair and, for similarly situated persons, not unreasonably discriminatory;
- rates should be oriented towards costs and, in general, cross subsidies should be eliminated;
- rates should not contain discounts that unreasonably prejudice the competitive opportunities of other providers;
- rates should be structured and levels set to attract investment into the communications and multimedia industry; and
- rates should take account the regulations and recommendations of the international organisations of which Malaysia is a member.

The Minister has the power, on the MCMC's recommendation, to intervene in determining and setting the rates for any competitive facilities or services for good cause or as public interest may require.

Access Forum

The Access Forum was designated by the MCMC as the access forum for the industry. Its main tasks are to develop the access code, a voluntary code containing model terms and conditions for standard access obligations which guide the operations of the industry, and to make recommendations to the MCMC on the services and facilities to be included in, or removed from, the access list. As at the LPD, no access code has been registered with the MCMC. The MCMC has, however, issued determinations on mandatory standards on access.

Consumer Protection

The Consumer Forum is the forum tasked by the MCMC with the primary aim to protect the rights of consumers of the communications and multimedia industry and to monitor service delivery in relation to consumer interests. Its membership reflects representation from both the supply and demand side of the communications and multimedia industry. MBNS is a member of the Consumer Forum.

As a designated forum, the Consumer Forum has launched a general consumer code of practice ("**Consumer Code**") binding on all its members. The Consumer Code outlines the rights of consumers and sets out model procedures for the handling of customer complaints, disputes and grievances and compensation of customers in the case of its breach. It is used as a base guideline for the provisioning of services by the communications and multimedia service providers.

Content Regulation

The CMA prohibits CASPs from broadcasting content which is "indecent, obscene, false, menacing or offensive in character with intent to annoy, abuse, threaten or harass any person".

The Content Forum established in February 2001, is the industry forum established with the mandate to govern content and to address content-related issues disseminated by way of electronic networked medium. Its main objective is to continuously develop codes and best practices as envisaged by the CMA that reflects a balanced representation and views of the community at large. Similarly with the Consumer Forum, the Content Forum is represented by membership categories ranging from advertisers, broadcasters, civic groups, audiotext service providers, content creators/distributors and Internet access service providers. MBNS, MEASAT Radio Communications and Maestra Broadcast are members of the Content Forum.

The Content Forum has prepared and drawn up a content code ("**Content Code**") containing standards and practices to be applied with regard to content in the communications and multimedia industry. Its ambit is defined under Section 213(1) of the CMA which states that the Content Code shall include model procedures for dealing with offensive and indecent content. The Content Code applies to all CASPs and it essentially recommends a responsible approach towards the provision of content. It was officially registered with the MCMC with effect from 1 September 2004.

The Content Forum is tasked with the duty to enforce the Content Code, to administer sanctions for its breaches and to provide an avenue for channelling complaints in relation to content.

Content is also regulated through the Film Censorship Act 2002 ("**Film Censorship Act**"), under which all films are required to be submitted to the Film Censorship Board for their prior review and approval before public viewing. From May 1997, MBNS was granted an exemption by the Ministry of Home Affairs from having to submit its broadcasts to the Film Censorship Board. Instead, self censorship is practised with the Content Code being the main reference for this self-censorship process. We also conduct our content regulation in reference to, among others, the Astro Censorship Guidelines which was approved in 1997 by the Minister of Home Affairs ("**Home Affairs Minister**").

Technical Standards

The Technical Standards Forum has been designated by the MCMC as the industry-established body to develop Technical Standards and Industry Codes and to seek registration of the same from the MCMC, as well as to provide industry facilitation services with the objective of promoting competitiveness in the Malaysian communications industry.

Universal Service Provision ("USP")

The USP is designed with the objective to promote the widespread availability and usage of network services and/or application services throughout Malaysia. It is regulated by the CMA and the Communications and Multimedia (Universal Service Provision) Regulations 2002 ("**USP Regulations**"). The USP Regulations provide for among others, the designation for a universal service target and provider, processes and procedures for a universal service plan, contributions to the Universal Service Provider Fund ("**USP Fund**") and payments to the designated universal service providers from the USP Fund.

NFP, NSP and ASP licence holders with total net revenue derived from designated services in the preceding year that is more than the minimum threshold of RM2.0 million are required to contribute to the USP Fund. Within the Group, MBNS' major revenue is derived from its services under the CASP licence, therefore its contribution to USP Fund is minimal compared to other providers.

Restrictions on anti-competitive behaviour

The CMA prohibits a licensee from engaging in conduct which has the purpose of substantially lessening competition in any communications market in Malaysia. The CMA also prohibits certain collusive arrangements for rate fixing, market sharing, boycotts and tying and linking arrangements. Furthermore, if the MCMC determines that a licensee is in a dominant position, it may direct the licensee to cease any conduct which has or may have the effect of substantially lessening competition in any Malaysian communications market, and to implement appropriate remedies.

The MCMC has formulated and published guidelines on "Dominant Position in a Communications Market" and "Substantial Lessening of Competition", both of which came into force on 1 February 2000. These guidelines form part of the development of a legal framework for competition regulation in the communications and multimedia industry.

All commercial activities regulated under the CMA are exempted from the application of the Competition Act 2010 ("**CA**"), which came into force on 1 January 2012. Commercial activities regulated under the CMA includes the provision of broadcasting and application services.

However, other commercial activities engaged in by our other companies within the Group which are not licensed under the CMA such as magazine publication and film production would not fall within the scope of commercial activities regulated under the CMA and would therefore be within the purview of the CA.

The two main prohibitions under the CA are set out in Sections 4 and 10 of the CA. Section 4 prohibits any horizontal or vertical agreements which have the object or effect of significantly preventing, restricting or distorting competition in a relevant market ("**Chapter One Prohibition**"). Meanwhile, under Section 10, entities which are considered to be in a dominant position are prohibited from engaging in conduct which abuses such position of dominance in any relevant market ("**Chapter Two Prohibition**"). The CA is administered and enforced by the Malaysian Competition Commission ("**MyCC**"), an independent body established under the Competition Commission Act 2010. The MyCC is empowered under the CA to issue guidelines to clarify the application of the CA. As at the LPD, the MyCC has issued final Guidelines on Market Definition, Guidelines on Chapter One Prohibition, Guidelines on Chapter Two Prohibition and Guidelines on Complaint Procedures.

7.18.2 Print media and publications

The publication industry in Malaysia is regulated by the Printing Presses and Publications Act 1984 ("**PPP Act**"), which requires all persons who keep for use or use printing presses to have licences issued by the Home Affairs Minister. The PPP Act regulates the use of printing presses, the printing, importation, production, reproduction, publishing and distribution of publications.

The PPP Act provides that it is a criminal offence to keep for use or use a printing press without a licence granted by the Home Affairs Minister, who may, revoke or suspend such licences, and may also restrict or ban outright publications that are likely to endanger national security interest or create social unrest. In July 2012, the Printing Presses and Publications (Amendment) Act 2012 ("**PPP (Amendment) Act**") came into effect. Among the amendments passed under the PPP (Amendment) Act include provisions to remove the Home Affairs Minister's absolute discretion in granting or refusing a printing press licence and to allow publishers to challenge in court any decision by the Home Affairs Minister to revoke or suspend licences. The PPP (Amendment) Act also adds that a person who has been granted a licence or permit shall be given an opportunity to be heard before a decision to revoke or suspend such licence or permit is made.

Meanwhile, regulation of content in advertising is imposed through the Malaysian Code of Advertising Practice, which deals with commercial advertising in the media, including the print media. However its application excludes the broadcast media, online services and other telecommunications and electronic media which are subject to the Content Code administered by the Content Forum.

7.18.3 Film production and distribution

All film producers and film distributors in Malaysia are subject to the provisions contained in the Perbadanan Kemajuan Filem Nasional Malaysia Act 1981 ("**FINAS Act**"), a legislation which was specifically enacted with the objective to promote, maintain and facilitate the development of film production in Malaysia. FINAS is a statutory body under the purview of the Ministry of Information, Communication and Culture and tasked with the responsibility of encouraging growth of the Malaysian film industry.

FINAS is also the licensing body empowered under the FINAS Act to issue licences for companies which carry out film/video production, film/video distribution and film/video exhibition activities. Each licence is renewable annually. Companies applying for licences from FINAS are also subject to foreign ownership restrictions. A company seeking to apply for a new licence would need to have at least 30% of its equity held by Malaysians for the first five years, out of which 30% must be held by Bumiputeras. From the sixth year onwards, at least 51% of its equity needs to be held by Malaysians, out of which 30% must be held by Bumiputeras.

The Film Censorship Board performs censorship of all films to be screened in Malaysia, where any film to be screened in Malaysia must be submitted for censorship to the Film Censorship Board and certified by it. The Film Censorship Board is established under the Film Censorship Act which bans the possession, ownership and/or screening of materials which are obscene or otherwise against public decency. Any film passed with compulsory alteration must have the alteration effected before the film can be released for screening.

7.19 Dependence on material contracts/agreements

As at the LPD, save as disclosed below, there are no material contracts, agreements, arrangements or other matters which had been entered into by us which we are highly dependent on:

(i) On 18 June 2007, MBNS entered into an agreement with MSS for the supply of the aggregate space segment capacity on 13 transponders on MEASAT-3 ("**M3 Transponder Capacity**") by MSS to MBNS ("**M3 Agreement**").

MSS agreed to supply the M3 Transponder Capacity to MBNS on 24/7 basis in five separate tranches during a 14 year and six month period commencing from the commencement date (being 1 August 2007) ("**M3 Term**"). MBNS has an option to extend the M3 Term for a further period to be mutually agreed by both MSS and MBNS.

The total fee for the supply of the M3 Transponder Capacity over the M3 Term is approximately USD381.8 million ("**M3 Fee**").

MBNS shall pay the M3 Fee to MSS quarterly in advance with the first payment falling due within seven days from 1 August 2007 and subsequent quarterly payments falling due on the first day of each successive quarterly date thereafter, until the quarterly date immediately preceding the expiry of the M3 Term. The initial sum of USD4.5 million paid by MBNS to MSS prior to the execution of the M3 Agreement as security deposit shall be applied as part payment of the M3 Fee for the first and second quarterly payments (or until the said sum is fully utilised).

Further, MSS has granted MBNS a one-off rebate amounting to USD3.6 million for the M3 Transponder Capacity, which will be applied against the quarterly payments of the M3 Fee in accordance with the terms and conditions of the M3 Agreement.

MSS and MBNS had vide letters dated 17 December 2008, 30 April 2009 and 15 November 2010, agreed to, among others, reduce the total number of transponders leased to 12, out of which one transponder was re-leased by MBNS to MSS until 31 March 2013 ("**Re-leased Transponder**") and thereafter MSS may extend the lease on a month to month basis until 30 September 2013. Pursuant to two letters of variation both dated 30 April 2012, MSS and MBNS have agreed to (i) the reduction of the M3 Fee payable by MBNS under the M3 Agreement by RM1,041,666.67 per quarter for 24 quarters commencing from 1 February 2012 during the M3 Term; and (ii) a further rebate of RM833,333.00 per month from the M3 Fee being granted to MBNS (such rebate to correspond with the actual extended term utilised) if MSS extends the lease period of the Re-leased Transponder.

(ii) On 18 May 2009, MBNS entered into an agreement with MSS for the supply of space segment capacity on six Ku-band transponders on MEASAT-3A ("**M3A Transponder Capacity**") by MSS to MBNS ("**M3A Agreement**").

MSS agreed to supply the M3A Transponder Capacity to MBNS on 24/7 basis for a period of 15 years commencing from the commencement date (being the date of completion of the in-orbit testing of MEASAT-3A, which took place on 20 July 2009) ("**M3A Term**"). MBNS has an option to extend the M3A Term for a further period to be mutually agreed by both MSS and MBNS.

The total fee for the supply of the M3A Transponder Capacity over the M3A Term is USD189.6 million ("**M3A Fee**"). MBNS shall pay the M3A Fee to MSS quarterly in advance on the first day of each quarter commencing from the commencement date of the M3A Term until the quarter immediately preceding the expiry of the M3A Term.

MBNS shall pay MSS approximately USD19.0 million as deposit within seven days from the execution of the M3A Agreement which shall be refunded by MSS to MBNS on or before 1 June 2014 or within seven days from the termination of the M3A Agreement unless the said deposit shall have already been refunded on or before 1 June 2014.

MSS will grant to MBNS a one-time contribution in the total sum of approximately USD4.7 million, to be applied against the M3A Fee in relation to the upgrade of the MBNS' earth stations and associated equipment costs in order to access MEASAT-3A. The one-time contribution shall be applied against the first 20 quarterly instalments of the M3A Fee in the sum of USD237,000.00 per quarter.

(iii) On 11 May 2012, MBNS entered into an agreement with MEASAT International (South Asia) Ltd ("**MISA**") for the supply of the aggregate space segment capacity on 18 transponders on MEASAT-3B ("**M3B Transponder Capacity**") by MISA to MBNS ("**M3B Agreement**").

MISA agreed to supply the M3B Transponder Capacity to MBNS on a 24/7 basis in three separate tranches (during a two-year period) commencing from the commencement date (being the date of completion of the in-orbit testing of MEASAT-3B, which has yet to take place) for a period of 15 years ("**M3B Term**"). MBNS has an option to extend the M3B Term for a further period to be mutually agreed by both MISA and MBNS.

The total fee for the supply of the M3B Transponder Capacity over the M3B Term is USD538.0 million ("**M3B Fee**").

MBNS shall pay the M3B Fee to MISA quarterly in advance on the first day of each quarter commencing from commencement date of the respective tranche until the quarter immediately preceding the expiry of the M3B Term.

MBNS shall pay USD30.0 million to MISA as deposit ("**M3B Deposit**") in the following manner:

(a) USD10.0 million on or before the end of six months from the date of the M3B Agreement;

(b) USD10.0 million on or before the end of 12 months from the date of the M3B Agreement; and

(c) USD10.0 million within 14 business days from the commencement date.

If MEASAT-3B is not launched by 31 March 2014, MISA shall pay interest on the M3B Deposit based on Malayan Banking Berhad's base lending rate plus 2% per annum calculated on a daily rest basis commencing from 1 May 2014 until the actual date MEASAT-3B is launched. If MEASAT-3B is launched, the M3B Deposit shall be refunded to MBNS by way of 40 equal quarterly instalments, on the first day of each quarter commencing from the 21st quarter or 5th anniversary of the commencement date until the expiry of the M3B Term.

VALUE PARTNERS
MANAGEMENT CONSULTING

The Board of Directors
Astro Malaysia Holdings Berhad
3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil, 57000 Kuala Lumpur
Malaysia

Dear Sirs,

EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT ON THE MALAYSIAN MEDIA AND ENTERTAINMENT INDUSTRY

We, Value Partners Management Consulting, have prepared the Executive Summary of the Independent Market Research Report on the Malaysian media and entertainment industry for inclusion in the Prospectus of Astro Malaysia Holdings Berhad dated 11 SEP 2012 *in relation to the initial public offering and the listing and quotation of the entire issued and paid-up share capital of Astro Malaysia Holdings Berhad on the Main Market of Bursa Malaysia Securities Berhad.*

We are aware that this Executive Summary will be included in the Prospectus and we further confirm that we are aware of our responsibilities under Section 214 of the Capital Markets and Services Act, 2007. We acknowledge that if we are aware of any significant changes affecting the contents of this Executive Summary between the date thereof and the date of issue of the Prospectus, we have an on-going obligation to either cause this Executive Summary to be updated for the changes and, where applicable, cause Astro Malaysia Holdings Berhad to issue a supplementary prospectus, or withdraw our consent to the inclusion of this Executive Summary in the Prospectus.

The market research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research, which involves discussing the status of the industry with leading industry participants and industry experts. Quantitative market information could be sourced from interviews by way of primary research and therefore the information is subject to fluctuations due to possible changes in the business and industry climate. No part of this research may be otherwise be resold or reproduced without our written permission.

Value Partners has prepared the Independent Market Research Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that the report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Value Partners shall not be held responsible for the decisions and/or actions of the readers of the report. The report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in the report or otherwise.

For and on behalf of Value Partners Management Consulting

Jenny Ng
Managing Partner, Value Partners Asia

For further information, please contact:
Value Partners Management Consulting
1402, Harcourt House,
39 Gloucester Road,
Wanchai, Hong Kong
Tel: +852 2103 1000

VALUE PARTNERS

1. MALAYSIAN MACROECONOMIC ENVIRONMENT

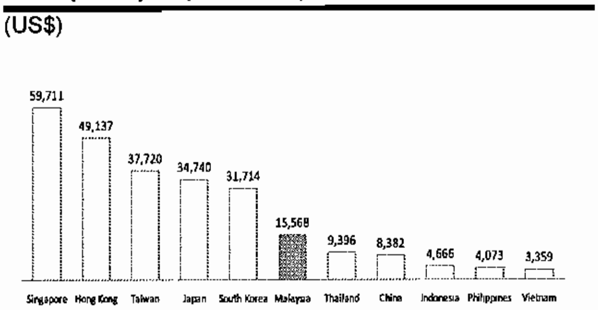
The Malaysian economy experienced a compounded annual growth rate ("CAGR") of 7.4% over the period 2007 to 2011, with nominal Gross Domestic Product ("GDP") growing from RM642 billion in 2007 to RM853 billion in 2011. More recently,in 2011,real GDP grew in excess of less developed countries such as Thailand and the Philippines at 5.1%, on the back of strong government spending growth and strong private consumption growth, at 16.8% and 6.9%, respectively.

Malaysia macroeconomic indicators

		2007	2008	2009	2010	2011	2012F	2013F	2014F	2015F	2016F	CAGR ('07-'11)	CAGR ('11-'16)
Nominal GDP	RM bn	642	742	680	766	853	917	989	1,070	1,157	1,252	7.4%	8.0%
Nominal GDP growth	%	11.8%	15.6%	(8.4%)	12.7%	11.3%	7.6%	7 8%	8.2%	8 1%	8.2%		
Population	Million	27 2	27.5	27.9	28.3	28.8	29.3	29.8	30.3	30.8	31.3	1.4%	1 7%
Population growth	%	n.a.	1.1%	1.5%	1.4%	1.8%	1.7%	1.7%	1 7%	1.7%	1.6%		
Urban / Rural split	Ratio	68:32	69:31	70:30	71:29	72:28	73:27	73:27	74:26	75:25	75:25		
Households	Thousand	6,171	6,294	6,418	6,564	6,735	6,912	7,092	7,278	7,468	7,663	2.2%	2.6%
Household growth	%	n.a.	2.0%	2.0%	2.3%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%		
Average household size	Unit	4.41	4.38	4 35	4.32	4.29	4.26	4.23	4.20	4.17	4 14		

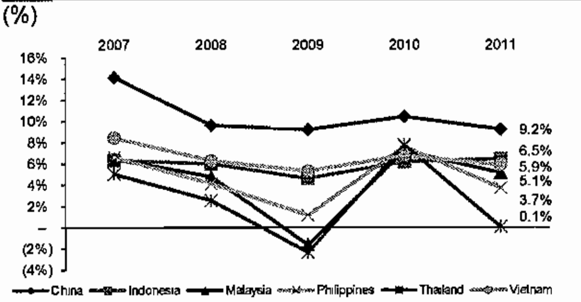
Source: International Monetary Fund ("IMF"), Malaysia Department of Statistics, Value Partners.

GDP per capita (PPP basis) – 2011



Source: IMF.

Real GDP growth in regional developing countries



Source: IMF.

Growth is expected to be sustained going forward with Malaysia's nominal GDP forecast to grow at a CAGR of 8.0% from 2011 to 2016, supported by strong growth in both public and private consumption.Malaysia currently has the highest GDP per capita on a purchasing power parity ("PPP") basis, amongst developing Asian peer countries and is steadily catching up with those of advanced countries in the region.

Malaysia's population is expected to grow at a CAGR of 1.7% from 2011 to 2016, with urbanisation increasing from 72% in 2011 to 75% in 2016. Population growth with continued urbanisation is expected to reduce the average household size from 4.3 people per household in 2011 to 4.1 people per household in 2016, contributing to an increase inthe number of households from 6.7 million in 2011 to 7.7 million in 2016.

The Malaysian government has recently been implementing initiatives to encourage local investment in higher value industries and avoid over reliance on low value industries. The 2010 Economic Transformation Plan included a framework for local investment into electronics, medical devices, oil and gas, and transportation, amongst others. The increased wealth is expected to drive an increase in standards of living with the quality of education, entertainment and accommodation all increasing.

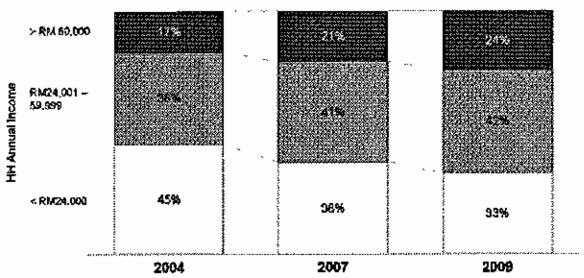
2. OVERVIEW OF MALAYSIA DEMOGRAPHICS

In tandem with its growing economy, Malaysia has a fast growing middle to upper income class. Households with an annual income of more than RM24,000have grown from 55% of total Malaysian households in 2004 to 66% of total Malaysian households in 2009. This income band represents households with higher affordability for premium consumer services. There is still a significant proportion of householdsthatlie in the lower income band (33% in 2009), most of which are rural households, which may be more reluctant to spend on premium consumer services. As such, consumer services players adopt a two pronged approach to address the different segments.

VALUE PARTNERS

Malaysia possesses a diverse population comprising three main ethnicities: Malay, Chinese and Indian, constituting 67%, 25% and 7% of its total citizens, respectively,in 2011. Household income dynamics in Malaysia vary considerably by ethnicity. Malay households are currently experiencing the strongest income growth, compared to the Chinese and Indian households.

Malaysian population income bands



Source: Economic Planning Unit ("EPU").

Average monthly household income by ethnicity

(RM per household per month)

	2007	2009	2011E	
Malay	3,156	3,624	4,443	CAGR:8.9%
Chinese	4,853	5,011	5,257	CAGR:2.0%
Indian	3,799	3,999	4,317	CAGR:3.2%

Source: EPU, Value Partners analysis.

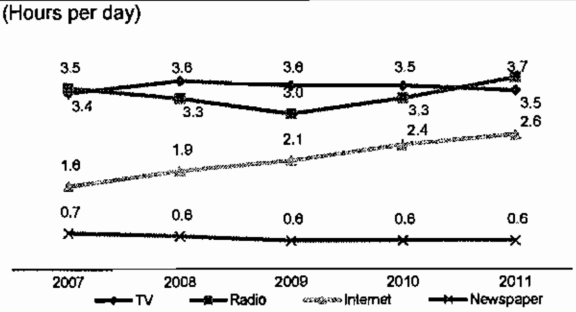
3. OVERVIEW OF MALAYSIA MEDIA AND CONSUMER ENTERTAINMENT INDUSTRY

The Malaysian media and consumer entertainment landscape is fully developed in TV, radio and print.

- In TV, there are two free to air ("FTA") operators, Media Prima and RTM, with 6 channels between them, and one major pay-TV operator, Astro Malaysia, with over 150 channels.
- In radio, there are four major operators consisting of Astro Malaysia, Media Prima, RTM and The Star. Between them they broadcast over 50 regional and national commercial stations.
- In print media, there are 45 national and regional newspapers, and over 300 magazinesin circulation. Major publishers include Media Prima (publishing the most read Malay language newspaper), The Star (publishing the most read English language newspaper), and Media Chinese International (publishing the most read Chinese language newspaper).

Average time spent on media by platform in Malaysia

(Hours per day)



Source: Nielsen.

Major content providers in Malaysia

	# of offerings				
Media group	TV	Radio	Print	Online	Key offerings
Media Prima	4	3	3	4	TV3, Harian Metro, New Straits Times Press
RTM	2	36	n.a.	n.a.	TV1, TV2
Astro Malaysia	156	9	7	n.a.	Astro Wah Lai Toi, HitzFM, Astroview
The Star	n.a.	4	5	3	RedFM, Suria FM, TheStar

Source: Value Partners.
Note: RTM radio channels include regional channels.

Rising disposable income, the advancements in mobile broadband technology and the rising importance of mobilityis driving the proliferation of modern electronic devices such as smartphones and tablets, resulting in the increase of online media consumption and some migration to online and mobile platforms. According to Nielsen's Malaysian survey of Internet users, approximately 50% of respondents owned a smartphone,while household tablet ownership is comparatively lower at 18%,although57% of these respondents showed an intention to purchase one.This can be seen in the increase in the average time spent viewing media on the Internet (2.6 hours per day in 2011). Accordingly, media operators are utilising a multi-device strategy for distributing content, for example Astro Malaysia's launch of Astro On-The-Go, an Over-The-Top online and mobile application service.

The increase in online media consumption has had a limited impact on TV and radio platforms so far, with average time spent per day remaining relatively steady, as online content struggles to replace high quality content available on TV and radio. On average, TV has been the dominant platform since 2007, with 3.4 to 3.6 hours average time spent per day.

4. OVERVIEW OF MALAYSIA PAY-TV MARKET

A range of business models and technologies currently operate in the market, with DTH possessing a significant coverage advantage

Terrestrial broadcasting (FTA) is a broadcasting technology utilising ground based radio stations to transmit TV signals to antennas connected to TVs. In Malaysia, Media Prima and RTM utilise terrestrial broadcasting to supply free-to-air television.

Direct-to-Home ("DTH") Satellite is a broadcasting technology that utilises a satellite to transmit TV signals to receiver dishes connected to set-top-boxes in households. Satellite downlink capacity enables a large number of channels to be broadcast at a high quality. In Malaysia, Astro Malaysia is the exclusive provider of DTH, offering pay-TV services.

Internet Protocol Television ("IPTV") utilises a broadband connection to deliver TV feeds. Quality of transmission is highly dependent on the connection of the user and the underlying broadband infrastructure. In Malaysia, IPTV (pay-TV) services are provided by AstroMalaysia (in collaboration with TT dotCOMSdnBhd ("TIME")), FineTV, U Television and HyppTV (operated by Telekom MalaysiaBerhad ("Telekom Malaysia")).

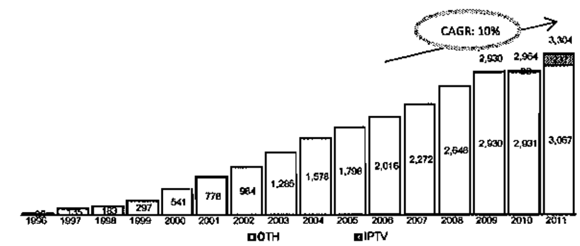
4.1 Current factors affecting thepay-TV market in Malaysia

Malaysia's pay-TV industry has been growing steadily even during years of economic crisis

Demand for pay-TV services in Malaysia is reflected by the increase of subscribers from 2.0 million subscribers in 2006 to over 3.3 million subscribers in 2011, representing a CAGR of 10%. Even in the face of the economic slowdown in 2009, the pay-TV subscriber base grew by 11% from 2008 to 2009. In terms of subscription revenue, the market has seen strong growth, increasing from RM2.1 billion in 2007 to RM3.3 billion in 2011, a CAGR of 12%.

Malaysian pay-TV subscribers

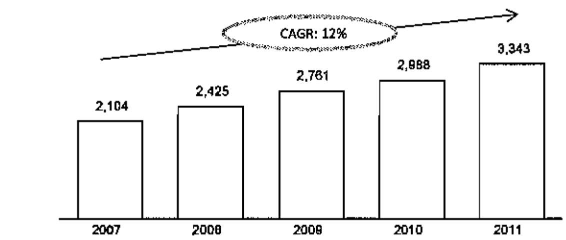
(in thousands)



Source: Media Partners Asia,Value Partners analysis.

Pay-TV subscription revenues

(RM million)



Source: Madia Partners Asia, AAAN Annual Reports, Value Partners analysis.

Rising Malaysian household income driving pay-TV affordability

Household income dynamics in Malaysia vary considerably by ethnicity. Malay households are currently experiencing the strongest income growth, compared to Chinese and Indian households. In addition, the rapid migration of the population from lower to middle or higher income segments is driving the expansion of the pay-TV market (see section above "OVERVIEW OF MALAYSIA DEMOGRAPHICS").

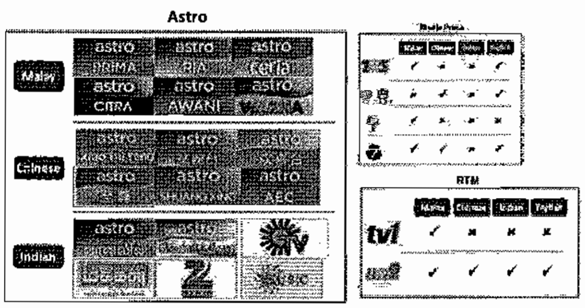
Demographic diversity and targeted channel offerings

Malaysia possesses a highly diverse population. The ethnic split of Malaysia has caused customer segmentation between different programming preferences, mainly tied to the main language of each ethnicity. As such, operators have developed separate programmes and channels to cater toeach segment.

VALUE PARTNERS

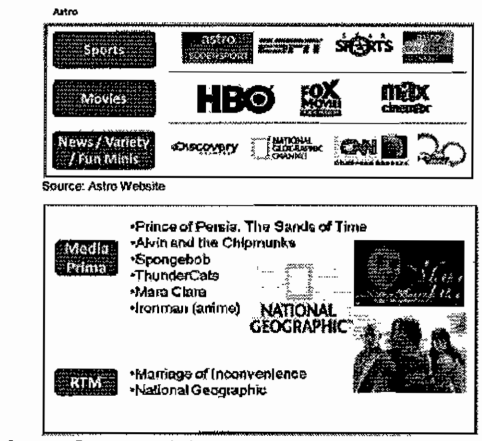
FTA operators also broadcast ethnicity specific content but are restricted by the number of channels that they are able to broadcast. Therefore many of these channels cater to multiple languages, with content alternating between them. In terms of content genre, FTA channels are also relatively limited. In general, news and drama programmes dominate in FTA channels, while a few movie, sports and documentary programmes are available from these FTA channels.

Channels by ethnicity and language by operator



Source: Operator website.

Channels by genre and by operator



Source: Operator website.

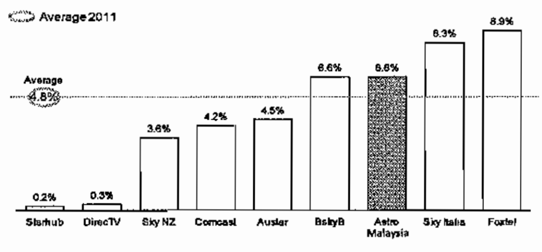
Demand for local content production

In view of the market for culturally diversified content, pay-TV operators are investing in producing content that appeals to local audiences. The importance of local content in Malaysia is evident when comparing the ratio of commissioned/owned programming versus content that is externally bought. This ratio is far higher than average for the Malaysian operator AstroMalaysia than for many of its international peers.This high level of localised content is necessary to successfully operate and maintain a meaningful competitive differentiation in the market and would also act as a significant barrier to new entrants who intend to merely repackage and resell/redistribute international content.

Using the example of Astro Malaysia, its own-branded and aggregated channels also play an important role in gaining traction with Malaysians. Vernacular channels like Astro Ria and Prima, AstroHuaHee Dai, Wah Lai Toi and AEC have received higher viewership ratings than other turnaround channels, and self-produced programmes like "MasterChef Malaysia", "Raja Lawak" and "Astro CGM Singing Competition" have achieved relatively high ratings compared to some of the FTA programmes.

Commissioned / owned programming as % of total

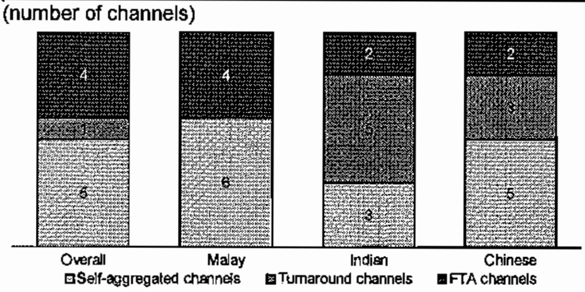
(% of total programs)



Source: Value Partners analysis, operator reports.

Top 10 channels viewed by Astro's subscribers

(number of channels)



Source: Astro, Nielsen.

Imports of content and equipment

Imports are an important aspect of the pay-TV industry in terms of content and equipment. In the area of content, operators import a large number of channels and programming from foreign providers while in terms of equipment, inputs into the assembly of set-top-boxes are sourced from international suppliers.

VALUE PARTNERS

Sales and distribution

Pay-TV service in Malaysia relies on nationwide networks of sales channels, which include the following key channels:

- Retail outlets (self-owned or partnership) – Astro Malaysia has historically adopted a stronger partnership approach, relying on local electrical appliances / electronic stores to sell its products.However, its customer service centres and more recently, sales kiosks, are playing an increasing role. HyppTV, on the other hand, leverages on Telekom Malaysia's existing sales and distribution infrastructure.
- Direct sales – Involves specialist sales agents who are mobile and support sales campaigns in specific geographical areas.
- Telemarketing (inbound and outbound) – While the effectiveness of this channel is not the highest,it is very cost efficientgiven the population that it can reach.
- Online – Currently still considered as an ancillary sales channel.

Competitive landscape

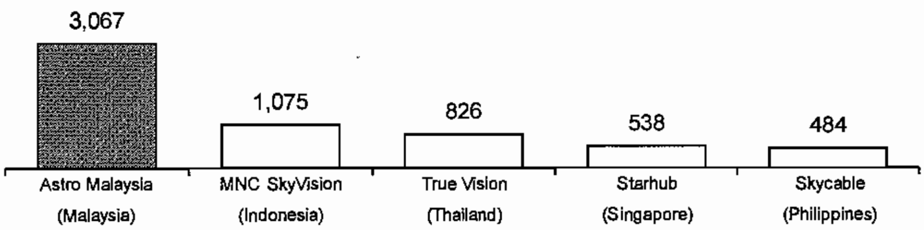
Astro Malaysia is the market leader in pay-TV with approximately 50% of Malaysian citizens' / residential TV householdpenetration and a market share of approximately99% of the pay-TV market(excluding free views) in 2011, primarily through DTH. Astro Malaysia has established a comprehensive entertainment offering which includeslocal content, tier one sports content, and popular film and documentary channels.

Astro Malaysia has recently launched several initiatives such asAstroB.yond IPTV (IPTV service providing both broadband and TV), AstroB.yond (a new set top box that enables two-way connectivity through DTH satellite to allow use of interactive features such as HD, VOD, and PVR),Astro On-The-Go(multi device over-the-topproduct), NJOI (a free satellite service, to encourage rural take up) and HD and 3D TV.

Compared to regional players, Astro Malaysia's rich content portfolio and product offerings stand out. Astro Malaysia is the largest pay-TV operator in Southeast Asia by subscribers in 2011 and also has one of the highest market share within its country of operation as compared to regional Asian peers.

Pay-TV subscribers in the region –2011

(In thousands)



	Astro Malaysia (Malaysia)	MNC SkyVision (Indonesia)	True Vision (Thailand)	Starhub (Singapore)	Skycable (Philippines)
Market share within own country	99%[1]	72%	44%	59%	34%
Number of channels	156[2]	105	120	170	113
Delivery platform	DTH	DTH	Cable, DTH	Cable	Cable

Source: Media Partners Asia, operators' websites.
(1) Astro Malaysia's 99% market share is calculated based on AstroMalaysia's DTH subscribers and Telekom Malaysia's estimated HyppTV's paying subscribers (approximately 20% of UniFi households); reach based on 1.3 million high-speed broadband homes passed.
(2) As of 30th April 2012, all other numbers as of 31st December, 2011.

Over the past two decades, several pay-TV operators have attempted to enter the market but have struggled to gain traction. Previous entrants include Mega TV (launched in 1995, closed in 2001), U Television (launched in 2005, stopped in 2006) and Fine TV (launched in 2005, now a marginal player with subscriber base well below its 20k target in 2008).

VALUE PARTNERS

The latest entrant is Telekom Malaysia's HyppTV (which is part of the UniFi "triple play" bundled service), a new IPTV player. In general, uptake of HyppTV is constrained by UniFi, which is in turn limited by the geographic roll out of the high speed broadband network.HyppTV is also positionedas an "add-on" to Telekom Malaysia's broadband offering, which means that its content offering is of limited quality,particularly in terms of top tier sports, and it carries fewer movie and children's entertainment options, lacks locally produced programmes and includes limited news and documentary channels. However, where high-speed broadband has been rolled out, uptake of UniFi has been positive. Telekom Malaysia'shigh speed broadband Phase 1 2012 target of having 1.3 million premises covered has been met and out of these 1.3 million premises, 300,000 occupants have become UniFi subscribers, and approximately 20% (or approximately 60,000) of these subscribers are purchasing premium channels.

Another potential new entrant is Asian Broadcasting Network ("ABN"), which is planning to launch its pay-TVservice later in 2012. ABN has digital cable technology and its pay-TVservice is aimed at the lower income groups, targeting the same segment as Astro Malaysia's NJOI platform, which presently has the first mover advantage in the market.

In addition to these key competitors, several others have obtained licences to provide pay-TV services and are expected to launch their services in the near future.

License holder	Description
DE Multimedia	Utilising a TV decoder connected to a user's Asymmetric Digital Subscriber Line ("ADSL") broadband; Launched in 2010 as joint venture between REDtone and Zhong Nan Enterprise;Strong focus on Chinese segment
DMD Fone	Unconfirmed; Unknown launch date
MahaSemerak	IPTV; Unconfirmed infrastructure; Unknown launch date
VassetiDatatech	IPTV using self-owned fibre to the home network; Plans to launch IPTV services by Q3 2012
YTL Communications	IPTV using own WiMax network as part of a quadruple play service; Expected to launch end-2012

Source: Value Partners.

Maxis Berhad and its subsidiaries ("Maxis") was considered a potential competitor when on 27 June 2012, it signed a partnership with 14 content providers, as a prelude to the launch of its IPTV offering in July 2012. However, on 30 August 2012, Maxis entered into a strategic partnership agreement with Astro to exclusively develop and co-market an IPTV offering, with Maxis providing fibre, mobile, wireless internet and ADSL for Astro'sB.yond IPTV and On The Go service. For a three year period, Maxis will be the exclusive fibre network provider for Astro's IPTV service for areas within the fibre footprint of Maxis but excluding areas within the fibre footprint of TIME, while Astro will be the exclusive IPTV service provider for Maxis and will develop exclusive content for Maxis customers. While after three years, Astro can partner with other infrastructure providers and Maxis can partner with other content providers, a non-exclusive partnership will still be in effect for a further seven years, subject to automatic renewal on an annual basis.

Given this agreement, Maxis' IPTV service will not be in direct competition with Astro for at least three years, and will in fact be a key enabler to the provision of Astro's IPTV service. Following the loss of exclusivity, direct competition will be mitigated by the ongoing agreement with Astro and the limited ability of Maxis to provide competing content.

While it is noted that Maxis had signed agreements with 14 content providers in June 2012,we believe the recent tie up with Astro will ease possible concerns of Maxis as a competitor in the pay TV market, especially since the exclusivity over the next 3 years willeffectively mean that Maxis would co-market and package the Astro IPTV service exclusively with Maxis' fibre broadband services. In addition, with Astro's stronger content portfolio, Maxis is expected to utilise Astro's IPTV service to market its fibre service once the exclusivity period ends.

Despite the issuance of multiple licensees, the following significant challenges are likely to prevent potential entrantsfrom significantly impacting the market or affecting Astro's market position:

- **Technology limitations**: without a DTH license, entrants who rely on costly broadband / fibre rollout, which will be limited in coverage, are likely to only compete against TM's Unifi service. For those who ride on low speed broadband or WiMax networks, there may be issues in TV picture quality, especially when it is part of triple play or quadruple play offerings (mobile, fixed, broadband, IPTV), which will consume high bandwidth at the same time

VALUE PARTNERS

- **Content acquisition**: New entrants often find it challenging to acquire popular content, especially against more established players in the market. When content providers choose their broadcasting platform partners, coverage / reach, in addition to financial considerations, are just as important
- **Content investment requirements**: The dynamics of the Malaysian TV environment necessitate a much higher investment in content, especially local content, than in other markets
- **Sales and distribution network set up**: To establish a sales and distribution network with sufficient scale to address at least 25% of Malaysian homes (based on HSBB network's ~1.3m homepass) is no trivial task. Direct sales and partnership sales agreements take months, if not years, to develop. Backend logistics for installation, payment collection and technical support also requires dedicated teams to support the operations

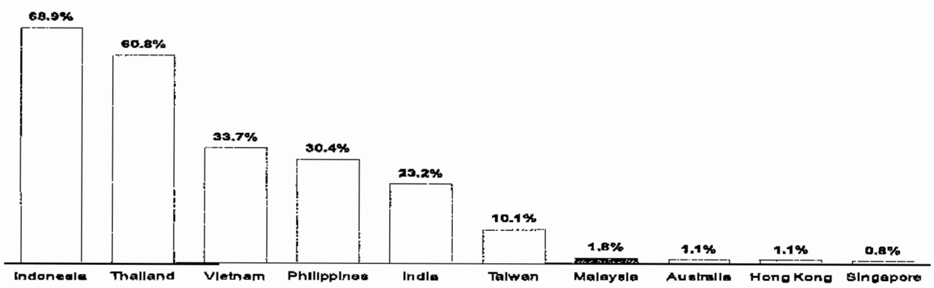
It is worth noting that points 2-4 will still be significant challenges for potential entrants to overcome when Astro's DTH exclusivity ends. As such, the competitive dynamics of the market are not expected to change considerably post-2017.

Limited threat from pay-TV piracy in Malaysia

One factor that has been instrumental in the development of pay-TV in Malaysia has been the low levels of pay-TV piracy. In many countries across Asia, individuals are able to illegally watch pay-TVchannels without paying or paying substantially less to an illegal operator. The Cable & Satellite Broadcasting Association of Asia ("CASBAA") estimates that pay-TV piracy in Malaysia was only 2% of all viewers in 2011, compared to 69% in Indonesia and 61% in Thailand. This is in large due to the sophistication of the set-top-box deployed by operators which makes piracy difficult in Malaysia.

Rates of pay-TV piracy across Asia (2011)

(Illegal connection as % of total)



Source: CASBAA.

4.2 Future outlook of thepay-TV industry in Malaysia

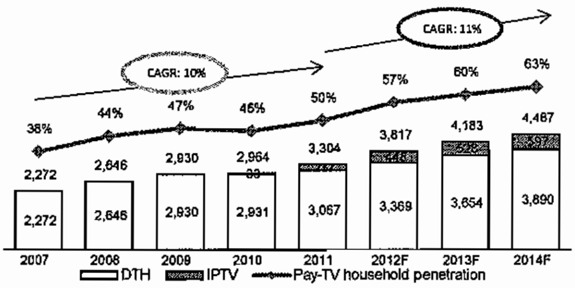
Significant growth potential

The development of Malaysia's pay-TV market mirrors the development of the economy as a whole: an Asian leader among developing countries with significant growth remaining. At approximately 50% penetration of TV households in Malaysia in 2011 reflecting 3.3 million pay-TV subscriptions, Malaysia is far ahead of its peers, i.e. Thailand, Indonesia, the Philippines and Vietnam, but still relatively underpenetrated in comparison withSouth Korea (122%), Taiwan (97%) and Hong Kong (93%), implying potential for further expansion.

VALUE PARTNERS

Malaysia pay-TV subscribers, household penetration

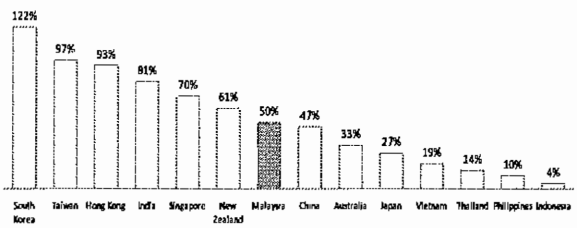
(Subscribers in thousand, penetration in %)



Source: Media Partners Asia, Value Partners analysis.

Comparison of pay-TV penetration of TV households

(In RM million)



Source: Media Partners Asia.

Note: In 2010, there was a delay in programming the signup of new customers by Astro, resulting in 100,000 subscribers being added in 2011 instead of 2010.

It should be noted that, under a more refined definition of TV households for citizens / residents only, Malaysia's pay-TV penetration is slightly higher. In Malaysia, about 8% of the population are non-citizen / non-residential population, who are mostly migrant workers. If the population of this sub-group is excluded, Malaysia's pay-TV penetration would have reached approximately 55% in 2011. (Similarly, under this definition, Astro Malaysia's service penetration would be approximately 50% of all Malaysian citizens / residential households).

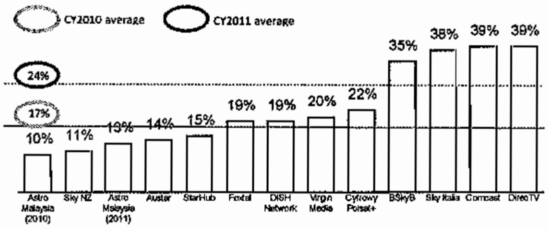
Pay-TV subscribers in Malaysia are projected to increase from 3.3 million in 2011 to 4.5 million in 2014,at a CAGR of 11%, driven by the aforementioned factors such as increasing consumer affluence.

As stated, lower income households may be less willing to pay for premium media services but still constitute a large proportion of households.In order to boost viewership and encourage further increases in penetration, as well as to subsequently encourage full-subscription or take up of VOD services, DTH operators in some countries now offer free satellite services. This has been successfully implemented in the UK (BSkyB), Hong Kong (Now TV of PCCW), Thailand (True Life by Truevision), and is currently being implemented in Malaysia (NJOI by Astro Malaysia).

New products and services launched to boost ARPU

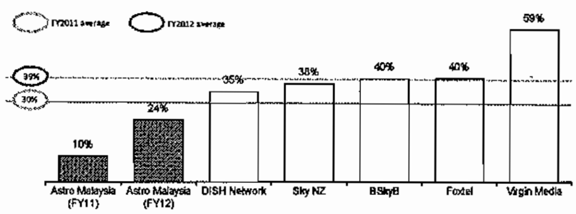
HD and 3D content are strong drivers of continued uptake internationally and are expected to increase their relevance in Malaysia. In some cases, HD channels account for almost 40% of an operator's total channels. Malaysians have shown eagerness to subscribe to HD channels, with uptake of HD services rising from 10% in 2010 to 24% in 2011.

HD as % of total channels



Source: Operator reports.

HD service take up rate as % of total



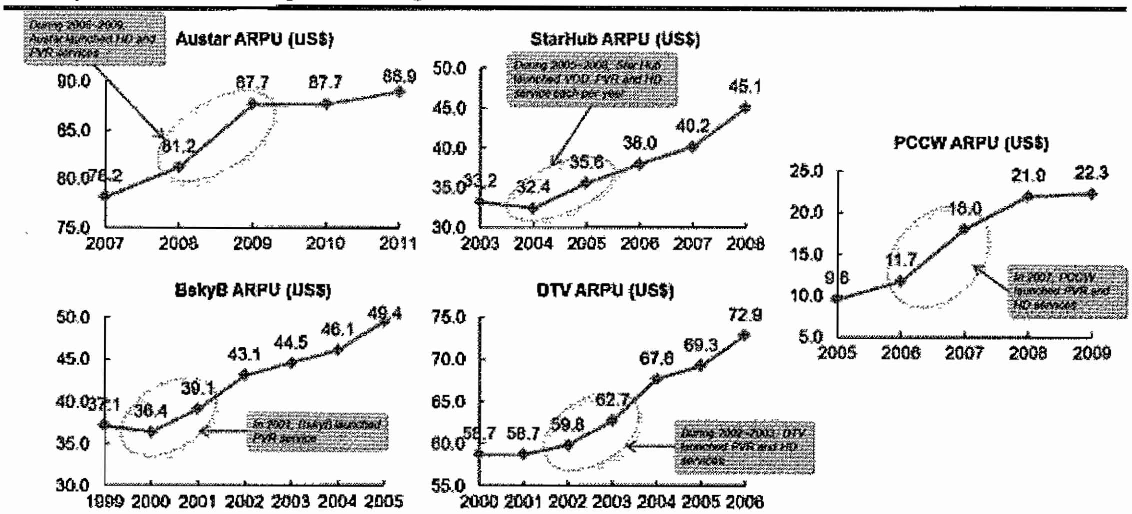
Year since launch	2	5	4	6	4	8
HD charge as % ARPU	22%	13%	21%	28%	13%	14%

Source: Operator reports.

Globally, new product / service launches appear to have a positive impact on ARPU. Austar launched its PVR product in 2008 and HD in 2009. Its ARPU rose by 12% from US$78.2 to US$87.7 in two years. Since 2005, StarHub has launched VOD, PVR and HD and its ARPU increased from US$32.4 in 2004 to US$45.1 in 2008. BskyB launched PVR in 2001 andthere was a swift turnaround on its ARPU during the year. DTV and PCCW both had ARPU uplifts after the launch of their PVR and HD products.

VALUE PARTNERS

New product launch timing and ARPU growth – international case studies

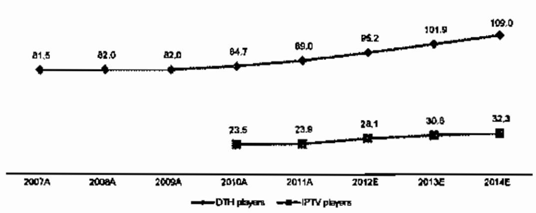


Source: Value Partners analysis, operator reports.

Strong growth in Malaysia pay-TV industry revenue

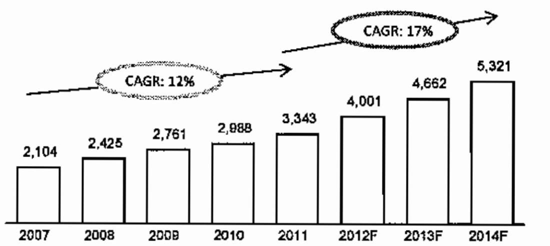
Value added services (HD, PVR, VOD, etc.) increase the total value proposition to subscribers, increasing their loyalty, and hence help reduce subscriber churn. Increases in ARPU from the introduction and adoption of new value added services, continued subscriber growth as well as segmented growth are expected to sustain growth in revenues. Considering Malaysia pay-TV subscription by ethnicity and historical household income growth by ethnicity, future ARPU growth is expected to be slightly higher as pay-TV players will likely focus more on Malay households, which has an above average income growth, by offering more new services to this segment. pay-TV subscription revenues are expected to increase from RM3.3 billion in 2011 to RM5.3billion in 2014, a CAGR of 17%.

Malaysia pay-TV ARPU
(RM per month per subscriber)



Source: AAAN Annual Reports (with respect to historical data), Media Partners Asia, Value Partners analysis.
Note: ARPU of DTH players also includes ARPU of its IPTV subscribers.

Malaysia pay-TV subscription revenues
(RM millions)



Source: Value Partners analysis.

Going forward, ARPU growth of DTH players is expected to be sustained by Malaysians' increasing affordability for pay-TV services. Considering the historical trend of ARPU, disposable income growth and Malaysians' entertainment spending pattern, it is expected that the future ARPU growth for DTH players will be at ~7%. IPTV players, given their much lower ARPU, are expected to have slightly faster ARPU growth at ~10%.

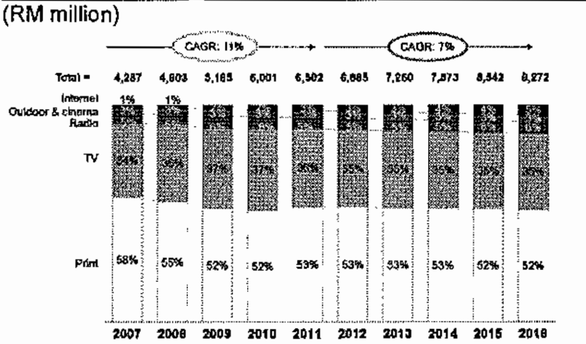
5. OVERVIEW OF MALAYSIA ADVERTISING INDUSTRY

Overall advertising expenditure

Malaysian advertising dynamics are expected to follow global trends paralleling trends in media consumption. In the face of increasing Internet consumption, TV and radio have remained relatively strong with print experiencing the majority of the decline. Overall strong consumption growth is expected to propel the total advertising market in Malaysia from RM6.5 billion in 2011 to RM9.3 billion in 2016, representing a CAGR of 7%.

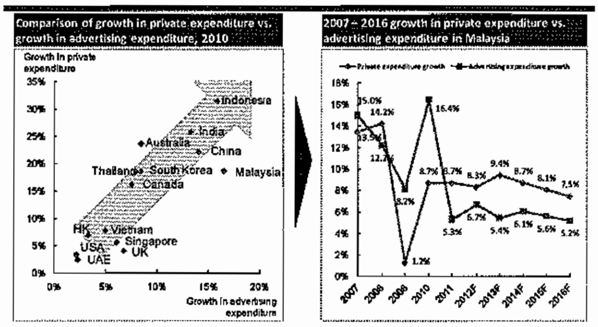
VALUE PARTNERS

Malaysia total gross ADEX
(post rate card discounts but includes agency fees)



Source: Zenith, Value Partners.

Private expenditure growth vs. ADEX growth



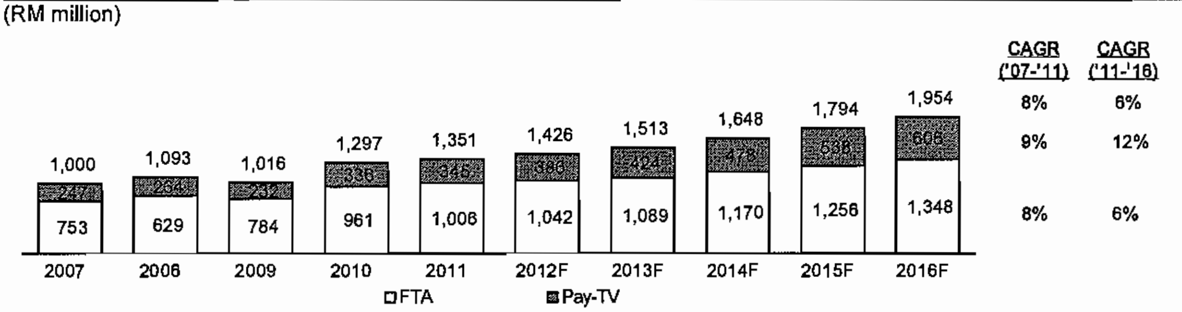
Source: Zenith, EIU, Value Partners.

Malaysia possesses a dynamic advertising market driven by a large retail market. The 2009 financial crisis saw some decline in private consumption with a corresponding decline in advertising expenditure, however historically, advertising expenditure has grown significantly higher than real GDP (11% vs. 4% from 2006 – 2011). This difference is expected to narrow as real GDP growth recovers and advertising expenditure trends in line with private expenditure. However 2011-2016 growth will continue to be higher than real GDP growth (6% vs. 5%).

TV advertising

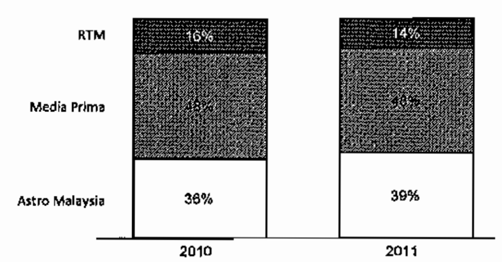
TV advertising is forecast to see growth in the medium term, with net revenues for TV broadcasters going from RM1.4 billion in 2011 to RM2.0 billion in 2016, representing a CAGR of 8%, as it increases its share of the overall advertising market. Historically, TV advertising has been skewed towards FTA with a share of approximately74% of total TV advertising as at 2011. The FTA operators are Media Prima and RTM. This is in part due to relatively lower viewership for pay-TV and the extensive reach of FTA, as well as relatively less sophistication in media buyers' approach to buying.

Net TV ADEX in Malaysia



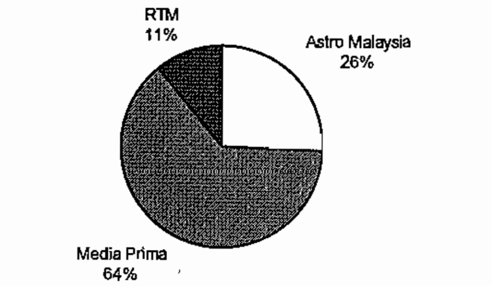
Source: Zenith, Value Partners analysis.

Malaysia TV viewship share by major operators



Source: Value Partners analysis.

Share of TV Adex by operator, 2011



Source: Zenith, Company reports, Value Partners analysis.

8. INDUSTRY OVERVIEW *(cont'd)*

VALUE PARTNERS

Going forward however,the pay-TV advertising proposition is expected to benefit from a more targeted approach by media buyers. With FTA having a limited ability to segment and measure viewership accurately, pay-TV can effectively monetise the premium nature of its content and viewership. This, coupled with increasing reach, is expected to drive pay-TV's advertising spend at a CAGR of 12% over 2011 – 2016 versus an overall TV advertising spend CAGR of 8%, growing from RM345 million in 2011 to RM606 million in 2016 (increase in market share of 26% to 31%of total TV advertising spend).

Radio advertising

The radio market in Malaysia comprises four main networks that collectively serve approximately 94% of the entire listenership market as at 31 December 2011.

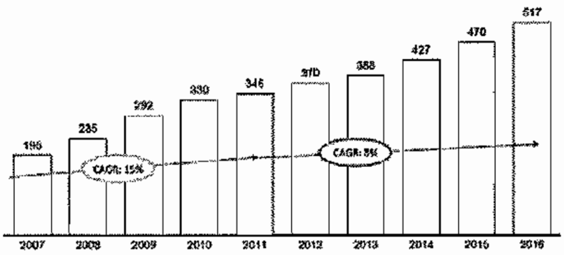
Malaysian radio landscape

	Channels	Listenership share as at 31 Dec 2011	Radio adex share Feb '12–Apr '12
Media Prima	3	12%	27%
RTM	36	21%	5%
Astro Radio	9	50%	53%
The Star	4	11%	15%
	52	94%	100%

Source: Source: Nielsen, Value Partners.

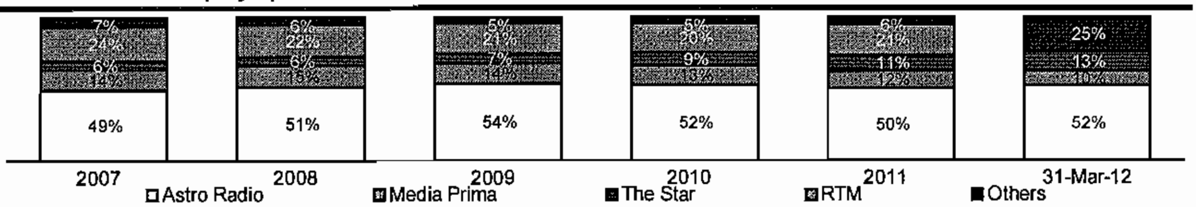
Radio ADEX in Malaysia

(RM million)



Source: Zenith.

Share of listenership by operator



Source: Nielsen.

Since 2007, the radio advertising market in Malaysia has seen rapid growth, rising from RM195 million in 2007 to RM346 million in 2011, a CAGR of 15%. The growth was driven by the overall advertising industry growth, launch of several new stations (such as Hot FM in 2006 and THR Gegar and Capital FM in 2008) and expansion of radio transmission into rural areas, particularly in East Malaysia with increased listenership.

As the market matures radio adex growth is expected to slow from its previous high growth down to 8%, growing slightly above the market average of 7% per year. Surveys by Nielsen suggest that in the short term, the Internet is providing an alternative platform for radio rather than a replacement, with more than 1.2 million average weekly listeners on the Internet radio in Malaysia in October 2011, versus 0.7 million average weekly listeners in October 2010.

Print and magazines advertising

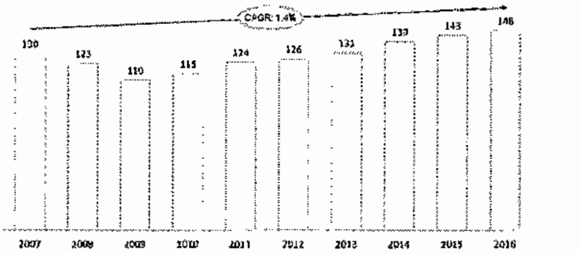
Advertising expenditure on print has been growing slower than the overall advertising market, its share reducing from 58% in 2007 to 53% in 2011. This is forecast to continue to 2016, whenit will have reduced further to 52%. Actual time spent reading print publications has declined from 0.7 to 0.6 hours per day mainly due to a decline in newpapers, as a result of migration of readers to online sources. Within this,magazines have experienced an increase in circulation with 161million units in publication in 2010, versus 143million in 2008, with a higher number of publications,the most of which, is Astroview.

8. INDUSTRY OVERVIEW *(cont'd)*

VALUE PARTNERS

Magazine ADEX in Malaysia

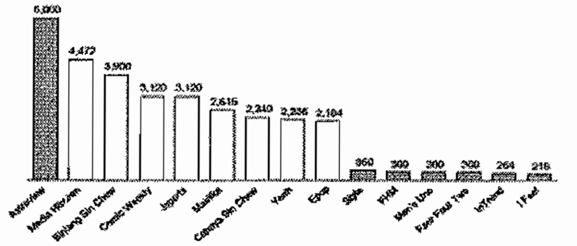
(RM million)



Source: Zenith.

Top 10 magazines by circulation (2010)

(In thousands per annum)



Source: Zenith.

Magazine advertising expenditure has had a rocky history with a substantial fall in 2009. Post-2009 data however shows some recovery and growth resuming. While print as a whole has struggled to compete against online platforms, the impact for magazines is relatively more limited. Whilst the Internet excels over newspapers due to speed, breadth and convenience, online magazines find it difficult to replicate the style and readability of physical counterparts. As such, magazines are forecast to remain relevant and attract advertising expenditure,which is expected to grow from RM151 million in 2011 to RM177 million in 2016, a CAGR of 3.2%.

6. MALAYSIAN REGULATORY LANDSCAPE AND ISSUES

Current regulatory issues affecting pay-TV, Radio and Advertising industry

- The expiry of Astro Malaysia's exclusive DTH rights in 2017 could pave the way for possible DTH new entrants. However, it is highly unlikely to have a significant impact to the market due to the typical two years lead time to secure satellite capacity, the low likelihood of multiple DTH operators in a country the size of Malaysia,and a potentially "crowded" pay-TV segment with the emergence of new market entrants such as HyppTV (Telekom Malaysia), ABN, and Maxis, and possibly new entrants on the digital terrestrial television("DTT") platform.

- In April 2012, the Information, Communications and Culture Ministry investigated the idea of mandatory sharing of sports contents that are of "national significance". This could theoretically weaken current pay-TV operators' sports proposition. However, the impact could be limited, as currently, FTA broadcasters and Astro Malaysia already have arrangements to share selected sports content and any sports content sharing will be subject to a commercial arrangement.

- In 2012, Malaysian Communications and Multimedia Commission ("MCMC"), the telecom and media regulator in Malaysia called for a tender for the deployment of DTT infrastructure in Malaysia, with a response submission date in July 2012. MCMC's intention is for a single entity to build out the DTT infrastructure, and then lease out the DTT infrastructure to broadcasters in the market, including RTM, Media Prima, and other interested parties. The infrastructure owner will also need to subsidise DTT set-top-boxes to the market. The deployment may commence sometime towards the end of 2013. At launch, the DTT platform is expected to have a capacity of ~18 HD channels or ~40-50 SD channels. So far, the only certain DTT channels are the current FTA channels by RTM and Media Prima. The leasing of the remaining channel capacities will be allocated subject to commercial arrangement between broadcasters and the DTT platform owner.

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT

9.1 Directors

9.1.1 Board

Our Board has adopted the following responsibilities for effective discharge of its functions:

(i) reviewing, adopting and monitoring the implementation of a strategic plan for our Company;

(ii) overseeing the conduct of our Company's businesses to evaluate whether our businesses are properly managed;

(iii) identifying principal risks and ensuring the implementation of appropriate controls and systems to monitor and manage these risks;

(iv) succession planning, including appointing, training, fixing the remuneration, and where appropriate, replacing senior management;

(v) overseeing the development and implementation of a shareholders' communications policy for our Company to ensure effective communication with our shareholders and other stakeholders; and

(vi) reviewing the adequacy and the integrity of our Company's internal control systems and management information systems, including systems for ensuring compliance with applicable laws, regulations, rules, directives, and guidelines.

Our Board comprises the following directors:

Name	Age	Date of appointment as Director	Designation
Tun Dato' Seri Zaki Bin Tun Azmi	66	15 August 2012	Independent Non-Executive Chairman
Augustus Ralph Marshall	60	21 March 2011	Non-Independent Non-Executive Deputy Chairman
Chin Kwai Yoong	63	21 March 2011	Senior Independent Non-Executive Director
Dato' Mohamed Khadar Bin Merican	56	21 March 2011	Independent Non-Executive Director
Bernard Anthony Cragg	57	21 March 2011	Non-Independent Non-Executive Director
Hisham Bin Zainal Mokhtar(1)	50	15 August 2012	Non-Independent Non-Executive Director
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	49	21 March 2011	Executive Director/Chief Executive Officer(2)
Lim Ghee Keong	44	21 March 2011	Alternate Director to Augustus Ralph Marshall

Notes:

(1) Hisham Bin Zainal Mokhtar is a representetive of PCBV and was previously appointed as the alternate director to Dato' Haji Badri Bin Haji Masri (a former director of our Company) on 21 March 2011, a position in which he served for approximately two years prior to the date of his appointment.

(2) Appointed as Chief Executive Officer on 1 April 2011.

Each of our Directors has served on our Board for a period of approximately two years from the date of appointment as Director, save for Tun Dato' Seri Zaki Bin Tun Azmi and Hisham Bin Zainal Mokhtar, who were appointed in August 2012. In accordance with our Articles of Association, our Directors (other than Tun Dato' Seri Zaki Bin Tun Azmi and Hisham Bin Zainal Mokhtar) retired and were re-elected at the first annual general meeting of the Company which was held on 31 July 2012. Tun Dato' Seri Zaki Bin Tun Azmi and Hisham Bin Zainal Mokhtar shall retire at the next annual general meeting which must be held by 31 July 2013 and shall be eligible for re-election.

In accordance with our Articles of Association, at our annual general meeting in every subsequent year, one-third of our Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office and such Directors are eligible for re-election provided always that all Directors including our Executive Directors shall retire from office at least once in every three years but shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between Directors of equal seniority, the Directors to retire shall (unless they otherwise agree among themselves) be determined among them by lot.

9.1.2 Our Directors' profile

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

He had his early education in Malaysia before obtaining a 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. While in practice, he was a director as well as chairman or member of audit committees of the board of directors of several public listed companies including Petroliam Nasional Berhad, Malaysia Airport Holdings Berhad and S P Setia Berhad.

He left legal practice in 2007 when he was appointed as a Judge of the Federal Court of Malaysia and shortly thereafter, he was 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. He became the first chairman of the Judicial Appointment Commission on 16 February 2009 until his retirement as Chief Justice in September 2011. During his tenure as the Chief Justice of Malaysia, he reduced substantially the backlog of cases pending at the Malaysian courts and also introduced technological and managerial systems that enabled cases at the High Courts to be disposed of within nine months to one year from the date of filing and within six months from the date of filing at the Sessions Courts and Magistrates' Courts.

Currently, he is the Chancellor of MAHSA University College and the Multimedia University.

Augustus Ralph Marshall is our Non-Independent Non-Executive Deputy Chairman. He has more than 30 years of experience in financial and general management.

He was admitted as a member of the Institute of Chartered Accountants in England and Wales ("**ICAEW**") in 1975. He started his career as an audit senior with Ernst & Young in 1976 before joining Inchcape Malaysia Holdings Berhad in 1979 and in 1982, was promoted to Group Finance Director. In 1988, he joined UTSB where he currently serves as an executive director.

He has been with the Group since 1994 as a director of MBNS and was its Chief Executive Officer from 1995 to 2006. He was later appointed as a director of AAAN in July 2003 upon its incorporation and became its Deputy Chairman and Group Chief Executive Officer in August and September 2003, respectively prior to AAAN's listing on the then Main Board of the Kuala Lumpur Stock Exchange. Since the delisting of AAAN in June 2010, he was appointed as the Group Chief Executive Officer of AHSB, our ultimate holding company. Upon completion of our Group's Reorganisation in April 2011, he was appointed as our Executive Deputy Chairman. On 18 September 2012, he was re-designated as our Non-Executive Deputy Chairman. He is also the Executive Deputy Chairman of AOL, a position he has held since April 2011.

He is currently an executive director of Tanjong Public Limited Company and a non-executive director of Maxis (listed on the Main Market), Maxis Communications Berhad (the holding company of Maxis) and Johnston Press plc (listed on the London Stock Exchange plc), in which UTSB has significant interests. 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 ("**KLCCP**") (listed on the Main Market) and a non-executive director of MGB.

He is a member of the Malaysian Institute of Certified Public Accountants.

Chin Kwai Yoong is our Senior Independent Non-Executive Director. After his tertiary education in Malaysia, he completed his articleship with Middletons, a firm of chartered accountants in London and was admitted as a member of the ICAEW in 1974.

He joined Price Waterhouse, London as an audit assistant in 1974 and remained with the firm until 1976. Subsequently, he took up a position as an audit senior with Price Waterhouse, Kuala Lumpur and was promoted to partner in 1982, a position he held until his retirement in 2003. During his tenure as a partner, he was an executive director in charge of the Consumer and Industrial Products and Services Group. He also served as a director of the Audit and Business Advisory Services Division and the Management Consulting Services Division.

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

He sits on the board of Deleum Berhad and Genting Berhad (both listed on the Main Market) and was also appointed as a director of Bank Negara Malaysia in 2010.

He is currently a fellow of the ICAEW and a member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants.

Dato' Mohamed Khadar Bin Merican is our Independent Non-Executive Director. He has more than 30 years of experience in financial and general management.

He began his career in 1983 when he joined Hanafiah Raslan & Mohamed, the then member firm of Touch Ross International, as an auditor and consultant. In 1986, he joined Kompleks Kewangan Malaysia Berhad, as the Senior Manager of Financial Planning, until 1988 when he joined Perbadanan Nasional Berhad, where his last position was as the Senior Vice President of Corporate Services. In 1996, as a result of a reorganisation, he joined Pernas International Holdings Berhad (now known as Tradewinds Corporation Berhad), a company listed on the Main Market, as the President and Chief Operating Officer. He resigned in 2003 to start his own financial consulting business, which he manages currently.

He is a member of the ICAEW since 1983, and is also a Chartered Accountant of the Malaysian Institute of Accountants. His other directorships in public companies include RHB Capital Berhad (listed on the Main Market) and RHB Investment Bank Berhad where he is the independent non-executive chairman of both companies, as well as AirAsia Berhad (listed on the Main Market).

Bernard Anthony Cragg is our Non-Independent Non-Executive Director. He is a Chartered Accountant by profession and was with Price Waterhouse from 1976 to 1985. He graduated with a degree in Mathematics from Liverpool University, UK in 1976.

He began his career with Price Waterhouse as a trainee Chartered Accountant where he qualified and stayed until 1985 after which he joined Carlton Communications plc (listed on the London Stock Exchange plc) initially as its Group Financial Controller. He held various senior management positions in Carlton Communication plc from 1985 to 2001 including as the Company Secretary and Group Finance Director. He has previously served as the chairman of Datamonitor plc and i-Mate plc (both listed on the London Stock Exchange plc) as well as a director of Arcadia Group plc and Bristol & West Plc, a part of the Bank of Ireland (UK) Financial Services.

Currently, he is also a director of Workspace Group plc, Mothercare plc and Progressive Digital Media Group plc, all of which are listed on the London Stock Exchange plc.

Hisham Bin Zainal Mokhtar is our Non-Independent Non-Executive Director. He is currently a director in the Investments Division of Khazanah. He joined Khazanah in May 2005 from Tricubes Berhad where he was an executive director and Vice President of Corporate and Financing Planning. He started his career in the insurance industry at Universal Life & General Insurance in 1987 and after that William M. Mercer Sdn Bhd in 1988 before becoming an investment analyst initially with Crosby Research (M) Sdn Bhd in 1991 before joining Barings Research (Malaysia) Sdn Bhd in 1994 and subsequently, UBS Research (Malaysia) Sdn Bhd in 1996.

In 1998, he became a financial consultant at Sithe Pacific LLC, a regional independent power producer before he ventured out to set up a boutique investment advisory firm, KE Malaysian Capital Partners Sdn Bhd with another partner. He graduated with a Bachelor of Science and Masters of Science in Mathematics from Illinois State University, US in 1984 and 1986 respectively 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.

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan is our Executive Director and Chief Executive Officer. She is also the Chief Executive Officer of MBNS, our wholly-owned subsidiary, a position she held since 2006. Prior to being appointed as our Chief Executive Officer, she was the Group Chief Financial Officer of AAAN, where she was instrumental for AAAN's listing on the then Main Board of the Kuala Lumpur Stock Exchange in 2003.

Prior to joining our Group in 1995, she was with the Unilever group of companies from 1985 to 1995, both in the UK and Malaysia, where she held various positions including as the Head of Finance, Unilever Malaysia, where she gained substantial experience in financial and business management in fast-moving consumer goods operations.

She 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 1996, and is currently a fellow member. She is also a member of the Malaysian Institute of Accountants since May 1997. She completed the Advanced Management Programme at Harvard Business School, US in 2006.

Lim Ghee Keong is an Alternate Director to Augustus Ralph Marshall. He has more than 20 years of experience in treasury and credit management.

He has been with the UTSB Group since 1995 where he is currently its Chief Financial Officer. Prior to joining the UTSB Group, he was attached to the former Ban Hin Lee Bank in Malaysia from 1993 to 1995, initially as a senior credit officer and later promoted to the position of branch head of credit. Between 1989 and 1993, he was attached to General Electric Capital Corporation in the US where his last position was as a credit analyst.

His other directorships include Bumi Armada Berhad, an offshore oil and gas service provider (listed on Main Market) and Paxys Inc., a business process outsourcing company (listed on the Philippines Stock Exchange). He is also a director of Yu Cai Foundation, a charitable organisation and Bond Pricing Agency Malaysia Sdn Bhd, a bond pricing agency registered with the SC.

He holds a Bachelor of Business Administration degree, majoring in Finance, from the University of Hawaii at Manoa, US, which he obtained in 1989.

9.1.3 Principal directorships and principal business activities performed outside of our Group

The following table sets out the principal directorships in companies outside of our Group held by our Directors within the past five years up to the LPD, and the principal business activities outside of our Group performed by our Directors as at the LPD:

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Tun Dato' Seri Zaki Bin Tun Azmi	*Directorships as at the LPD:* Regal Site Sdn Bhd	• Investment holding	• Direct shareholder of BIB Insurance Brokers Sdn Bhd[(4)] • Direct shareholder of S P Setia Security Services Sdn Bhd[(4)] • Direct shareholder of Novabrite Lighting Sdn Bhd[(4)]
	Previous directorships in the past five years up to the LPD: • HLG Capital Berhad *(resigned on 5 September 2007)*	• Investment holding	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Tun Dato' Seri Zaki Bin Tun Azmi *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		• Direct shareholder of Regal Site Sdn Bhd[(4)] • Direct shareholder of Zabima Engineering and Construction Sdn Bhd[(4)] • Indirect shareholder of NBL Lighting Sdn Bhd[(4)] • Indirect shareholder of Kidex Sdn Bhd[(4)]
	• Matsushita Electric Co. (M) Bhd *(resigned on 5 September 2007)*	• Manufacture and sale of electrical home appliances, batteries and related electronic components	
	• Wacker Machinery Sdn Bhd *(resigned on 5 September 2007)*	• Machinery	
	• Setia Putrajaya Sdn Bhd *(resigned on 5 September 2007)*	• Construction, property development and investment holding	
	• Berjaya Vacation Club Berhad *(resigned on 5 September 2007)*	• Investment holding and provision and cooperation for its members holiday accommodation and the letting of accommodation at holiday resorts	
	• Arangbatu Resources Sdn Bhd *(resigned on 5 September 2007)*	• Investment holding company of marine equipment	
	• Emrail Sdn Bhd *(resigned on 5 September 2007)*	• Railway engineering, system and signaling for railways, civil works related to railways and maintenance and engineering works	
	• Aqua Idaman Sdn Bhd *(resigned on 5 September 2007)*	• Investment holding	
	• Magniplan Sdn Bhd *(resigned on 5 September 2007)*	• Investment holding	
	• Ebil Sdn Bhd *(resigned on 5 September 2007)*	• Investment company	
	• Illusionsdotty Sdn Bhd *(resigned on 5 September 2007)*	• Investment company	
	• Assunta Hospital *(resigned on 5 September 2007)*	• Hospital service	
	• Nova Nusantara Sdn Bhd *(resigned on 5 September 2007)*	• Construction and industrial activities	
	• Novabrite Lighting Sdn Bhd *(resigned on 5 September 2007)*	• Manufacture of high intensity discharge lamps	
	• Narra Industries Berhad *(resigned on 4 September 2007)*	• Investment holding	
	• S P Setia Berhad *(resigned on 4 September 2007)*	• Building contractors	
	• Kumpulan Fima Berhad *(resigned on 4 September 2007)*	• Investment and property holding	
	• Petroliam Nasional Berhad *(resigned on 4 September 2007)*	• Exploitation of oil and gas, marketing and petroleum products	
	• S P Setia Security Services Sdn Bhd *(resigned on 4 September 2007)*	• Provision of security management services	
	• Bandar Setia Alam Sdn Bhd *(resigned on 4 September 2007)*	• Property development and property investment holding	
	• S P Setia Foundation *(resigned on 4 September 2007)*	• Charitable organisation	
	• Bina Darulaman Berhad *(resigned on 25 June 2007)*	• Investment holding, provision of management services, oil palm plantation and property development	
Augustus Ralph Marshall	*Directorships as at the LPD:*		• Group Chief Executive Officer of AHSB
	• AHSB[(1)]	• Investment holding	
	• ANM[(1)]	• Investment holding	
	• AAAN[(1)]	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Augustus Ralph Marshall *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• Astro Global Ventures (L) Ltd[1]	• Undertake investment, financing activities and other related corporate exercise on behalf of its holding company	
	• AOL[1]	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• All Asia Television Software Exports Ltd[2]	• Inactive	
	• Astro E.Com Ltd[2]	• Investment holding	
	• Digital Software Exports Ltd[2]	• Investment holding	
	• South Asia Creative Assets Ltd[2]	• Investment holding	
	• South Asia Entertainment Holdings Ltd[2]	• Investment holding	
	• South Asia Multimedia Technologies Ltd[2]	• Investment holding	
	• South Asia Software Technologies Ltd[2]	• Investment holding	
	• Getit Infoservices Private Limited[2]	• Publishing and distribution of directories	
	• Astro Broadcasting Pty Limited[2]	• Inactive	
	• OZ-E-Radio Pty Limited[2]	• Inactive	
	• All Asia Digital Media Limited[2]	• Investment holding	
	• ASTRO All Asia Entertainment Networks Limited[2]	• Investment holding	
	• Celestial Entertainment Holdings Limited[2]	• Investment holding	
	• Celestial Pictures Limited[2]	• Film licensing and distribution	
	• Astro Multimedia Corporation N.V.[2]	• Inactive	
	• Astro Multimedia N.V.[2]	• Inactive	
	• Astro Nusantara Holdings B.V.[2]	• Investment holding	
	• Astro Nusantara International B.V.[2]	• Investment holding	
	• All Asia Multimedia Networks FZ-LLC[2]	• Development and supply of multimedia products and services	
	• Celestial Tiger Entertainment Limited[2]	• Production and distribution of channels licensing business	
	• Fetch TV Content Pty Ltd[2]	• Aggregates and distributes TV and other programming content	
	• Fetch TV Management Pty Ltd[2]	• Provision of management services	
	• Fetch TV Pty Ltd[2]	• Provision of branded, integrated pay TV, online and interactive services to internet service providers and other service providers	
	• Convergent Media Investments Pty Ltd[2]	• Investment holding	
	• Media Innovations Pty Ltd[2]	• Investment holding	
	• Art Limited[2]	• Film licensing and distribution	
	• TVB Publications Limited[2]	• Magazine Publications	
	• TVB Publishing Holding Limited[2]	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Augustus Ralph Marshall *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• Mogae Digital Private Limited[(2)]	• Provision of internet services and other support services	
	• Sun Direct TV Private Limited[(2)]	• Provision of DTH digital satellite broadcast pay-TV services	
	• Gulf Digital Media Holding BSC (C)[(2)]	• Mobile media, interactive services and online interactive agency	
	• Media Innovations Pte Ltd[(2)]	• Investment holding	
	• KLCCP	• Investment holding, property investment and the provision of management services	
	• Maxis Communications Berhad ("**MCB**")	• Holder of investments	
	• Maxis	• Holder of investments	
	• Global Communication Services Holdings Ltd	• Holder of investments	
	• MGB	• Investment holding	
	• MEASAT Networks Limited	• Dormant	
	• UTSB	• Investment holding	
	• UT Treasury (L) Ltd[(3)]	• Investment holding	
	• Australian Equities Pty Ltd[(3)]	• Investment holding	
	• Paxys Pty Limited[(3)]	• Investment holding	
	• Usaha Tegas (Australia) Pty Ltd[(3)]	• Investment holding	
	• All Asia Media Equities Ltd[(3)]	• Investment holding	
	• Mezzanine Equities (BVI) Ltd[(3)]	• Investment holding and investment mangement	
	• Pacific Investments (BVI) Ltd[(3)]	• Investment holding and investment mangement	
	• Satco Holdings (BVI) Ltd[(3)]	• Investment holding	
	• Gromwell Limited[(3)]	• Investment holding	
	• Barinal N.V.[(3)]	• Investment holding	
	• Global Telecommunications Holdings N.V.[(3)]	• Investment holding	
	• Worldwide Hotel Investments N.V.[(3)]	• Investment holding	
	• A2XUS Pty Limited	• Dormant	
	• A2XUS Holdings Limited	• Dormant	
	• East Asia Investments (BVI) Ltd	• Dormant	
	• Tanjong BVI Limited	• Dormant	
	• Astro Broadcast Corporation Plc	• Dormant	
	• Astro Multimedia Corporation Plc	• Dormant	
	• Asia Access Private Limited	• Dormant	
	• Tanjong Public Limited Company ("**Tanjong**")	• Investment holding	
	• Global Investments (BVI) Ltd	• Investment holding	
	• KLCC (Holdings) Sdn Bhd ("**KLCCH**")	• Investment holding, property development management and provision of management services	
	• Pacific States Investment Limited	• Investment holding and securities trading	
	• PanOcean Management Limited	• Corporate trustee	
	• Excorp Holdings N.V.	• Holding and finance company	
	• Adam Smith Asset Management Pty. Ltd	• Investment management services	
	• International Hotel Investments, Ltd	• Joint owner of Hotel Des Bergues, Geneva, Switzerland	
	• Societe Anonyme de l'Hotel Richemond	• Operator of Le Richemond Hotel in Geneva	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Augustus Ralph Marshall *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• Johnston Press plc	• Engaged in the publishing of local and regional weekly, evening and morning newspapers, both paid-for and free, together with associated websites, as well as specialist publications in print, online or via mobile technology	
	• Binariang GSM Sdn Bhd	• Investment holding	
	• Shield Estate N.V.	• Investment holding	
	• Shield Investments N.V.	• Investment holding	
	Previous directorships in the past five years up to the LPD:		
	• Diginatives Content Solutions Private Limited[(2)] *(resigned on 6 July 2012)*	• Provision of internet services and other support services	
	• Airtime Marketing & Sales India Private Limited[(2)] *(resigned on 5 June 2012)*	• Provision of support services and studio facilities in the media sector	
	• East Asia Radio Technologies Limited[(2)] *(resigned on 25 May 2012)*	• Designing, producing and disseminating advertisements and acting as advertising sales agents	
	• UT Asset Management (S) Pte Ltd[(3)] *(resigned on 22 May 2012)*	• Ceased operations	
	• Marvelasia (BVI) Ltd[(3)] *(resigned on 22 May 2012)*	• Investment holding	
	• Visionary Properties Limited[(3)] *(resigned on 22 May 2012)*	• Investment holding	
	• Celestial Movie Channel Limited[(2)] *(resigned on 23 April 2012)*	• Distribution of movie channel	
	• Tian Ying Movie Channel Limited[(2)] *(resigned on 30 April 2012)*	• Distribution of movie channel	
	• All Asia Content Company Limited[(2)] *(resigned on 17 April 2012)*	• Investment holding and licensing of content to overseas	
	• All Asia Radio Technologies Limited[(2)] *(resigned on 17 April 2012)*	• Investment holding and engaging in radio broadcasting and provision of programming, operation of radio stations, airtime sales and marketing and its related activities	
	• Nusantara Radio Holdings Limited[(2)] *(resigned on 17 April 2012)*	• Investment holding	
	• Astro Entertainment Networks Limited[(2)] *(resigned on 16 April 2012)*	• Investment holding	
	• All Asia Interactive Technologies (BVI) Ltd[(2)] *(resigned on 30 March 2012)*	• Investment holding	
	• All Asia Television and Radio Company (BVI) Ltd[(2)] *(resigned on 30 March 2012)*	• Investment holding	
	• Astro Broadcast Corporation (BVI) Ltd[(2)] *(resigned on 30 March 2012)*	• Investment holding	
	• Astro Multimedia International (BVI) Ltd[(2)] *(resigned on 30 March 2012)*	• Inactive	
	• Astro Radio Broadcast (BVI) Ltd[(2)] *(resigned on 30 March 2012)*	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Augustus Ralph Marshall *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• East Asia Entertainment (BVI) Ltd[2] *(resigned on 30 March 2012)*	• Investment holding	
	• MEASAT Broadcast Network Systems (BVI) Ltd[2] *(resigned on 30 March 2012)*	• Investment holding	
	• Global Sports Entertainment Sàrl[2] *(resigned on 30 March 2012)*	• Investment holding	
	• Pan Malaysian Pools Sdn Bhd *(resigned on 9 August 2011)*	• Numbers forecast totalisator business and racing totalisator business	
	• Powertek Energy Sdn Bhd *(formerly known as Tanjong Energy Holdings Sdn Bhd) (resigned on 1 June 2011)*	• Investment holding	
	• Tanjong Capital Sdn Bhd[3] *(resigned on 8 April 2011)*	• Investment holding	
	• Asas Klasik Sdn Bhd *(resigned on 18 March 2011)*	• Property investment which owns and operates a hotel on its parcel of land	
	• Suria KLCC Sdn Bhd *(resigned on 18 March 2011)*	• Ownership and management of a shopping centre, provision of business management services	
	• Powertek Berhad *(resigned on 28 September 2010)*	• To carry out the business of power generation	
	• TGV Cinemas Sdn Bhd *(resigned on 28 September 2010)*	• Film exhibition	
	• MSS *(resigned on 28 September 2010)*	• Operation of a regional satellite network and investment holding	
	• Maxis Holdings Sdn Bhd *(resigned on 16 July 2010)*	• Investment holding	
	• BGSM Capital Sdn Bhd *(resigned on 14 June 2010)*	• Investment holding	
	• Objektif Bersatu Sdn Bhd[3] *(resigned on 14 June 2010)*	• Investment holding	
	• Pan Malaysian Sweeps Sdn Bhd[3] *(resigned on 14 June 2010)*	• Distribution, promotion of sweepstake tickets and investment holding	
	• UTSB Management Sdn Bhd[3] *(resigned on 14 June 2010)*	• Provision of management and consulting services	
	• Arnhold Holdings Limited *(resigned on 13 May 2010)*	• Trade in process supply and installation of building products and engineering equipment	
	• Overseas Union Enterprise Limited *(resigned on 9 March 2010)*	• Hospitality services, property investment and investment holding	
	• MEASAT Broadband (International) Ltd *(resigned on 29 January 2010)*	• Provision of satellite bandwidth capacity services	
	• MEASAT Broadcast Network Systems (Mauritius) Ltd *(resigned on 29 January 2010)*	• Investment holding	
	• Satcom Holdings Ltd *(resigned on 29 January 2010)*	• Investment holding	
	• South Asia Radio Technologies Ltd *(resigned on 29 January 2010)*	• Investment holding	
	• All Asia Radio Broadcast Limited[3] *(resigned on 29 January 2010)*	• Dormant	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Augustus Ralph Marshall *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• All Asia Television Software Exports Ltd(3) *(resigned on 29 January 2010)*	• Dormant	
	• South Asia Data and Information Services Ltd(3) *(resigned on 29 January 2010)*	• Dormant	
	• South Asia Software Exports Ltd(3) *(resigned on 29 January 2010)*	• Dormant	
	• UT Holdings (Mauritius) Ltd(3) *(resigned on 29 January 2010)*	• Dormant	
	• Summit Holdings N.V.(3) *(resigned on 29 January 2010)*	• Investment holding	
	• Equity Focus Investments Limited *(resigned on 7 September 2009)*	• Dormant	
	• Charisma Investments Limited *(resigned on 7 September 2009)*	• Investment holding	
	• Choice Century Investments Limited *(resigned on 7 September 2009)*	• Investment holding	
	• Langport Investments Limited *(resigned on 7 September 2009)*	• Dormant	
	• KLCC Projeks Sdn Bhd *(resigned on 7 August 2009)*	• Project management	
	• UT Capital Sdn Bhd(3) *(resigned on 7 August 2009)*	• Investment holding	
	• Kuala Lumpur Convention Centre Sdn Bhd *(resigned on 7 August 2009)*	• Owns and operates Treders Hotel Kuala Lumpur and Kuala Lumpur Convention Centre	
	• London International Exhibition Centre Holdings Plc(3) *(resigned on 2 May 2008)*	• Investment holding	
	• London International Exhibition Centre Plc(3) *(resigned on 2 May 2008)*	• Operation of exhibition centre	
	• A2 Holdings, LLC *(resigned on 30 October 2007)*	• Promoting the sport of boxing	
Chin Kwai Yoong	*Directorships as at the LPD:*		None
	• AAAN(1)	• Investment holding	
	• AOL(1)	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• Bank Negara Malaysia	• Promotes monetary stability and financial stability conducive to the sustainable growth of the Malaysian economy	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Chin Kwai Yoong *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• Deleum Berhad	• Investment holding company involved in provision of gas turbines packages and related services, oilfield equipment and services, servicing and maintenance of rotating equipment predominantly for the oil and gas industry	
	• Genting Berhad	• Investment holding and management company involved in leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resort, plantation, the generation and supply of electric power, property development and management, tours and travel related service, genomics research and development, investments and oil and gas exploration and development activities	
	Previous directorships in the past five years up to the LPD:		
	• Syarikat Prasarana Negara Berhad *(resigned on 31 January 2012)*	• Facilitate, coordinate, undertake and expedite the implementation of infrastructure projects approved by the Government of Malaysia	
	• Rangkaian Pengangkutan Integrasi Deras Sdn Bhd *(resigned on 1 October 2009)*	• To carry on the business of land public transportation services including operating and maintaining buses, trains and motor coaches	
Dato' Mohamed Khadar Bin Merican	*Directorships as at the LPD:*		• Direct shareholder of Femrite Sdn Bhd[4] • Direct shareholder of MKM Resources Sdn Bhd[4] • Direct shareholder of Pan Asia Mobile (M) Sdn Bhd[4]
	• AAAN[1]	• Investment holding	
	• AOL[1]	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• AirAsia Berhad	• Provision of air transportation services	
	• Fernrite Sdn Bhd	• Investment holding company	
	• Konsortium Rangkaian Serantau Sdn Bhd	• Long term domestic and international bandwidth capacity supplier	
	• MKM Resources Sdn Bhd	• Business advisory	
	• Pan Asia Mobile (M) Sdn Bhd	• Promotion of telecommunications business	
	• Rashid Hussain Berhad *(under members' voluntary liquidation)*	• Dormant	
	• RHB Bank Berhad	• Engage in commercial banking and finance business and in the provision of related services	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Mohamed Khadar Bin Merican *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• RHB Capital Berhad	• Investment holding involved in commercial banking, Islamic banking, investment banking, leasing, offshore banking, offshore trust services, general insurance, unit trust management, asset management, nominee and custodian services	
	• RHB Investment Bank Berhad	• Merchant banking business, dealing in securities, stock, debt and derivatives, stock-broking business and the business of brokers and dealers in futures and option contracts	
	• SOGO (K.L.) Department Store Sdn Bhd	• Operations of a department store and related trading activities	
	Previous directorships in the past five years up to the LPD:		
	• RHB Investment Management Sdn Bhd *(resigned on 31 October 2011)*	• Investment management services	
	• RHB Insurance Berhad *(resigned on 31 January 2008)*	• Underwriting of all classes of general insurance business	
	• RHB Bank Berhad *(resigned on 9 January 2008)*	• Engage in commercial banking and finance business and in the provision of related services	
	• RHB Unit Trust Management Berhad *(resigned on 1 January 2008)*	• Dormant	
Bernard Anthony Cragg	*Directorships as at the LPD:*		• Adviser to the Board of Four Cross Media Limited, a subsidiary of AOL • Direct shareholder of Cragg Enterprises Ltd[(4)]
	• AAAN[(1)]	• Investment holding	
	• AOL[(1)]	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• Cragg Enterprises Ltd	• Dormant	
	• Mothercare plc	• Retailer and wholesaler of products and services for mothers, mothers-to-be, babies and children	
	• Progressive Digital Media Group Plc	• Produces premium business information, research services and marketing solutions for senior level decision makers	
	• Workspace Group Plc	• Engaged in property investment in the form of letting of business accommodation to small and medium sized enterprises located in and around London	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Bernard Anthony Cragg *(cont'd)*	*Previous directorships in the past five years up to the LPD:*		
	• i-Mate Plc *(resigned on 18 November 2008)*	• Information technology hardware	
	• Bristol & West Plc *(resigned on 30 September 2007)*	• Provide lending and savings products via various distribution channels which was transferred to other statutory entities within the Bank of Ireland Group	
Hisham Bin Zainal Mokhtar	*Directorships as at the LPD:*		None
	• AHSB[(1)]	• Investment holding	
	• AAAN[(1)] *(as alternate director)*	• Investment holding	
	• AOL[(1)] *(as alternate director)*	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• Khazanah Asset Management Sdn Bhd	• Investment holding	
	• PCBV	• Investment holding	
	• Pulau Kapas Ventures Sdn Bhd	• Investment holding	
	• Iskandar Malaysia Studios Sdn Bhd *(as alternate director)*	• Creative industry	
	Previous directorships in the past five years up to the LPD:		
	• Ethos Capital One Sdn Bhd *(resigned on 12 October 2010)*	• Private equity fund	
	• Iskandar Management Services Sdn Bhd *(resigned on 23 November 2009)*	• Project management	
	• IDR Management Services Sdn Bhd *(company struck off by CCM on 21 May 2009)*	• Investment holding	
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	*Directorships as at the LPD:*		None
	• AOL[(1)]	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• Convergent Media Investments Pty Ltd	• Investment holding	
	• Fetch TV Pty Ltd	• Provision of branded, integrated pay TV, online and interactive services to internet service providers and other service providers	
	• Fetch TV Content Pty Ltd	• Aggregates and distributes TV and other programming content	
	• Fetch TV Management Pty Ltd	• Provision of management services	
	• Media Innovations Pty Ltd	• Investment holding	
	• Media Innovations Pte Ltd	• Investment holding	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan *(cont'd)*	*Previous directorships in the past five years up to the LPD:*		
	• Malaysian Airline System Berhad *(resigned on 6 August 2012)*	• Engaged in the business of air transportation and the provision of related services	
	• ANM *(resigned on 21 June 2012)*	• Investment holding	
	• Astro Multimedia Corporation N.V.(1) *(resigned on 30 March 2012)*	• Inactive	
	• Astro Multimedia N.V.(1) *(resigned on 30 March 2012)*	• Inactive	
	• Celestial Filmed Entertainment Inc *(resigned on 31 August 2007)*	• Film licensing and distribution	
	• Celestial Pictures Inc *(resigned on 31 August 2007)*	• Inactive	
Lim Ghee Keong	*Directorships as at the LPD:*		None
	• AHSB(1)	• Investment holding	
	• AOL(1) *(as alternate director)*	• Investment holding of a portfolio of companies (minority and majority stakes) involved in DTH services, radio broadcasting, content creation, aggregation and distribution, digital and multimedia services and airtime sales with operations primarily outside Malaysia	
	• SRG Asia Pacific Sdn Bhd(3)	• Provision of business process outsourcing (including without limitation, management, consultancy, customer contact centre and telemarketing) services	
	• UTSB Management Sdn Bhd(3)	• Provision of management and consulting services	
	• Objektif Bersatu Sdn Bhd(3)	• Investment holding	
	• Pan Malaysian Sweeps Sdn Bhd(3)	• Distribution, promotion of sweepstake tickets and investment holding	
	• Tanjong Capital Sdn Bhd(3)	• Investment holding	
	• Tanjong Capital (L) Ltd(3)	• Investment holding	
	• Tanjong Entertainment (L) Ltd(3)	• Investment holding	
	• Tropical Island Holding GmbH(3)	• Investment holding	
	• Australia Equities Pty Ltd(3)	• Investment holding	
	• One Asia (HK) Limited(3)	• Investment holding	
	• Pacific Investments Holdings N.V.(3)	• Investment holding	
	• Mezzanine Equities N.V.(3)	• Investment holding	
	• UTAM Investments N.V.(3)	• Dormant	
	• UT Treasury (L) Ltd(3)	• Investment holding	
	• UT Investments (S) Pte Ltd(3)	• Investment holding	
	• One Asia Inc.(3)	• Investment holding	
	• St. John's Wood Square Limited *(formerly known as Visionery Properties (Jersey) Limited)*(3)	• Investment holding	
	• SmartGroup Investments Pty Ltd(3)	• Investment holding	
	• Paxys Australia Pty Ltd(3)	• Holding company interest	
	• Dalton Capital (Asia) Limited (*as alternate director)*	• Fund management services	
	• Dalton Capital (Guernsay) Limited (*as alternate director)*	• Fund management services	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Directorships as at the LPD (cont'd):*		
	• Bumi Armada Berhad	• Principally an investment holding company whilst its subsidiaries and associated companies are principally involved in the provision of marine transportation, floating production storage and offloading (FPSO) operations, vessel construction, and engineering and maintenance services to the offshore oil and gas companies	
	• Bond Pricing Agency Malaysia Sdn Bhd	• Provision of bond information, pricing services and other bond related activities	
	• MEASAT Global Network Systems Sdn Bhd	• Investment holding	
	• MEASAT International (L) Ltd	• Dormant	
	• 1MDB Energy Sdn Bhd *(as alternate director)*	• Investment and operations in relation to energy and natural resources	
	• Maxis Holdings Sdn Bhd	• Investment holding	
	• Paxys, Inc.	• Business process outsourcing	
	• Equity Focus Investments Limited	• Dormant	
	• Pacific States Investment Limited	• Investment holding and securities trading	
	• Excorp Holdings N.V.	• Holding and finance company	
	• PanOcean Management Limited	• Corporate trustee	
	• Pacific Basin Community Foundation Limited	• Charitable objects	
	• Pacific Basin Community Foundation Pty Ltd	• Charitable objects	
	• Yu Cai Foundation	• Charitable objects	
	Previous directorships in the past five years up to the LPD:		
	• Powertek Berhad *(resigned on 22 May 2012)*	• To carry out the business of power generation	
	• Towanda B.V. *(company liquidated on 25 November 2011)*	• Investment holding	
	• Kelana Sakti Sdn Bhd *(company dissolved and ceased as a director on 11 November 2011)*	• Investment holding	
	• Riang Sari Sdn Bhd *(company dissolved and ceased as a director on 11 November 2011)*	• Investment holding	
	• Amat Kreatif Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Daya Merdu Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Fanuc Resources Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Ikatan Gemilang Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Kelana Makmur Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Kuala Terusan Sdn Bhd *(company dissolved end ceased es a director on 15 September 2011)*	• Investment holding	
	• Kuasa Gemilang Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Kuda Wijaya Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Perahu Emas Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Pilihan Cermat Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Pilihan Ikhlas Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Pilihan Teguh Sdn Bhd *(compeny dissolvad end ceased as a director on 15 September 2011)*	• Investment holding	
	• Serba Jadi Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Teguh Sari Sdn Bhd *(company dissolved and ceased as a director on 15 September 2011)*	• Investment holding	
	• Permata Tegap Sdn Bhd *(company dissolvad and ceased as a director on 15 September 2011)*	• Investment holding	
	• Benteng Pumama Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Budiman Muda Sdn Bhd[(3)] *(compeny dissolved on 7 April 2011)*	• Investment holding	
	• Impian Wira Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Kundasang Selatan Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Matang Murni Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Pengkalan Teras Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Riang Kukuh Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Sistem Tegap Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Ujung Tegas Sdn Bhd[(3)] *(company dissolved on 7 April 2011)*	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Wilayah Tegas Sdn Bhd[3] *(company dissolved on 7 April 2011)*	• Investment holding	
	• Aliran Klasik Sdn Bhd[3] *(resigned on 31 Merch 2011)*	• Property investment	
	• Impian Delima Sdn Bhd[3] *(resigned on 31 March 2011)*	• Property investment	
	• Usaha Mutu Sdn Bhd[3] *(resigned on 31 March 2011)*	• Property investment	
	• Besitang (M) Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Besitang Selatan Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Besitang Barat Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Besitang Utara Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Hasrat Jaguh Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding and investment management	
	• Pan Asia Power Services Sdn Bhd[3] *(resigned on 31 March 2011)*	• Dormant	
	• Tegas Mahsuri Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Tegas Puri Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Usaha Tegas Equity Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• UT Projects Sdn Bhd[3] *(resigned on 31 March 2011)*	• Provision of project management, construction consultancy and turnkey contracting	
	• Wilayah Bintang Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Wilayah Resources Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Inno-Search Sdn Bhd[3] *(resignad on 31 March 2011)*	• Investment holding	
	• Mutu Saluran Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Peninsular Asset Management Sdn Bhd[3] *(resigned on 31 March 2011)*	• Dormant	
	• Mezzanine Equities Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Usaha Tegas Resources Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Multi Global Venture Sdn Bhd[3] *(resigned on 31 Merch 2011)*	• Investment holding	
	• Nusa Pasifik Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Teras Sdn Bhd[3] *(resigned on 31 March 2011)*	• Dormant	
	• Tenteram Usaha Sdn Bhd[3] *(resigned on 31 March 2011)*	• Settlor of a settlement	
	• UT Real Estate (Holdings) Sdn Bhd[3] *(resignad on 31 March 2011)*	• Real estate investment, development and management	
	• Tiara Nusantara Sdn Bhd[3] *(resigned on 31 March 2011)*	• Investment holding	
	• Usaha Tunggal Sdn Bhd[3] *(resigned on 31 Merch 2011)*	• Investment holding	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Utix Sdn Bhd[(3)] *(resigned on 31 March 2011)*	• Investment holding	
	• UT Capital Sdn Bhd[(3)] *(resigned on 31 March 2011)*	• Investment holding	
	• UT Land Sdn Bhd[(3)] *(resigned on 31 March 2011)*	• Investment holding	
	• Tanjong Equities Sdn Bhd[(3)] *(resigned on 31 March 2011)*	• Investment trading	
	• Daya Mahsuri Sdn Bhd[(3)] *(resigned on 31 March 2011)*	• Investment holding	
	• All Asia Radio Technologies Sdn Bhd *(resigned on 31 March 2011)*	• Ceased operations	
	• Alam Nakhoda Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Angsana Kukuh Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Badai Jaya Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Badai Maju Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Bagan Budiman Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Beduk Selatan Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Bimbingan Cemerlang Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding and trading of investments	
	• Cabaran Mujur Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Citra Cekal Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Desa Bidara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Indomurni Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Karisma Berlian Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Mujur Anggun Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Nusantara Makmur Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Nusantara Saga Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Tegas Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Pancar Seloka Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Samudra Capital Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Samudra Melati Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Simbol Tenggara Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Tegas Sari Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Tenaga Tegap Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Usaha Kenanga Sdn Bhd *(resigned on 31 March 2011)*	• Trust and Investment holding	
	• Anak Samudra Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Dumai Maju Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Berkat Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Cermat Delima Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Cermat Deras Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gerak Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Mujur Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Nada Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Barat Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Cempaka Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Nusantara Delima Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Nusantara Kembang Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Prisma Mutiara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Sanjung Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Trust and investment holding	
	• Usaha Kukuh Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gabungan Teguh Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Mujur Teguh Sdn Bhd *(resigned on 31 March 2011)*	• Licensed money lender and provision of related services	
	• Paduan Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Petrolog (Malaysia) Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Saga Mestika Sdn Bhd *(resigned on 31 March 2011)*	• Property investment holding	
	• Ujung Sempuma Sdn Bhd *(resigned on 31 March 2011)*	• Property investment holding	
	• Mincing Lane Commodities Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Tetap Sanjung Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Ria Utama Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Tetap Emas Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Media Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• MEASAT Holdings Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Metro Ujud Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Mujur Sanjung Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Prisma Gergasi Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Ujud Cergas Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Ujud Mumi Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Angsana Dinamik Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Angkatan Abadi Sdn Bhd *(resigned on 31 March 2011)*	• Property investment and investment holding	
	• Daya Impian Sdn Bhd *(resigned on 31 Merch 2011)*	• Property investment and investment holding	
	• Impian Sari Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Mujur Sejahtera Sdn Bhd *(resigned on 31 March 2011)*	• Property investment and investment holding	
	• Sanjungan Nusa Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Harapan Tegas Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Ilham Mesra Sdn Bhd *(resigned on 31 Merch 2011)*	• Investment holding	
	• Bayu Nusantara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Dimensi Timur Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Berkat Perkasa Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Iras Perkasa Sdn Bhd *(resigned on 31 Merch 2011)*	• Investment holding	
	• Era Cekal Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gagasan Panglima Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gagasan Wira Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Tunas Sempurna Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gerak Naga Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Intan Naga Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Iras Setia Sdn Bhd *(resigned on 31 Merch 2011)*	• Investment holding	
	• Iras Utama Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Mahanusantara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Dinamik Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Bay Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Axis Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Parade Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nusantara Bahagia Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Tanding Megah Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Impian Mutiara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Abad Bistari Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Bayu Hasrat Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Cahaya Temurun Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Wira Ribuan Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Lim Ghee Keong *(cont'd)*	*Previous directorships in the past five years up to the LPD (cont'd):*		
	• Impian Tegap Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Panglimawira Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Nilai Rezeki (M) Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Macroniaga Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gelora Delima Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• All Asia Customer Services Sdn Bhd *(resigned on 31 March 2011)*	• Dormant	
	• Dian Tiara Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Far Eastern Strategy Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Gabungan Penting Sdn Bhd *(resigned on 31 March 2011)*	• Investment holding	
	• Active Precious Sdn Bhd *(resigned on 30 March 2011)*	• Investment holding	
	• Langkawi Paradise Cruises Sdn Bhd *(resigned on 27 August 2010)*	• Dormant	
	• Darul Citra Sdn Bhd *(resigned on 27 August 2010)*	• Dormant	
	• Amhold Holdings Ltd *(resigned on 13 May 2010)*	• Trade in process supply and installation of building products and angineering equipment	
	• Overseas Union Enterprise Ltd *(resigned on 9 March 2010)*	• Hotel operation of Meritus hotels and resorts, the letting of commercial offices and shopping arcades and the holding of investments	

Notes:

(1) *This company is part of the AHSB Group.*

(2) *This company is part of the AOL Group.*

(3) *This company is part of the UTSB Group.*

(4) *Has interest in 5% or more of the issued and paid-up share capital of this company.*

9.1.4 Involvement in other businesses or corporations which carry on a similar trade as our Group or which are our customers and/or suppliers

Save as disclosed below, as at the LPD, none of our Directors has any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group, associated companies and jointly controlled entities; or (ii) our customers and/or suppliers:

Name	Businesses/Corporations	Nature of interest	Direct interest %	Indirect interest %
Augustus Ralph Marshall	*Our customers/suppliers:*			
	• AOL Group	• Executive Deputy Chairman of AOL[(1)(2)]	-	-
	• KLCCH and/or its subsidiaries/associated companies	• Non-Executive Director of KLCCH	-	-
	• KLCCP and/or its subsidiaries/associated companies	• Non-Executive Director of KLCCP	0.005%	-
	• Maxis Group	• Non-Executive Director of Maxis	0.01%	-
	• MCB and/or its subsidiaries/associated companies	• Non-Executive Director of MCB[(1)]	-	-
	• MGB and its subsidiaries ("MGB Group")	• Non-Executive Director of MGB[(1)]	-	-
	• Tanjong and its subsidiaries	• Executive Director of Tanjong[(1)]	-	-
	• UTSB and/or its subsidiaries/associated companies	• Executive Director of UTSB[(1)(2)]	-	-
Chin Kwai Yoong	*Our customers/suppliers:*			
	• AOL Group	• Independent Non-Executive Director of AOL	-	-
	• Genting Berhad	• Independent Non-Executive Director of Genting Berhad	-	-
Dato' Mohamed Khadar Bin Merican	*Our customers and/or suppliers:*			
	• AOL Group	• Independent Non-Executive Director of AOL	-	-
	• AirAsia Berhad and/or its subsidiaries/associated companies	• Independent Non-Executive Director of AirAsia Berhad	-	-
	• RHB Capital Berhad and/or its subsidiaries/associated companies	• Independent Non-Executive Chairman of RHB Capital Berhad[(1)]	-	-
Bernard Anthony Cragg	*Our customers/suppliers:*			
	• AOL Group	• Independent Non-Executive Director of AOL	-	-
Hisham Bin Zainal Mokhtar	*Our customers/suppliers:*			
	• AOL Group	• Alternate Director to Dato' Haji Badri Bin Haji Masri in AOL	-	-
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	*Our customers/suppliers:*			
	• AOL Group	• Non-Executive Director of AOL[(2)]	-	-

Name	Businesses/Corporations	Nature of interest	Direct interest %	Indirect interest %
Lim Ghee Keong	*Our customers/suppliers:*			
	• AOL Group	• Alternate Director to Augustus Ralph Marshall in AOL	-	-
	• UTSB and/or its subsidiaries/associated companies	• Director of certain subsidiaries/associated companies of UTSB	-	-

Notes:

(1) This includes directorship(s) in certain subsidiary(ies) of this company.

(2) This includes directorships in certain associated companies of this company.

The interests held by our Directors in other businesses and corporations which are customers and/or suppliers of our Group may give rise to a conflict of interest situation with our Group's business. Accordingly, such directors and persons connected to them shall abstain from deliberations and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. In the event such matters or transactions require the approval of the relevant Boards of Directors of the companies in our Group including our Company, the directors on the relevant Board who are conflicted in such matters or transactions by virtue of their relationship with our substantial shareholders or other relationship shall declare their interests to our Board, and similarly abstain from deliberations and voting on the resolutions relating to these matters/transactions.

9.1.5 Audit Committee

Our Audit Committee comprises three members, the majority of whom are Independent Non-Executive Directors. The Audit Committee, constituted on 1 April 2011, was established by our Board with the function of assisting our Board in fulfilling its oversight responsibilities. Our Audit Committee has full access to both internal and external auditors who in turn, have access at all times to the Chairman of our Audit Committee. Our Audit Committee performs, amongst others, the following functions:

- *Risk Management* – to review the adequacy and effectiveness of the risk management process to identify key organisational risks and the systems or processes in place to monitor and manage these risks;
- *Internal controls* – to review the adequacy and integrity of our internal controls, including IT security and control, financial, auditing and accounting organisations and personnel and policies and compliance procedures with respect to business practices;
- *Financial results* – to monitor and review our annual, interim and any other related formal financial statements and announcements prior to recommendation to our Board for approval, focusing on changes in or implementation of accounting policies and practices, significant financial reporting issues and decision requiring an element of judgement, compliance with applicable approved accounting standards, legal and regulatory requirements and significant adjustments arising from an audit of our financial statements;

- *External auditors* – to review our auditors' terms of engagement, independence, objectivity, remuneration and cost-effectiveness, prior to recommending to our Board the re-appointment of our auditors as well as to review any letter of resignation from our auditors and whether there is reason to believe that our auditors are not suitable for re-appointment. Additionally, to review the audit plan for the financial year to ensure its scope of work adequately addresses our activities, audit report, evaluation of our systems of internal controls, and recommendations and to review the assistance given by our employees to our external auditors;

- *Internal auditors* – to review our internal audit plan for the financial year and ensure that the principal risk areas and key processes are adequately identified and addressed in the plan as well as to review the audit reports and whether appropriate actions are taken on the recommendations by our internal auditors. Additionally, to review the adequacy of the scope, terms of reference, functions, competency and resources of our internal audit function and that it has the necessary authority to carry out its work, and whether appropriate actions are taken on the recommendations by our internal auditors, the performance of their staff, the effectiveness of the internal audit function; and

- *Related party transactions* – to review related party transactions and conflict of interests situations that may arise within our Group, as well as considering the appropriateness of such transactions before recommending them to our Board for its approval.

Our Audit Committee shall report its activities to our Board at each financial quarter and where appropriate in any other manner and time as it deems necessary.

The current members of our Audit Committee are set forth below:

Name	Position	Date of appointment	Directorship
Chin Kwai Yoong	Chairman	1 April 2011[1]	Senior Independent Non-Executive Director
Dato' Mohamed Khadar Bin Merican	Member	1 April 2011[2]	Independent Non-Executive Director
Bernard Anthony Cragg	Member	1 April 2011	Non-Independent Non-Executive Director

Notes:

(1) Appointed as Chairman on 15 August 2012.

(2) Resigned as Chairman on 15 August 2012.

9.1.6 Remuneration Committee

Our Remuneration Committee was constituted by our Board on 1 April 2011 and comprises three members, the majority of whom are Independent Non-Executive Directors. Our Remuneration Committee is charged with the following primary responsibilities:

(i) recommending to our Board remuneration policies for our Executive Directors and the manner in which our Executive Directors are to be remunerated in line with such policies, as well as the remuneration and terms and conditions of service of our Executive Directors;

(ii) designing and implementing an evaluation procedure for Executive Directors;

(iii) evaluating performance of our Executive Directors on a yearly basis and making appropriate recommendations to our Board and the review of performance evaluations of key senior management to ensure objectivity and adherence to the established scheme of service for employees;

(iv) designing an evaluation procedure for our Non-Executive Directors and making appropriate recommendations to the Board in relation to remuneration;

(v) recommending to our Board the establishment of a long-term incentive plan for our eligible employees and eligible executives of our Group such as share schemes or other equity based incentive plans; and

(vi) administering the Management Share Scheme for eligible employees and eligible executives of our Group in accordance with the By-Laws and in such manner as it shall deem fit pursuant to such powers and duties as are conferred upon it by our Board.

The current members of our Remuneration Committee are set forth below:

Name	Position	Date of appointment	Directorship
Dato' Mohamed Khadar Bin Merican	Chairman	1 April 2011[(1)]	Independent Non-Executive Director
Chin Kwai Yoong	Member	1 April 2011[(2)]	Senior Independent Non-Executive Director
Augustus Ralph Marshall	Member	1 April 2011	Non-Independent Non-Executive Deputy Chairman

Notes:

(1) Appointed as Chairman on 15 August 2012.

(2) Resigned as Chairman on 15 August 2012.

9.1.7 Nomination and Corporate Governance Committee

Our Nomination and Corporate Governance Committee, constituted on 1 April 2011, was established by our Board and comprises three Non-Executive Directors, the majority of whom are independent. Our Nomination and Corporate Governance Committee is responsible for, among others, the following:

(i) formulating the nomination and selection procedures and policies for members of our Board and Board committees;

(ii) recommending to our Board the optimum size of our Board, and formulating a transparent procedure for proposing new nominees to our Board and Board committees;

(iii) assisting our Board in reviewing on an annual basis the required mix of skills and experience of Non-Executive Directors;

(iv) assessing the effectiveness of our Board as a whole, Board committees and each individual director;

(v) reviewing the succession management plans of our Group;

(vi) ensuring that the investments of our minority shareholders are fairly reflected in our Board;

(vii) reviewing directors' independence and conflict of interests, if any, and recommending the steps to be taken to manage potential conflicts of interests; and

(viii) reviewing and making recommendations to our Board in respect of compliance with the Malaysian Code on Corporate Governance and other best practices in corporate governance.

The recommendations of our Nomination and Corporate Governance Committee are subject to the approval of our Board.

The current members of our Nomination and Corporate Governance Committee are set forth below:

Name	Position	Date of appointment	Directorship
Tun Dato' Seri Zaki Bin Tun Azmi	Chairman	15 August 2012	Independent Non-Executive Chairman
Chin Kwai Yoong	Member	1 April 2011	Senior Independent Non-Executive Director
Hisham Bin Zainal Mokhtar	Member	15 August 2012	Non-Independent Non-Executive Director

9.1.8 Shareholding of Directors in our Company

The following table sets forth the direct and indirect shareholdings of each of our Directors as at the date of the Prospectus and after the IPO (assuming full subscription of the Issue Shares reserved for our Directors under the IPO):

	As at the date of the Prospectus				After IPO[(1)]			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tun Dato' Seri Zaki Bin Tun Azmi	-	-	-	-	1,000,000	0.02	-	-
Augustus Ralph Marshall	-	-	-	-	2,500,000[(2)]	0.05	-	-
Chin Kwai Yoong	-	-	-	-	1,000,000	0.02	-	-
Dato' Mohamed Khadar Bin Merican	-	-	-	-	1,000,000	0.02	-	-
Bernard Anthony Cragg	-	-	-	-	1,000,000	0.02	-	-
Hisham Bin Zainal Mokhtar	-	-	-	-	1,000,000	0.02	-	-
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	-	-	-	-	2,500,000[(3)]	0.05	-	-
Lim Ghee Keong	-	-	-	-	1,000,000	0.02	-	-

Notes:

(1) Notwithstanding the subscription for the Issue Shares reserved under the IPO for our Directors, our Directors may subscribe for the Issue Shares under the Retail Offering.

***Notes** (cont'd):*

(2) Before taking into account the vesting of Shares pursuant to the Share Incentives granted by the Promoter to Augustus Ralph Marshall. Please refer Section 9.1.9 of this Prospectus for details of such Share Incentives.

(3) Before taking into account the vesting of Shares pursuant to Share Awards proposed to be granted by our Board to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan under the Management Share Scheme. Please refer Section 9.1.9 of this Prospectus for details of the Share Awards proposed to be granted to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan.

9.1.9 Remuneration and material benefits-in-kind of our Directors and Chief Executive Officer

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the financial year ended 31 January 2012 and for the financial year ending 31 January 2013 respectively are as follows:

	Remuneration band of our Directors	
Directors	**Financial year ended 31 January 2012 (Actual)**	**Financial year ending 31 January 2013**
	RM	
Tun Dato' Seri Zaki Bin Tun Azmi	Not applicable	200,001 to 250,000
Augustus Ralph Marshall	4,050,001 – 4,100,000	5,400,001 – 5,450,000
Chin Kwai Yoong	100,001 – 150,000	200,001 – 250,000
Dato' Mohamed Khadar Bin Merican	100,001 – 150,000	200,001 – 250,000
Bernard Anthony Cragg	200,001 – 250,000	250,001 – 300,000
Hisham Bin Zainal Mokhtar	Not applicable	100,001 – 150,000
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	4,600,001 – 4,650,000	7,400,001 – 7,450,000
Lim Ghee Keong *(Alternate Director to Augustus Ralph Marshall)*	-	-

The aggregate remuneration and material benefits-in-kind as set out above have not taken into account the following:

(i) Pursuant to the terms of Augustus Ralph Marshall's employment contract with AHSB as the Group Chief Executive Officer of AHSB, part of his total remuneration shall comprise incentives in the form of our Shares whereby AHSB shall procure that such number of our Shares with a value equivalent to RM18,000,000, based on the Final Retail Price, shall be acquired by or transferred to a custodian, to be held on his behalf, on the following terms:

(a) such number of Shares equivalent to a value of RM15,000,000 divided by the Final Retail Price shall vest over three years commencing from the first anniversary of the date of the Listing, whereby 50% of such Shares shall vest on the first anniversary of the date of the Listing, the next 30% of such Shares shall vest on the second anniversary of the date of the Listing and remaining 20% of such Shares shall vest on the third anniversary of the date of the Listing; and

(b) such number of Shares equivalent to a value of RM3,000,000 divided by the Final Retail Price shall vest within one month from the date of the Listing. These Shares are subject to a one year lock-up pursuant to which Augustus Ralph Marshall has undertaken to AHSB not to sell or dispose of such Shares for a period of one year from the date of Listing.

(ii) Pursuant to the Management Share Scheme, our Board proposes to grant Share Awards to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan prior to the Listing, in respect of the following:

(a) such number of Shares equivalent to RM3,000,000 divided by the Final Retail Price which shall vest within one month of the date of the Listing, subject to lock-up arrangement pursuant to which she shall not dispose/transfer such Shares for a period of one year from the date of the Listing; and

(b) such number of Shares equivalent to RM6,600,000 divided by the Final Retail Price which shall vest over five years commencing on the second anniversary of the date of the Listing whereby 20% of such Shares shall vest on the second anniversary of the date of Listing, the next 20% of such Shares will vest on the third anniversary of the date of the Listing, the next 30% of such Shares shall vest on the fourth anniversary of the date of the Listing and the final 30% of such Shares shall vest on the fifth anniversary of the date of the Listing.

In addition, our Board also proposes to grant Share Awards to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan after the Listing, in respect of such number of Shares equivalent to RM9,900,000 divided by the five-day volume weighted average market price of our Shares preceding the date of offer which price, shall not in any event be lower than the nominal value of our Shares.

Please refer Section 15.4 of this Prospectus for details of the Management Share Scheme.

The remuneration of our Directors, which includes salaries, bonuses, fees and allowances as well as other benefits, is approved by our Board, following recommendations made by our Remuneration Committee and subject to our Articles of Association. Any change in our Directors' fees, as set out in our Articles of Association, must be approved by shareholders of our Company pursuant to an ordinary resolution passed at a general meeting where appropriate notice of any proposed increase should be given. Please refer to Section 15.2.2 of this Prospectus for further details.

9.2 Promoter

AHSB is the Promoter for the IPO. In 2010, AHSB undertook the GO to acquire all the voting shares in AAAN, and shortly after the closing of the GO, AAAN was delisted from the Main Market on 14 June 2010. Following the completion of the GO, AHSB undertook a compulsory acquisition under the Companies Act 2006 of the UK of all the remaining voting shares in AAAN not held by AHSB at that time, which was completed on 28 July 2010. Thereafter, AAAN became a wholly-owned subsidiary of AHSB. In March 2011 and April 2011, AHSB implemented the Reorganisation which resulted in AAAN's Malaysian businesses being transferred to our Company and ANM being our sole shareholder. AHSB is our ultimate controlling shareholder through its shareholding in ANM.

AHSB was incorporated in Malaysia under the Act on 15 March 2010 as a private limited company. The principal activity of AHSB is investment holding. As at the LPD, the authorised share capital of AHSB is RM2,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each and 100,000,000,000 RPS of RM0.01 each. The issued and paid-up share capital of AHSB as at the LPD is RM155,139,430.71 comprising 1,410,358,461 ordinary shares of RM0.10 each and 1,410,358,461 RPS of RM0.01 each. The directors of AHSB are Dato' Haji Badri Bin Haji Masri, Augustus Ralph Marshall, Lim Ghee Keong, Sivam A/L M. Kandavanam, Maureen Toh Siew Guat, Hisham Bin Zainal Mokhtar and Joseph Dominic Silva.

9.3 Substantial shareholders

The following table sets forth the shareholding of our substantial shareholders, being a person who holds not less than 5% of our Shares, as at as at the date of the Prospectus and after the IPO:

		As at the date of the Prospectus				After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality/ Country of incorporation	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%
ANM	Malaysia	4,723,000	100.0	-	-	3,679,000[(1)]	70.8	-	-
AHSB[(2)]	Malaysia	-	-	4,723,000	100.0	-	-	3,679,000	70.8
PCBV[(3)]	Malaysia	-	-	-	-	-	-	1,079,496	20.8
Khazanah[(4)]	Malaysia	-	-	-	-	-	-	1, 079,496	20.8
All Asia Media Equities Ltd ("AAME")[(5)]	Bermuda	-	-	4,723,000	100.0	-	-	3,679,000	70.8
Usaha Tegas Entertainment Systems Sdn Bhd ("UTES")[(6)]	Malaysia	-	-	4,723,000	100.0	-	-	3,679,000	70.8
UTSB[(7)]	Malaysia	-	-	4,723,000	100.0	-	-	3,679,000	70.8
Pacific States Investment Limited ("PSIL")[(8)]	Jersey, Channel Islands	-	-	4,723,000	100.0	-	-	3,679,000	70.8
Excorp Holdings N.V. ("Excorp")[(9)]	Curaçao	-	-	4,723,000	100.0	-	-	3,679,000	70.8
PanOcean Management Limited ("PanOcean")[(9)]	Jersey, Channel Islands	-	-	4,723,000	100.0	-	-	3,679,000	70.8
Ananda Krishnan Tatparanandam ("TAK")[(10)]	Malaysian	-	-	4,723,000	100.0	-	-	3,679,000	70.8

Notes:

(1) Before taking into account the vesting of Shares pursuant to the Share Incentives granted by the Promoter to Augustus Ralph Marshall. Please refer Section 9.1.9 of this Prospectus for details of such Share Incentives. For illustration purposes, based on the total Share Incentives value of RM18,000,000 and on the assumption that the Final Retail Price is RM3.00 per Share, ANM shall make available prior to the Listing, 6,000,000 Shares under the Share Incentives granted to Augustus Ralph Marshall.

(2) Deemed to have an interest in all of the Shares in which ANM has an interest, by virtue of ANM being a wholly-owned subsidiary of AHSB.

(3) Deemed to have an interest in the Shares by virtue of a shareholders' agreement entered into among the direct shareholders of AHSB. Please refer to Section 15.1 (iv) of this Prospectus for further details.

(4) Deemed to have an interest in all of the Shares in which PCBV has an interest, by virtue of PCBV being a wholly-owned subsidiary of Khazanah.

*(5) Deemed to have an interest in all of 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 in AHSB ("**AHSB Shares**") representing 27.59% of the issued and paid-up ordinary share capital in AHSB.*

(6) 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 refer to note (5) 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.

(7) 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 refer to note (6) above for UTES' deemed interest in the Shares.

(8) Deemed to have an interest in all of the Shares in which UTSB has an interest, by virtue of PSIL being entitled to exercise 99.999% of the votes attached to the voting shares of UTSB. Please refer to note (7) above for UTSB's deemed interest in the Shares.

(9) The shares in PSIL are held by Excorp which is in turn 100% held by PanOcean. Please refer to note (8) 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.

(10) Deemed to have an interest in all of the Shares in which AHSB has an 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 (9) 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 (9) above.

Save as disclosed above, our Company is not aware of any person who, directly or indirectly, jointly or severally, has control over our Company.

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

The table below sets forth our substantial shareholders' and/or our Promoter's direct and indirect interests in our Company since incorporation up to the date of the Prospectus:

	As at the date of incorporation				As at 31 January 2012				As at the date of the Prospectus			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Goh Tau Si	1	50.0	-	-	-	-	-	-	-	-	-	-
Wong C-Yeen	1	50.0	-	-	-	-	-	-	-	-	-	-
ANM	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0	-	-
AHSB[(1)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
AAME[(2)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
UTES[(3)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
UTSB[(4)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
PSIL[(5)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
Excorp[(6)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
PanOcean[(8)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0
TAK[(7)]	-	-	-	-	-	-	98,238	100.0	-	-	4,723,000,000	100.0

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Notes:

(1) Deemed to have an interest in all of the 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 all of the Shares in which AHSB has an interest, by virtue of AAME's direct shareholding of 389,085,872 AHSB Shares representing 27.59% of the issued and paid-up ordinary share capital in AHSB.

(3) 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 refer to note (2) 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.

(4) 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 refer to note (3) above for UTES' deemed interest in the Shares.

(5) Deemed to have an interest in all of the Shares in which UTSB has an interest, by virtue of PSIL being entitled to exercise 99.999% of the votes attached to the voting shares of UTSB. Please refer to note (4) above for UTSB's deemed interest in the Shares.

(6) The shares in PSIL are held by Excorp which is in turn 100% held by PanOcean. Please refer to note (5) 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.

(7) Deemed to have an interest in all of the Shares in which AHSB has an interest, by virtue of the following:

(i) The interests of EABNS, PBS, HVL, SIL, UCSB, MUSB, MSSB, PGSB and 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 refer to note (6) 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 (6) above.

The principal activity of each of PCBV, Khazanah, AAME, UTES, UTSB, PSIL and Excorp are that of investment holding. The principal activity of PanOcean is that of a trustee of a discretionary trust, the beneficiaries of which are members of the family of TAK and foundations including those for charitable purposes. TAK is a director of UTSB, PSIL, Excorp and PanOcean.

Save as disclosed below and based on the relief granted by the SC as set out in Section 10.1 of this Prospectus, none of our substantial shareholders has any direct or indirect interests in other businesses and corporations carrying on a similar trade as that of our Group, associated companies and jointly controlled entities or in other businesses and corporations which are our customers and/or suppliers:

			As at the LPD	
Name	**Businesses/Corporations**	**Nature of interest**	**Direct interest**	**Indirect interest**
			%	**%**
AHSB	*Our customers and/or suppliers:*			
	• AOL Group	• Deemed interest in AOL	-	100.0
AAME and UTES	*Our customers and/or suppliers:*			
	• AOL Group	• Deemed interest in AOL held through AHSB	-	100.0
UTSB	*Our customars and/or suppliers:*			
	• AOL Group	• Deemed interest in AOL held through UTSB Group	-	100.0
	• UTSB Group	• Direct interests held by UTSB in its subsidiaries	100.0	-
	• Maxis Group	• Deemed interest in Maxis held through UTSB Group	-	65.0
PSIL, Excorp and PanOcean	*Our customers and/or suppliers:*			
	• AOL Group	• Deemed interest in AOL held through UTSB Group	-	100.0
	• UTSB Group	• Deemed interest held in UTSB Group	-	100.0
	• Maxis Group	• Deemed interest in Maxis held through UTSB Group	-	65.0
TAK	*Our customers end/or suppliers:*			
	• AOL Group	• Deemed interest in AOL held through UTSB Group and companies in which he has controlling interest	-	100.0
	• UTSB Group	• Director and deemed interest in UTSB Group	-	100.0
	• Maxis Group	• Deemed interest in Maxis held through UTSB Group and companies in which he has controlling interest	-	65.0
	• MGB Group	• Deemed interest in MGB held through companies in which he has controlling interest	-	100.0
	• Communications and Satellite Services Sdn Bhd ("CSS")	• Deemed interest in CSS held through companies in which he has controlling interest	-	100.0

Our substantial shareholders are of the view that they have no direct or indirect interests in other businesses and corporations which carry out similar trade as our Group which would give rise to a situation of conflict of interest with our Group's business.

The interests held by our substantial shareholders in other businesses and corporations which are customers and/or suppliers of our Group may give rise to a conflict of interest situation with our Group's business. Accordingly, such substantial shareholders and persons connected to them shall abstain from deliberations and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. In the event, such matters or transactions require the approval of the relevant Boards of Directors of the companies in our Group including our Company, the directors on the relevant Board who are conflicted in such matters or transactions by virtue of their relationship with our substantial shareholders or other relationship shall declare their interests to the Board of our Company, and similarly abstain from deliberations and voting on the resolutions relating to these matters/transactions.

9.4 Key management

9.4.1 Key management

Our key management, led by our Executive Director and Chief Executive Officer, Dato' Rohana Binti Tan Sri Datuk Haji Rozhan, is set out below:

Name	Age	Designation/Function
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	49	Chief Executive Officer
Ahmad Fuaad Bin Mohd Kenali	42	Chief Financial Officer
Henry Tan Poh Hock	49	Chief Operating Officer
Brian Wendell Lenz	40	Chief Innovation Officer
Liew Swee Lin	43	Chief Commercial Officer
Kong Futt Fong	61	Chief Contracting Officer
Dato' Borhanuddin Bin Osman	57	Executive Director of Astro Radio
Rohaizad Bin Mohamed	50	Senior Vice President – Broadcast and Operations
Hoh Hon Piao	38	Head of Legal
Sze Yuet Sim	44	Vice President – Corporate Assurance

9.4.2 Profiles of our key management team members

Dato' Rohana Binti Tan Sri Datuk Haji Rozhan is our Executive Director and Chief Executive Officer. Please refer to Section 9.1.2 for further information.

Ahmad Fuaad Bin Mohd Kenali is our 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 is our 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 GroupM, 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 Wendell Lenz is our 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 is our 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. Her other experiences include her tenure as Business Development Adviser of the Australian Trade Commission from 1994 to 1995, Management Analyst of Quest Consulting Group from 1993 to 1995 and Management Trainee/Account Manager for Esquel Enterprise HK Ltd from 1990 to 1993.

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).

Kong Futt Fong is our Chief Contracting Officer. He joined our Group in May 1999 as the Director of Sales and Distribution where he played a key role in driving customer acquisition and building up our pay-TV subscribers base in its early years. He assumed his current position in November 2010 and is responsible for formulating and managing contracting strategies for the provision of strategic goods and services to our Group, building strategic partnership with key vendors, overseeing the procurement unit and managing the supply chain.

He has 36 years of experience in varied scope of work including general management, joint ventures, commercial negotiations, marketing and sales, marketing economics and planning, supply and distribution as well as oil refining operations. Prior to joining our Group, he was with Shell Malaysia from 1976 to 1999 where his last position held was the General Manager of its liquefied natural gas business. During his employment with Shell Malaysia, he was an alternate director, from June 1994 to May 1999, on the Board of Directors of Malaysia LNG Sdn Bhd and Malaysia LNG Dua Sdn Bhd, two gas-related joint venture companies between Petronas, Shell Malaysia and other partners. Prior to Shell Malaysia, he was with Singapore Adhesives & Chemicals Private Limited for seven months in 1975 as Business Manager.

He graduated from the University of Sheffield, UK in 1974 with a degree in Chemical Engineering and Fuel Technology.

Dato' Borhanuddin Bin Osman is the Executive Director of Astro Radio. He joined Astro Radio in 1999 and has been Executive Director of Astro Radio since 2001. He is currently responsible for the general management of our Group's radio operations.

Prior to joining our Group, he has more than 20 years of extensive experience in the advertising industry. He is currently the President of Commercial Radio Malaysia, Chairman of the Communications and Multimedia Content Forum of Malaysia and the Chairman of Programme Committee of Asia Pacific Broadcasting Union. Prior to joining our Group, he was with Paragon Communications from 1992 to 1999 as the Managing Partner. From 1987 to 1992, he was with Dentsu Young & Rubicam as the Accounts Director. His other advertising experiences include his tenure with Wings Creative from 1986 to 1987, SSC & B Lintas from 1984 to 1986, O&M Advertising from 1980 to 1984 and PTM Thompson from 1978 to 1980.

He obtained a Diploma in Hotel Management from Institute Technology of MARA, Malaysia in 1978.

Rohaizad Bin Mohamed is our Senior Vice President, Broadcast and 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, content compliance and customer contact centre.

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 & IT Operations.

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

Hoh Hon Piao is our Head of Legal. He joined our Group in July 2007 and assumed his current position in November 2010. He is currently responsible for overseeing the legal division of our Group.

He has over 14 years of legal experience. Prior to joining our Group, he has had extensive experience in corporate law practice in some of the leading law firms in Malaysia. He started his career in Rashid & Lee and practised law from 1998 to 2000 before moving to Zul Rafique & Partners in 2000 where he practised for an additional seven years. He specialised in corporate law in areas such as mergers and acquisitions, asset securitisations and general advisory work.

He graduated from University of Tasmania, Australia with a Bachelor of Commerce/Laws degree in 1996. He commenced his pupilage in mid-1997 in Rashid & Lee and was called to the Malaysian Bar in early 1998.

Sze Yuet Sim is the Vice President, Corporate Assurance. She joined our Group in July 1996 and assumed her current position in August 2003. She is currently responsible for managing the performance of our financial, operational and compliance reviews.

She has over 20 years of experience in audit. Prior to joining our Group, she was with the Audit and Business Advisory Division of Arthur Andersen from 1992 to 1996 before joining the UTSB Group in mid-1996, during which she was involved in the establishment of the Internal Audit Department of Maxis Communications Berhad.

She obtained her Bachelor of Accounting degree from University Malaya, Malaysia in 1992 and is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

9.4.3 Shareholding of key management in our Company

The following table sets forth the direct and indirect shareholdings of each member of our key management as at date of the Prospectus and after the IPO (assuming full subscription of the Issue Shares reserved for them under the Retail Offering):

	As at the date of the Prospectus				After IPO[(1)]			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	-	-	-	-	2,500,000	0.05	-	-
Ahmad Fuaad Bin Mohd Kenali	-	-	-	-	480,000	0.01	-	-
Henry Tan Poh Hock	-	-	-	-	600,000	0.01	-	-
Brian Wendell Lenz	-	-	-	-	300,000	0.01	-	-
Liew Swee Lin	-	-	-	-	390,000	0.01	-	-
Kong Futt Fong	-	-	-	-	750,000	0.01	-	-
Deto' Borhanuddin Bin Osman	-	-	-	-	750,000	0.01	-	-
Rohaizad Bin Mohamed	-	-	-	-	750,000	0.01	-	-
Hoh Hon Piao	-	-	-	-	250,000	*[(2)]	-	-
Sze Yuet Sim	-	-	-	-	250,000	*[(2)]	-	-

Notes:

(1) Notwithstanding the shares allocated to our employees under the IPO, our key management may subscribe for the Issue Shares under the Retail Offering to the Malaysia public and our subscribers. In addition, subject to the terms of the Management Share Scheme under the By-Laws, our key management is eligible to be offered and granted Share Awards in respect of our Shares. The above has not taken into account the vesting of Shares pursuant to Share Awards proposed to be granted to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan and key management who ara eligible employees of our Group under the Management Share Scheme.

Please refer Section 9.1.9 of this Prospectus for details of the Share Awards proposed to be granted to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan and Section 15.4 of this Prospectus for details of the Management Share Scheme.

(2) Less than 0.01%.

9.4.4 Involvement of Executive Directors and key management in other principal business activities outside our Group

Save as disclosed below and in Sections 9.1.3 and 9.1.4 of this Prospectus, none of our Executive Directors or key management are involved in other principal business activities outside of our Group as at the LPD.

Hoh Hon Piao is a director and shareholder with interest in 5% or more of the issued and paid-up share capital of a family-owned private company incorporated in Malaysia which is inactive.

Kong Futt Fong is a director and shareholder with interest in 5% or more of the issued and paid-up share capital of a family-owned private company incorporated in Malaysia which is a holding company for family-owned assets.

The abovementioned Executive Directors and key management believe that their respective involvement in other principal business activities outside our Group as highlighted above will not affect their contribution to our Group.

9.5 Relationships and associations between our Directors, Promoter, substantial shareholders and key management

Save as disclosed below and the relationships and associations between our Company's substantial shareholders as described in Section 9.3 of this Prospectus, there is no family relationship and/or association between any of our Directors, Promoter, substantial shareholders and key management as at the LPD:

(i) Association amongst our substantial shareholders

(a) ANM is a wholly-owned subsidiary of AHSB.

(b) PCBV is a wholly-owned subsidiary of Khazanah.

(c) AAME and UTES are wholly-owned subsidiaries of UTSB. The ultimate holding company of UTSB is PanOcean via its controlling interest of the voting rights attached to the shares of Excorp and PSIL.

(d) TAK is a director of UTSB, PSIL, Excorp and PanOcean. Please refer to Section 9.3 of this Prospectus for further details of the relationship between UTSB, PSIL, Excorp and PanOcean. TAK is also deemed as a substantial shareholder of ANM, AHSB, UTES and UTSB.

(ii) Association between our Directors and substantial shareholders

(a) Augustus Ralph Marshall is a director of ANM and the Group Chief Executive Officer of AHSB. He is also an executive director of UTSB and a director of several subsidiaries of UTSB. In addition, he is a director of AAME, PSIL, Excorp, PanOcean.

(b) Chin Kwai Yoong is the chairman of the remuneration committee of AHSB.

(c) Dato' Mohamed Khadar Bin Merican is a member of the remuneration committee of AHSB.

(d) Hisham Bin Zainal Mokhtar is a director of AHSB and PCBV. He is also a Director in the Investments Division of Khazanah.

(e) Lim Ghee Keong is a director of AHSB, PSIL, Excorp and PanOcean. He is also the Chief Financial Officer of the UTSB Group and a director of several subsidiaries of UTSB.

(iii) Association between our Directors and the Promoter

(a) Augustus Ralph Marshall, Hisham Bin Zainal Mokhtar and Lim Ghee Keong are directors of AHSB.

9.6 Declaration by our Directors, Promoter and key management

Each of our Directors, the Promoter and our key management has confirmed to us that, as at the LPD, he/she or it is not and has not been involved in any of the following events (whether in or outside Malaysia):

(i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person is or was a partner or any corporation of which such person was a director or key personnel;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(iv) any judgment entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or

(v) the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity.

Certain media reports have alleged that summonses have been issued by Indonesian authorities to our Non-Independent Non-Executive Deputy Chairman, Mr. Augustus Ralph Marshall ("**Mr. Marshall**"). AAAN issued a press statement previously confirming that Mr. Marshall and his counsel in Indonesia have no knowledge of these summonses, nor have they been provided with any details of the arrest warrant that had purportedly been issued against Mr. Marshall other than what has been reported in the media. Moreover, we understand that neither the Indonesian authorities referred to in such media reports nor the Malaysian authorities have approached Mr. Marshall or AAAN to assist in any investigation.

Mr. Marshall is the executive deputy chairman of AAAN, which, together with AOL and certain of AOL's subsidiary and affiliate companies, have been involved in an ongoing commercial dispute with an Indonesian party, and in respect of which, AAAN and its affiliates were awarded approximately USD300 million in damages by an international arbitration tribunal ("**Awards**"). As at the LPD, no part of the Awards has been settled. The Awards have been registered in Malaysia, Singapore, Hong Kong, Indonesia and England and Wales. In addition, in connection with the enforcement proceedings, a worldwide Mareva injunction has been obtained from the Singapore courts and a garnishee order *nisi* obtained from the Hong Kong courts. The various proceedings for enforcement of the Awards in Singapore, Hong Kong and Indonesia are being challenged. Further details relating to the Awards, enforcement proceedings and challenges are contained in Sections 15.7(iii) to (vi) of this Prospectus.

Further, we have learnt that a First Information Report ("**FIR**") has been registered in October 2011 by the Central Bureau of Investigations of India against, among others, Mr. Marshall, commencing formal investigations relating to allegations of criminal conspiracy and corruption in relation to the acquisition of Aircel Limited ("**Aircel**") by Maxis Communications Berhad ("**MCB**") and the subscription of shares in Sun Direct TV Private Limited ("**Sun Direct**") by a subsidiary of AOL. Media reports suggest that the allegation under investigation is that the subscription of shares in Sun Direct by AOL's subsidiary, which was completed in December 2007, was an illegal gratification made for facilitating the acquisition of Aircel by MCB, which was completed in March 2006.

To the best of our knowledge, as at the LPD, no charge or any criminal proceeding has been instituted against Mr. Marshall in any court of law. Neither MCB nor AOL is an entity within our Group. Furthermore, neither our Company nor any of our Group companies is or has been involved in the MCB-Aircel transaction, the subscription of shares in Sun Direct by AOL's subsidiary or subject to any ongoing investigation in India in relation to the FIR.

The investigations in India were ongoing as at the LPD, and their conclusion, extent and outcome are uncertain. If charges are brought against Mr. Marshall, it may have an adverse impact on our Company, including Mr. Marshall's resignation from our Board.

9.7 Service agreements

Save as disclosed below, as at the LPD, there is no existing or proposed service agreement for a fixed tenure entered into or to be entered into between any of our Directors and member of our key management with our Group that provides for benefits upon termination of employment:

Brian Wendell Lenz has a service agreement with MBNS with a fixed tenure of two years commencing on 1 December 2011 and expiring on 30 November 2013 (which may be extended for another two years). Kong Futt Fong has a service agreement with MBNS with a fixed tenure of three years commencing on 1 February 2012 and expiring on 31 January 2015. Dato' Borhanuddin Bin Osman has a service agreement with Astro Radio with a fixed tenure of one year commencing on 1 February 2012 and expiring on 31 January 2013.

These service agreements are subject to mutual early termination provisions through the giving of three months' prior written notice or the payment of an agreed compensation in lieu of such notice.

9.8 Other matters

Save for those in relation to the Reorganisation, the pre-IPO restructuring as described in Section 6.2 of this Prospectus and as disclosed below, no amount has been paid or benefit given within the two years preceding the LPD, or is intended to be so paid or given, by our Group to the Promoter, our substantial shareholders and Directors:

(i) historical and future payments to our substantial shareholders in the ordinary course of business as set out in Section 11 of this Prospectus;

(ii) historical dividends declared by our Company to our shareholders amounting to approximately RM1,037.1 million, including historical dividends declared but not paid as at the LPD amounting to approximately RM382.7 million, and future dividend payments to our shareholders including the substantial shareholders of our Company, which are subject to our dividend policy as set out in Section 12.7 of this Prospectus; and

(iii) salaries and benefits-in-kind paid and payable to our Directors and the Share Awards proposed to be granted to Dato' Rohana Binti Tan Sri Datuk Haji Rozhan, our Executive Director and Chief Executive Officer, as set out in Section 9.1.9 of this Prospectus.

10. APPROVALS AND CONDITIONS

10.1 Approvals and conditions

The SC has, via its letter dated 19 September 2012, approved the IPO under Section 212(5) of the CMSA, subject to the compliance with the following conditions:

Condition		Status of compliance
(i)	CIMB/Maybank IB/RHB and our Company are to fully comply with the relevant requirements under the Equity Guidelines and Prospectus Guidelines - Equity and Debt pertaining to the implementation of the proposal.	Noted
(ii)	CIMB/Maybank IB/RHB and our Company are to inform the SC of the completion of the Listing.	To be met

The SC takes note of the Listing under the equity requirement for public company. No equity conditions are imposed on our Company for the Listing in view that more than 50% of our profits are derived from our MSC-status subsidiaries.

The SC has, via its letter dated 16 July 2012, approved the waivers sought in relation to compliance with certain requirements under the Equity Guidelines and the Prospectus Guidelines. The details of the waivers sought and accompanying conditions imposed by the SC are as follows:

Reference	Details of the waivers sought	Condition(s) imposed (if any)	Status of compliance, where applicable
Equity Guidelines			
5.11	Relief from complying with the requirement in relation to the following: (a) trade debts exceeding the normal credit period owing by interested persons to our Group; and (b) non-trade debts owing by interested persons to our Group.	None	Not applicable
5.30	Relief for the following persons from the requirement to provide a moratorium undertaking: (a) Ministry of Finance Incorporated; (b) Ananda Krishnan Tatparanandam via PanOcean Management Limited; and (c) Harapan Terus Sdn Bhd and its subsidiaries.	None	Not applicable
Paragraph 2(e), Appendix I	Relief from disclosing information on proposals submitted to the SC by or on behalf of our Group (if any) (including any proposal by or on behalf of AAAN which is related to any of its subsidiaries) prior to the delisting of AAAN on 14 June 2010	None	Not applicable
Paragraph 2(f), Appendix I	Modified confirmation such that the disclosures on non-compliance with the relevant laws, regulations, rules and requirements governing the conduct of our businesses are made only with respect to any breach of any relevant laws, regulations, rules and requirements which may have a material adverse impact on our business operations and/or financial position	None	Not applicable

10. APPROVALS AND CONDITIONS *(cont'd)*

Reference	Details of the waivers sought	Condition(s) imposed (if any)	Status of compliance, where applicable
Paragraph 4(a), Practice Note 4	Relief from complying with the requirement in respect of the placement of securities to persons connected to Khazanah and/or PCBV whereby such persons are connected to Khazanah and/or PCBV solely by virtue of them being a partner of Khazanah and/or PCBV or a partner of a person connected with Khazanah and/or PCBV	None	Not applicable
Prospectus Guidelines			
Paragraph 18.01(i)	Relief from making available for public inspection the audited financial statements of each individual subsidiary of our Group for the three month financial period ended 30 April 2012	None	Not applicable
Prospectus Guidelines – Procedures for Registration			
Paragraph 1.10(j)	Relief from submitting as part of the documents for registration, the audited financial statements of each individual subsidiary for the three month financial period ended 30 April 2012	None	Not applicable

The SC has, via its letter dated 18 September 2012, approved the waivers sought in relation to the compliance with certain requirements under the Equity Guidelines and the Prospectus Guidelines. The details of the waivers sought and accompanying conditions imposed by the SC are as follows:

Reference	Details of the waivers sought	Condition(s) imposed (if any)	Status of compliance, where applicable
Prospectus Guidelines			
Paragraphs 8.02(m) and 18.01(c)	(a) Relief to allow for the redaction of clauses 3A and 3B of the agreement for the supply of transponder capacity between MBNS and MEASAT International (South Asia) Ltd dated 11 May 2012 in relation to MEASAT-3B ("**M3B Agreement**") when making the M3B Agreement available for public inspection and relief from disclosing the salient terms of clauses 3A and 3B of the M3B Agreement in this Prospectus; and (b) Relief from making available certain terms in the material contracts for public inspection	None	Not applicable
Paragraph 8.08	Relief from disclosing information on the exact level or amount of purchases from our supplier (i.e. ESPN Star Sports) for the financial years/period under review.	None	Not applicable

10. APPROVALS AND CONDITIONS *(cont'd)*

Reference	Details of the waivers sought	Condition(s) imposed (if any)	Status of compliance, where applicable
Paragraph 11.01(a)	Relief from disclosing transactions between our Group with persons connected to Khazanah	None	Not applicable
Paragraph 11.03(a)	Relief in respect of Khazanah's indirect interest for the following: (a) to limit the assessment and disclosure of details of Khazanah's interest in other businesses and corporations carrying on a similar trade as our Group to subsidiaries, associates and jointly controlled entities of Khazanah based on their respective principal activities as stated in the audited consolidated financial statements of Khazanah for the financial year ended 31 December 2011, being the latest available audited consolidated financial statements of Khazanah ("**List of Investments**"); and (b) to limit the assessment and disclosure of details of Khazanah's interest in other businesses and corporations which are the customers and suppliers of our Group to the list of customers and/or suppliers, which individually have transactions with a value of more than RM30.0 million with our Group from 1 June 2011 to 31 May 2012 ("**Selected Customers and Suppliers**"). Besides that, also to limit the assessment and disclosure of details of Khazanah's interest in the Selected Customers and Suppliers to those set out in the List of Investments.	None	Not applicable

10. APPROVALS AND CONDITIONS *(cont'd)*

Reference	Details of the waivers sought	Condition(s) imposed (if any)	Status of compliance, where applicable
Paragraph 13.10	Relief from disclosing in this Prospectus the audit reports for the financial years under review as required by the Prospectus Guidelines	To disclose the the auditors' opinion on the audited financial statements for the financial years under review in the Accountants' Report	Complied. The relevant disclosures have been included in Note 1(b) of Section II of the of the Accountants' Report

10. APPROVALS AND CONDITIONS *(cont'd)*

10.2 Moratorium

In accordance with the Equity Guidelines, AHSB, in its capacity as our Promoter, will not be allowed, and has undertaken not to sell, transfer or assign its entire shareholding in ANM as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, ANM, as the wholly-owned subsidiary of AHSB holding our Shares, will not be allowed, and has undertaken not to sell, transfer or assign its entire shareholding of at least 3,673,000,000 Shares held by ANM, which represent at least 70.7% of the enlarged issued and paid-up share capital of our Company as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the direct shareholders of AHSB, namely PCBV, AAME, UTES, Metro Ujud Sdn Bhd ("**MUSB**"), Mujur Sanjung Sdn Bhd ("**MSSB**"), Prisma Gergasi Sdn Bhd ("**PGSB**"), Ujud Cergas Sdn Bhd ("**UCSB**"), Ujud Murni Sdn Bhd ("**UMSB**"), EABNS, Pacific Broadcast Systems N.V. ("**PBS**"), Home View Limited N.V. ("**HVL**") and Southpac Investments Limited N.V. ("**SIL**") have undertaken not to sell, transfer or assign their entire respective shareholdings in AHSB as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholder of AHSB, namely, Khazanah has undertaken not to sell, transfer or assign its entire shareholding in PCBV as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholder of AHSB, namely, UTES has undertaken not to sell, transfer or assign its entire shareholding in AAME as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, UTSB, PSIL, Excorp and PanOcean have undertaken not to sell, transfer or assign their entire respective shareholdings in UTES, UTSB, PSIL and Excorp, respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Global Radio Systems N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in MUSB and Global Radio Systems N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Maestra International Broadcast N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in MSSB and Maestra International Broadcast N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Maestra Global Radio N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in PGSB and Maestra Global Radio N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, All Asia Radio Broadcast N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in UCSB and All Asia Radio Broadcast N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Global Broadcast Systems N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in UMSB and Global Broadcast Systems N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

10. APPROVALS AND CONDITIONS *(cont'd)*

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, East Asia Broadcast Systems Holdings N.V. ("**EABSH**"), Tuscon N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in EABNS, EABSH and Tuscon N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Pacific Broadcast Holdings N.V., Orient Systems Limited N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in PBS, Pacific Broadcast Holdings N.V. and Orient Systems Limited N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Home View Systems N.V., Home View Holdings N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in HVL, Home View Systems N.V. and Home View Holdings N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

In accordance with the Equity Guidelines, the indirect shareholders of AHSB, namely, Southpac Systems N.V., Southpac Holdings N.V. and TAK have undertaken not to sell, transfer or assign their shareholdings in SIL, Southpac Systems N.V. and Southpac Holdings N.V., respectively, as at the date of Listing, for a period of six months from the date of Listing.

(The rest of this page has been intentionally left blank)

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

11.1 Related party transactions

Under the Listing Requirements, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party. A "related party" of a listed issuer (not being a special purpose acquisition company) is:

(i) a director falling within the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or

(ii) a major shareholder of the listed issuer or its subsidiaries or holding company, being a shareholder who has or had an interest or interests in one or more voting shares in a corporation (being either the listed issuer or its subsidiaries or holding company, or a combination of the said corporations) and the nominal amount of that share or the aggregate of the nominal amounts of those shares is:

(a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or

(b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation;

and includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company; or

(iii) a person connected with such director or major shareholder.

Certain transactions, despite falling within the definition of a related party transaction above, are not normally regarded as related party transactions. These are detailed in paragraph 10.08(11) of the Listing Requirements.

The abbreviated terms in Sections 11.1.1 and 11.1.2 of this Prospectus refer to our Directors and major shareholders as follows:

AAME	: All Asia Media Equities Ltd	LGK	: Lim Ghee Keong
ARM	: Augustus Ralph Marshall	MKM	: Dato' Mohamed Khadar Bin Merican
BAC	: Bernard Anthony Cragg	PanOcean	: PanOcean Management Limited
CKY	: Chin Kwai Yoong	PSIL	: Pacific States Investment Limited
DHB	: Dato' Haji Badri Bin Haji Masri	SM	: Mohamad Shahrin Bin Merican
DRR	: Dato' Rohana Binti Tan Sri Datuk Haji Rozhan	TAK	: Ananda Krishnan Tatparanandam
Excorp	: Excorp Holdings N.V.	THO	: Tun Dr. Haji Mohammed Hanif Bin Omar
HTSB	: Harapan Terus Sdn Bhd	UTES	: Usaha Tegas Entertainment Systems Sdn Bhd
HZM	: Hisham Bin Zainal Mokhtar		

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

11.1.1 Related party transactions

Save as disclosed below, there were no material related party transactions which are non-recurrent in nature and have been entered into or proposed to be entered into by our Group with related parties for the past three financial years ended 31 January 2012 and up to the LPD:

No.	Date of transaction	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Transaction amount RM 000
(i)	15 December 2010	MBNS Multimedia Technologies with Advanced Wireless Technologies, UMTS (Malaysia) and Maxis	**Interested major shareholders** DHB, THO, SM, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB and ARM UMTS (Malaysia) is wholly-owned by Advanced Wireless Technologies which is a 75%-owned subsidiary of Maxis with the remaining 25% equity interest being owned by MBNS Multimedia Technologies, our wholly-owned subsidiary. DHB, THO and SM are major shareholders of AHSB[2] and Maxis[3]. SM is a person connected to MKM. UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of our Company and Maxis. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of MBNS Multimedia Technologies. ARM is our Director and Non-Executive Deputy Chairman. He is also a director of Maxis, UTSB, PSIL, Excorp and PanOcean. He is a shareholder of Maxis but he does not have any equity interest in our Group, Advanced Wireless Technologies, UMTS (Malaysia), UTSB, PSIL, Excorp and PanOcean.	• Extension of the term of an existing shareholder's loan of RM33.0 million[1] granted by MBNS Multimedia Technologies to Advanced Wireless Technologies • Giving of an indemnity by MBNS Multimedia Technologies in favour of Maxis of up to RM12.5 million[1] in connection with Maxis' banking facility utilised by UMTS (Malaysia)	45,560

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Date of transaction	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Transaction amount
					RM 000
(ii)	1 February 2010	MBNS with Astro Awani Network Limited ("AANL")	**Interested major shareholders** AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK AANL is an indirect subsidiary of AOL which in turn is wholly-owned by AAAN. AAAN is wholly-owned by AHSB, our ultimate holding company. DHB, THO, SM and HTSB are major shareholders of AHSB[(2)]. SM is a person connected to MKM. PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of AHSB. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of MBNS, AOL, AAAN and AHSB. ARM is our Director and Non-Executive Deputy Chairman and is a director and the Group Chief Executive Officer of AHSB. He is also a director of MBNS, AOL, AAAN, AAME, UTSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AANL, AOL, AAAN, AHSB, AAME, UTSB, PSIL, Excorp and PanOcean. CKY, MKM and BAC are our Directors and are directors of AOL and AAAN but they do not have any equity interest in our Group, AANL, AOL and AAAN. HZM is our Director 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 our Group, AANL, AOL, AAAN, AHSB and PCBV. DRR is our Director and Chief Executive Officer and is a director of AOL but she does not have any equity interest in our Group, AANL and AOL.	Channel supply agreement for the acquisition of exclusive rights of Awani Channel in SD format across all TV platform in Malaysia and Brunei.	57,778

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Date of transaction	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Transaction amount RM 000
		MBNS with AANL *(cont'd)*	LGK is an Alternate Director to ARM in our Company and AOL. He is a director of AHSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AANL, AOL, AHSB, UTSB, PSIL, Excorp and PanOcean.		
(iii)	1 June 2011	Astro Awani Network with AANL	**Interested major shareholders** AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK AANL is an indirect subsidiary of AOL which in turn is wholly-owned by AAAN. AAAN is wholly-owned by AHSB, our ultimate holding company. DHB, THO, SM and HTSB are major shareholders of AHSB(2). SM is a person connected to MKM. PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of AHSB. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of AOL, AAAN and AHSB. ARM is our Director and Non-Executive Deputy Chairman and is a director and the Group Chief Executive Officer of AHSB. He is also a director of AOL, AAAN, AAME, UTSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AANL, AOL, AAAN, AHSB, AAME, UTSB, PSIL, Excorp and PanOcean. CKY, MKM and BAC are our Directors and are directors of AOL and AAAN but they do not have any equity interest in our Group, AANL, AOL and AAAN. HZM is our Director 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 our Group, AANL, AOL, AAAN, AHSB and PCBV.	Transfer of AANL's business to Astro Awani Network	50,000

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Date of transaction	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Transaction amount RM 000
		Astro Awani Network with AANL *(cont'd)*	DRR is our Director and Chief Executive Officer and is a director of AOL but she does not have any equity interest in our Group, AANL and AOL. LGK is an Alternate Director to ARM in our Company and AOL. He is a director of AHSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AANL, AOL, AHSB, UTSB, PSIL, Excorp and PanOcean.		

Notes:

(1) *As at 31 July 2012, the outstanding shareholders' advance owing by Advanced Wireless Technologies to MBNS Multimedia Technologies amounted to RM37.1 million (including accrued interest). Please refer to Section 11.1.3 of this Prospectus for further details of outstanding loans made by our Group to or for the benefit of related parties. The indemnity amount has subsequently been reduced to RM6.25 million in line with the reduction of the performance guarantee from RM50.0 million to RM25.0 million. Please refer to note 7 in Annexure B of this Prospectus for further details.*

(2) *Each of DHB, THO and SM is deemed to have an interest over 177,446,535 ordinary shares of RM0.10 each and 177,446,535 RPS of RM0.01 each in AHSB (collectively "**AHSB Shares**") in which HTSB has an interest, by virtue of his interest over 250,000 shares representing 25% of the issued and paid-up share capital in HTSB. HTSB is deemed to have an interest in all of the AHSB Shares in which Berkat Nusantera Sdn Bhd, Nusantara Cempaka Sdn Bhd, Nusantare 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 control the exercise of 100% of the votes attached to the voting shares in the immediete holding companies in each of the HTSB Subsidiaries i.e. Nusantara Barat Sdn Bhd, Nusantara Kembang Sdn Bhd, Prisma Mutiara Sdn Bhd, Nada Nusantara Sdn Bhd, Cermat Delima Sdn Bhd and Cermat Deres Sdn Bhd.*

The HTSB Subsidiaries hold in aggregate 12.58% direct equity interest in AHSB under discretionary trusts for Bumiputera objects. As such, each of DHB, THO and SM does not have any economic interest in the AHSB Shares held by the HTSB Subsidiaries as such interast is subject to the terms of such discretionary trusts. Further, as each of DHB, THO and SM 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 our Shares.

(3) *Each of DHB, THO and SM is deemed to have an interest over 4,875,000,000 ordinary shares of RM0.10 each in Maxis ("**Maxis Shares**") representing 65% of the issued and paid-up share capital of Maxis in which Binariang GSM Sdn Bhd ("BGSM") has an interest, by virtue of his 25% direct equity interest in Harapan Nusantara Sdn Bhd ("**HNSB**"). HNSB is deemed to have interest in all the shares in Maxis in which BGSM has an interest 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 HNSB Subsidiaries hold in aggregate 30% direct equity interest in BGSM and therefore, via such aggregate interest, HNSB has a deemed interest over all the Maxis Shares held by BGSM in Maxis Communications Berhad and Maxis. The HNSB Subsidiaries collectively hold the Maxis Shares under discretionary trusts for Bumiputera objects. As such, each of DHB, THO and SM does not have any economic interest in the Maxis Shares in which the HNSB Subsidiaries are deemed to have an interest.

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

In addition to the above, our Company has entered into agreements with its related parties, AAAN and AOL and/or their subsidiaries, as set out in Sections 6.1 and 15.5 of this Prospectus, some of which are in relation to the Reorganisation. AAAN and AOL are wholly-owned subsidiaries of AHSB which in turn is our ultimate holding company. The interested major shareholders for the related party transactions in relation to the Reorganisation are AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK while the interested directors are DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK.

11.1.2 Recurrent related party transactions

Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue nature necessary for the day-to-day operations of our Group.

After the Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate.

Under the Listing Requirements, related party transactions may be aggregated to determine their materiality if the terms of such transactions were agreed upon within a 12 month period, are entered into with the same party or with parties connected to one another or if the transactions involve the acquisition or disposal of securities or interests in one corporation/asset or of various parcels of land contiguous with each other.

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

Save as disclosed below, our Group does not have any other existing and/or proposed recurrent related party transactions which have been entered into or are to be entered into by our Group with related parties for the past three financial years ended 31 January 2010, 2011 and 2012, six month financial period ended 31 July 2012 and the 12 months ending 31 July 2013:

				Actual				Estimate
				Financial year ended 31 January			Six month financial period ended 31 July 2012	12 months ending 31 July 2013
No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	2010	2011	2012		
				RM 000				
(i)	Our Group with UTSB Group	**Interested major shareholders** UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** ARM and LGK UTSB is our major shareholder. PSIL, Excorp, PanOcean and TAK are major shareholders of our Company and UTSB. ARM is our Director and Non-Executive Deputy Chairman and is a director of UTSB, PSIL, Excorp and PanOcean. He is also a director of several subsdiaries of UTSB but he does not have any equity interest in our Group, UTSB, PSIL, Excorp and PanOcean. LGK is an Alternate Director to ARM in our Company and is a director of PSIL, Excorp and PanOcean. He is also a director of several subsidiaries of UTSB but he does not have any equity interest in our Group, UTSB, PSIL, Excorp and PanOcean.	• Provision of project and construction management and consultancy services to our Group • Provision of consultancy and support services to our Group • Provision of call centre services and ad-hoc services to our Group • Provision of email services and support services by our Group • Usage of management meeting rooms, resource centres and data centres at Menara Maxis as part of our Group's business continuity plans • Upgrade of information system including process improvements where applicable by our Group • Sale of airtime sponsorship and online web branding by our Group • Provision of maintenance and support services (Telelink Gateway System and Telelink Mobile System) by our Group • Provision of ticketing system for Tanjong Golden Village's ticket reservation by our Group • Distribution of films by our Group • Rental of cinema hall by our Group • Sale of advertising space in magazines by our Group	21,899	16,291	17,521	10,101	25,638

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010	2011	2012	Six month financial period ended 31 July 2012	Estimate: 12 months ending 31 July 2013
				RM 000				
(ii)	Our Group with Maxis Group	**Interested major shareholders** DHB, THO, SM, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB and ARM DHB, THO and SM are major shareholders of AHSB[(1)] and Maxis[(2)]. SM is a person connected to MKM. UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of our Company and Maxis. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012). ARM is our Director and Non-Executive Deputy Chairman. He is also a director of Maxis, UTSB, PSIL, Excorp and PanOcean. He is a shareholder of Maxis but he does not have any equity interest in our Group, UTSB, PSIL, Excorp and PanOcean.	• Provision of telephone-related services, content-related services and mobile application-related services by our Group • Sale/Provision of advertising, publishing, airtime, sponsorships and online web branding by our Group • Provision of talent for promotional activities, sponsorships and purchase of mobile phones by our Group • Sub-lease of land by our Group • Collaboration in respect of IPTV, content, broadband, voice and ancillary services • Sponsorship of golf tournament organised by our Group and the Maxis Group • Provision of "Live" Digital News Gathering via Very Small Aperture Terminal ("VSAT") Broadcast Services by our Group • Provision of electronic bill presentment, payment services and usage of mobile platform by our Group • Usage of Maxis' Menara Sunway Contact Centre as part of our Group's business continuity plans • Provision of telephone-related and mobile-related services to our Group • Provision of communication-related services (i.e. managed communication services, Internet services, private lease circuits, server co-location and others) to our Group • Provision of call centre services and ad-hoc services to our Group • Provision of consultancy and operation services to our Group	49,820	111,926	75,585	35,254	144,802

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

				Actual				Estimate
				Financial year ended 31 January			Six month financial period ended 31 July 2012	12 months ending 31 July 2013
No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	2010	2011	2012		
				RM 000				
(iii)	Our Group with MGB and its subsidiaries	**Interested major shareholders** TAK and THO **Interested Director** ARM TAK is our major shareholder and a major shareholder of MGB. THO is a major shareholder of AHSB[(1)] and a director of a subsidiary of MGB but he does not have any equity interest in MGB. ARM is our Director and Non-Executive Deputy Chairman. He is also a director of MGB but he does not have any equity interest in our Group and MGB.	• Lease of transponders/capacity on MEASAT-3, MEASAT-3A and/or MEASAT-3B by our Group • Refundable security deposit by our Group in relation to the lease of transponders/ capacity of MEASAT-3A • Lease of MEASAT-3 transponders for ad hoc services by our Group • Provision of satellite connectivity for outside broadcast to our Group • Provision of uplink and transponder services to our Group • Rental of building to our Group	141,569	105,511	106,385	54,132	111,835
(iv)	Our Group with Communications and Satellite Services Sdn Bhd ("**CSS**")	**Interested major shareholders** TAK and SM **Interested Director** None. CSS is a wholly-owned subsidiary of MAI Sdn Berhad ("**MAI**"). TAK is the major shareholder of our Company and MAI. SM is the major shareholder of AHSB[(1)] and a director of CSS but he does not have any equity interest in CSS. SM is a person connected to MKM.	Provision of transmission link services via satellite to our Group	-	-	-	-	40

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010	2011	2012	Six month financial period ended 31 July 2012	Estimate: 12 months ending 31 July 2013
				RM 000				
(v)	Our Group with AOL, its subsidiaries and associated companies ("AOL Group")	**Interested major shareholders** AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK AOL is a wholly-owned subsidiary of AAAN which in turn is wholly-owned by AHSB, our ultimate holding company. DHB, THO, SM and HTSB are major shareholders of AHSB[1]. SM is a person connected to MKM. PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of AHSB. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of AOL, AAAN and AHSB. ARM is our Director and Non-Executive Deputy Chairman and is a director and the Group Chief Executive Officer of AHSB. He is also a director of AOL, AAAN, AAME, UTSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AOL, AAAN, AHSB, AAME, UTSB, PSIL, Excorp and PanOcean. CKY, MKM and BAC are our Directors and are directors of AOL and AAAN but they do not have any equity interest in our Group, AOL and AAAN.	• Provision of corporate management charges, consultancy services and other services by our Group • Purchase of programme rights and provision licensing for use of "Astro" trademark by our Group • Provision of additional headcount, playout services and other transmission-related services by our Group • Provision of rights and licences for channels, films and drama series by our Group • Rental of office space by our Group • Provision of maintenance services for the content provider gateway system by our Group[3] • Supply and licensing of a content provider gateway software systems for the Middle East and North Africa territories by our Group[3] • Provision/Supply of business, operational and administrative services and playout services to our Group • Provision business development consulting services to our Group • Content provider to our Group • Provision of production and playout services to our Group	264,720	186,899	111,668	32,973	109,097

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010	Actual: Financial year ended 31 January 2011	Actual: Financial year ended 31 January 2012	Actual: Six month financial period ended 31 July 2012	Estimate: 12 months ending 31 July 2013
				RM 000	RM 000	RM 000	RM 000	RM 000
	Our Group with AOL Group *(cont'd)*	HZM is our Director 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 our Group, AOL, AAAN, AHSB and PCBV. DRR is our Director and Chief Executive Officer and is a director of AOL but she does not have any equity interest in our Group and AOL. LGK is an Alternate Director to ARM in our Company and AOL. He is a director of AHSB, PSIL, Excorp and PanOcean. He is also a director of several subsidiaries of UTSB but he does not have any equity interest in our Group, AOL, AHSB, UTSB, PSIL, Excorp and PanOcean.						
(vi)	Our Group with CSS Entertainment Sdn Bhd ("CSSE")	**Interested major shareholder** SM **Interested Director** None SM is a major shareholder of AHSB[(1)] and CSSE. SM is a person connected to MKM.	Provision of Digital Satellite News Gathering/VSAT service for ad hoc live coverage to our Group	-	-	-	-	192

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

				Actual				Estimate
				Financial year ended 31 January			Six month financial period ended 31 July 2012	12 months ending 31 July 2013
No.	**Transacting parties**	**Nature of relationship as at the LPD**	**Nature of transaction**	**2010**	**2011**	**2012**		
						RM 000		
(vii)	Our Group, Maxis Broadband Sdn Bhd ("**MBSB**") and Media Innovations Pty Ltd ("**MIP**")	**Interested major shareholders** AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB, ARM, CKY, MKM, BAC, HZM, DRR and LGK MBSB is a wholly-owned subsidiary of Maxis. MIP is an indirect associate company of AOL which in turn is wholly-owned by AAAN. AAAN is wholly-owned by AHSB, our ultimate holding company. DHB, THO and SM are major shareholders of AHSB[(1)] and Maxis[(2)]. HTSB is a major shareholder of AHSB. SM is a person connected to MKM. UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of our Company, AHSB and Maxis. UTES and AAME are major shareholders of our Company and AHSB. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of AOL, AAAN and AHSB. ARM is our Director and Non-Executive Deputy Chairman and is a director and the Group Chief Executive Officer of AHSB. He is also a director of Maxis, MIP, AOL, AAAN, UTSB, PSIL, Excorp and PanOcean. He is a shareholder of Maxis but he does not have any equity interest in our Group, MIP, AOL, AAAN, AHSB, UTSB, PSIL, Excorp and PanOcean.	Provision of IPTV services to MBSB and its related entities by our Group and MIP.	-	-	2,056	1,828	8,189

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010 (RM 000)	2011 (RM 000)	2012 (RM 000)	Six month financial period ended 31 July 2012 (RM 000)	Estimate: 12 months ending 31 July 2013 (RM 000)
	Our Group, MBSB and MIP *(cont'd)*	CKY, MKM and BAC are our Directors and are directors of AOL and AAAN but they do not have any equity interest in our Group, AOL and AAAN. HZM is our Director 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 our Group, AOL, AAAN, AHSB and PCBV. DRR is our Director and Chief Executive Officer and is a director of MIP, AOL and certain subsidiaries of Maxis but she does not have any equity interest in our Group, MIP, AOL and Maxis. LGK is an Alternate Director to ARM in our Company and AOL. He is a director of AHSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AOL, AHSB, UTSB, PSIL, Excorp and PanOcean.						
(viii)	Our Group with New Delhi Television Limited ("NDTV") group	**Interested major shareholder** NDTV **Interested Director** Dr. Prannoy Lal Roy NDTV One Holdings Ltd and NDTV Networks Ltd, both subsidiaries of NDTV, are major shareholders of Astro Awani Network, our 80% owned subsidiary. Dr. Prannoy Lal Roy is a director of Astro Awani Network, NDTV and several of its subsidiaries but he does not have any equity interest in our Group.	• Provision of training services by our Group • Provision of consultancy services to our Group • Provision of digital media services to our Group • Provision of digital media management services to our Group • Digital media excoding (DMX) annual maintenance and upgrade support to our Group	496	-	933	3,163	4,890

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010	Actual: Financial year ended 31 January 2011	Actual: Financial year ended 31 January 2012	Actual: Six month financial period ended 31 July 2012	Estimate: 12 months ending 31 July 2013
				RM 000	RM 000	RM 000	RM 000	RM 000
(ix)	Our Group with AHSB and its subsidiaries ("AHSB Group")	**Interested major shareholders** AHSB, DHB, THO, SM, HTSB, PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK **Interested Directors** DHB, ARM, HZM and LGK AHSB is our ultimate holding company. DHB, THO, SM and HTSB are major shareholders of AHSB[1]. SM is a person connected to MKM. PCBV, Khazanah, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK are major shareholders of our Company and AHSB. DHB was our Director and Chairman (he resigned from our Board on 15 August 2012) and is a director of AHSB. ARM is our Director and Non-Executive Deputy Chairman and is a director and the Group Chief Executive Officer of AHSB. He is also a director of AAME, UTSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AHSB, AAME, UTSB, PSIL, Excorp and PanOcean. HZM is our Director and is a director of AHSB and PCBV but he does not have any equity interest in our Group, AHSB and PCBV.	• Provision of management services to our Group	-	-	600	336	600

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship as at the LPD	Nature of transaction	Actual: Financial year ended 31 January 2010	Actual: Financial year ended 31 January 2011	Actual: Financial year ended 31 January 2012	Actual: Six month financial period ended 31 July 2012	Estimate: 12 months ending 31 July 2013
				RM 000				
	Our Group with AHSB Group *(cont'd)*	LGK is an Alternate Director to ARM in our Company and is a director of AHSB, PSIL, Excorp and PanOcean but he does not have any equity interest in our Group, AHSB, UTSB, PSIL, Excorp and PanOcean,						
(x)	Our Group with ASN Asia Limited ("ASN")	**Interested major shareholder** None **Interested Director** None The shares in ASN are held in majority by Yes Television (Hong Kong) Limited ("Yes TV"), which has entered into joint venture arrangements with AOL's subsidiaries in relation to Goal TV Asia Limited and Plus Interactive Asia Limited. Yes TV is deemed to be an interested person connected to our major shareholders.	Provision of license rights of sports content to our Group	237	309	322	571	863
(xi)	Our Group with Sun TV Network Limited ("SunTV")	**Interested major shareholder** None **Interested Director** None SunTV has entered into a joint venture arrangement with a subsidiary of AOL in relation to South Asia FM Limited. The promoter and shareholder of SunTV, Kalanithi Maran, has entered into a joint venture arrangement with a subsidiary of AOL in relation to Sun Direct TV Private Limited. SunTV and Kalanithi Maran are deemed to be interested persons connected to our major shareholders.	Provision of channel rights to our Group	16,387	16,505	19,726	11,659	34,000

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

Notes:

(1) Each of DHB, THO and SM is deemed to have an interest over the AHSB Shares in which HTSB has an interest, by virtue of his interest over 250,000 shares representing 25% of the issued and paid-up share capital in HTSB. HTSB is deemed to have an interest in all of the AHSB Shares in which the HTSB Subsidiaries have an interest, by virtue of HTSB being entitled to control the exercise of 100% of the votes attached to the voting shares in the immediate holding companies in each of the HTSB Subsidiaries i.e. Nusantara Barat Sdn Bhd, Nusantara Kembang Sdn Bhd, Prisma Mutiara Sdn Bhd, Nada Nusantara Sdn Bhd, Cermat Delima Sdn Bhd and Cermat Deras Sdn Bhd.

The HTSB Subsidiaries hold in aggregate 12.58% direct equity interest in AHSB under discretionary trusts for Bumiputera objects. As such, each of DHB, THO and SM does not have any economic interest in the AHSB Shares held by the HTSB Subsidiaries as such interest is subject to the terms of such discretionary trusts. Further, as each of DHB, THO and SM does not exercise or control the exercise of at least 15% of the votes attached to the voting shares in AHSB, none of them is deemed to have an interest in our Shares.

(2) Each of DHB, THO and SM is deemed to have an interest over the Maxis Shares representing 65% of the issued and paid-up share capital of Maxis in which BGSM has an interest, by virtue of his 25% direct equity interest in HNSB. HNSB is deemed to have interest in all the shares in Maxis in which BGSM has an interest by virtue of HNSB being entitled to control the exercise of 100% of the votes attached to the voting shares in each of the HNSB Subsidiaries.

The HNSB Subsidiaries hold in aggregate 30% direct equity interest in BGSM and therefore, via such aggregate interest, HNSB has a deemed interest over all the Maxis Shares held by BGSM in Maxis Communications Berhad and Maxis. The HNSB Subsidiaries collectively hold the Maxis Shares under discretionary trusts for Bumiputera objects. As such, each of DHB, THO and SM does not have any economic interest in the Maxis Shares in which the HNSB Subsidiaries are deemed to have an interest.

*(3) These transactions were entered and are proposed to be entered into with a wholly-owned subsidiary of Gulf Digital Media Holding BSC(C), which is a 71% owned subsidiary of Saudi Telecom Company ("**STC**"). STC has entered into a joint venture arrangement with a subsidiary of AOL and is therefore deemed to be a person connected to our major shareholder.*

(The rest of this page has been intentionally left blank)

11.1.3 Loans made to or for the benefit of related parties

Our wholly-owned subsidiary, MBNS Multimedia Technologies, together with Maxis, have provided shareholders' advances to Advanced Wireless Technologies in the proportion of MBNS Multimedia Technologies' 25.0% shareholding and Maxis' 75.0% shareholding in Advanced Wireless Technologies to fund its operations.

As at 31 July 2012, the outstanding shareholder's advance due from Advanced Wireless Technologies to MBNS Multimedia Technologies amounted to RM37.1 million (including accrued interest) and this amount remained outstanding as at the LPD. The outstanding amount is expected to be settled by Advanced Wireless Technologies after it has generated sufficient operating cash flows.

In addition, MBNS Multimedia Technologies had also provided an indemnity of RM6.25 million to Maxis pursuant to shareholder obligations in respect of Advanced Wireless Technologies.

Save as disclosed above, there were no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of any related party as at 31 July 2012.

Prior to the Reorganisation, our Group was part of the AAAN group of companies and as such, there were inter-company advances between our subsidiaries and AOL and its subsidiaries ("**AOL Group**") which were subsequently fully repaid. In addition, as part of the Reorganisation, our Company had advanced RM1.5 billion to ANM in June 2011. This amount was subsequently fully repaid in April 2012. As at 31 July 2012, there are no outstanding loans from our Group to ANM and AOL Group.

Our ultimate holding company, AHSB had provided advances to our related parties pursuant to the Reorganisation. The outstanding advances due from our Group's related parties to AHSB as at 31 July 2012 amounted to RM48.8 million and there is no fixed terms of repayment. The balances have been fully settled as at the LPD. Save as disclosed, as at 31 July 2012, there are no outstanding loans (including guarantees of any kind) made by our holding company and ultimate holding company to or for the benefit of any of our Group's related party.

Our Directors are of the view that all the above non-recurrent and recurrent related party transactions were conducted on an arm's length basis and on terms not more favourable to the related parties than those generally available to the public, where such transactions can be transacted with the public.

11.2 Conflict of interests

Save as disclosed in Sections 9.1.4 and 9.3 of this Prospectus, none of our Directors and substantial shareholders has any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group, associated companies and jointly controlled entities; or (ii) our customers and/or suppliers.

11.3 Monitoring and oversight of related party transactions and conflicts of interest

11.3.1 Audit Committee review

The Audit Committee reviews related party transactions and conflicts of interest that may arise within our Group. The Audit Committee periodically reviews the procedures set by our Company to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms at arm's length basis, on terms which are not more favourable to the related party than those generally available to public and are not to the detriment of our Company's minority shareholders. All reviews by the Audit Committee are reported to our Board for its further action.

11.3.2 Conflicts of interest

The related party transactions disclosed above, by their very nature, involve a conflict of interests between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers and the Directors of our Group are also officers, directors and in some cases, shareholders of or who have interest in the shares of the related parties of our Group, as disclosed herein and, with respect to these related party transactions, may individually and in aggregate have conflict of interests. It is the policy of our Group that all related party transactions are carried out on normal commercial terms at arm's length basis, on terms which are not more favourable to the related party than those generally available to public and are not to the detriment of our Company's minority shareholders.

11.4 Declarations by advisers on conflicts of interest

11.4.1 Declaration by CIMB

CIMB, its subsidiaries and associated companies, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries and associated companies of its holding company ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group or our shareholders and their affiliates or any other entity or person, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Group. This is a result of the businesses of CIMB Group generally acting independent of each other, and accordingly there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Company.

As at the LPD, the CIMB Group has extended credit facilities to our Group. The credit facilities comprise term loans, trade and hedging facilities. In addition, Khazanah holds approximately 29.9% equity interest in CIMB Group Holdings Berhad as at the LPD.

CIMB has confirmed that the abovementioned extension of credit facilities and Khazanah's equity interest in CIMB Group Holdings Berhad do not result in conflicts of interest situation in respect of its capacities as set out in this Prospectus as:

(i) the total credit facilities are not material when compared to the audited total assets of the CIMB Group as at 31 December 2011;

(ii) the extension of credit facilities arose in the ordinary course of business of the CIMB Group in view of the CIMB Group's extensive participation in the Malaysian capital market and banking industry; and

(iii) Khazanah does not have any operational control over the management of CIMB Group, which is governed autonomously by its own Board of Directors who are fully authorised to manage its affairs.

11.4.2 Declaration by Maybank IB

Maybank IB and its related and associated companies ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engaged in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group or any other entity or person, hold long or short position, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Group. This is a result of the businesses of Maybank Group generally acting independently of each other, and accordingly, there may be situations where parts of Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, our Group has credit facilities with Maybank Group. The said credit facilities have been extended by Maybank Group in its ordinary course of business.

Notwithstanding this, Maybank IB has confirmed that the aforesaid lending relationship would not give rise to a conflict of interest situation in its capacity as the Joint Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the IPO as well as Joint Managing Underwriter to the Retail Offering.

Maybank IB has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as the Joint Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the IPO as well as the Joint Managing Underwriter to the Retail Offering.

11.4.3 Declaration by RHB

RHB and/or its related companies ("**RHB Banking Group**") engage in private banking, commercial banking and investment banking transaction including, inter-alia brokerage, securities trading, asset and funds management and credit transaction service businesses. The RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the RHB Banking Group may at any time offer or provide their services to or engage in any transactions (on their own account or otherwise) with any member of our Group or any other entity or person, hold long or short positions, and may trade or otherwise effect transactions for their own account or the account of their other customers in debt or equity securities or senior loans of our Company and/or our affiliates. The related companies of RHB may bid for the IPO Shares to be offered under the Institutional Offering.

As at the LPD, RHB Bank Berhad, a company related to RHB has in the ordinary course of business extended credit facilities to our Group. RHB as part of RHB Banking Group has confirmed that there is no conflict of interest in its capacities as set out in this Prospectus in relation to the IPO in view that the credit facilities are not material when compared to RHB Bank Berhad's total loan, advances and financing as at 31 December 2011.

Dato' Mohamed Khadar Bin Merican is a common director of our Company and RHB, RHB Capital Berhad and RHB Bank Berhad. Nevertheless, Dato' Mohamed Khadar Bin Merican is not involved in the day-to-day operations of our Group and RHB. He is an Independent Non-Executive Director in both our Company and RHB.

11.4.4 Declaration by Credit Suisse (Singapore) Limited

Credit Suisse AG, together with its affiliates, branches and subsidiaries (together, the "**Credit Suisse Group**"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the Credit Suisse Group may hold positions, for their own account or the accounts of customers, in equity, debt or other securities of members of our Company, the Selling Shareholder and their respective affiliates.

The Credit Suisse Group may engage in transactions with, and perform services for, the Company, the Selling Shareholder and their respective affiliates in the ordinary course of business and have engaged, and may in the future engage, in commercial banking and investment banking transactions, including providing loans or entering into other financing arrangements, with our Company, the Selling Shareholder and their respective affiliates, for which it has received, or may in the future receive, customary compensation.

As at the LPD, members of the Credit Suisse Group have existing credit facilities with affiliates of the Selling Shareholder. The said credit facilities have been extended by the Credit Suisse Group in its ordinary course of business.

Credit Suisse (Singapore) Limited has confirmed that, notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as Joint Global Coordinator and Joint Bookrunner for the Listing.

The Credit Suisse Group will not receive any proceeds from the IPO, except with respect to the fees and expenses incurred by Credit Suisse (Singapore) Limited in connection with acting as Joint Global Coordinator and Joint Bookrunner for the Listing.

11.4.5 Declaration by Goldman Sachs (Singapore) Pte.

Goldman Sachs and members of the Goldman Sachs Group, Inc., ("**Goldman Sachs Group**") form a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment banking and financial advisory, investment management, principal investment, hedging, financing and brokerage activities and financial planning and benefits counselling for both companies and individuals. In the ordinary course of these activities, members of the Goldman Sachs Group may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. In addition, members of the Goldman Sachs Group have provided, and may in future provide investment banking services including providing loans or entering into other financing arrangements, to our Group and/or our shareholders, for which members of the Goldman Sachs Group have received or may receive compensation.

Goldman Sachs reviews potential investment banking assignments through a centralized process to determine, among other things, whether they present an actual or potential conflict of interest in light of its other business activities. Goldman Sachs has considered its role as a Joint Global Coordinator of the Institutional Placement outside Malaysia pursuant to this process.

Based on this review Goldman Sachs has confirmed that it has determined that it does not have a conflict of interest that prevents it from acting as a Joint Global Coordinator and Joint Bookrunner in respect of the Institutional Offering outside of Malaysia.

11.4.6 Declaration by J.P. Morgan Securities plc

J.P. Morgan Securities plc and/or its subsidiaries, branches, affiliates and associates (the "**J.P. Morgan Group**"), in its capacity as principal or agent, is and may in the future, be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, securities issuance, trading (customer and proprietary) and brokerage) from which conflicting interests or duties may arise. The J.P. Morgan Group has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for members of our Company, in addition to the role set out in the Prospectus.

In addition, in the ordinary course of its global investment banking and commercial banking activities, J.P. Morgan Securities plc and other members of the J.P. Morgan Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with members of our Company and/or any other persons, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative instruments) or senior loans of members of our Company.

J.P. Morgan Securities plc has confirmed that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Global Coordinator and Joint Bookrunner in relation to the IPO and Listing.

11.4.7 Declaration by UBS AG, Singapore Branch

UBS AG and/or its subsidiaries, branches, affiliates and associates (the "**UBS Group**"), in its capacity as principal or agent, is and may in the future, be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, securities issuance, trading (customer and proprietary) and brokerage) from which conflicting interests or duties may arise. The UBS Group has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for members of our Group, in addition to the role set out in this Prospectus.

In addition, in the ordinary course of its global investment banking and commercial banking activities, UBS and other members of the UBS Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with members of our Group and/or any other persons, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative instruments) or senior loans of members of our Group.

UBS AG, Singapore Branch has confirmed that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Global Coordinator and Joint Bookrunner in relation to the IPO and Listing.

11.4.8 Citigroup Global Markets Limited

Citigroup Global Markets Limited and/or its subsidiaries, branches, affiliates and associates (the "**Citigroup**"), in its capacity as principal or agent, is and may be in the future, involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, securities issuance, trading (customer and proprietary) and brokerage) from which conflicting interests or duties may arise. The Citigroup has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for members of our Group, in addition to the role set out in this Prospectus.

In addition, in the ordinary course of its global investment banking and commercial banking activities, Citigroup Global Markets Limited and other members of the Citigroup may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with members of our Group and/or any other persons, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative instruments) or senior loans of members of our Group.

Citigroup has granted our Group facilities totalling up to approximately RM585.0 million. The banking facilities comprise term loans, trade, guarantees as well as derivative and foreign exchange facilities. At the LPD, the total amounts owing by our Group to Citigroup are approximately RM428.0 million of which term loans account for RM39.0 million, trade for RM248.0 million, guarantees for RM120.0 million and derivatives and foreign exchange for RM21.0 million.

Citigroup has confirmed that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner of the Institutional Offering outside of Malaysia.

11.4.9 Declaration by DBS Bank Ltd.

DBS Bank Ltd., its subsidiaries, associates and affiliates, as well as its holding company, DBS Group Holdings Ltd, its subsidiaries, associates and affiliates (collectively, the "**DBS Group**") are, and may in the future be, involved in a wide range of commercial banking, investment banking and other activities (including but not limited to investment management, asset management, corporate finance and advisory, and securities issuing, brokerage, trading and research) out of which conflicting interests or duties may arise. The DBS Group has engaged in, and may perform in the future, transactions and services for our Group and/or affiliates, in addition to its roles as set out in this Prospectus. In addition, in the ordinary course of its commercial and investment banking activities, members of the DBS Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with our Group, affiliates and/or any other persons, including but not limited to, holding long or short positions in securities issued by our Group and/or affiliates, making investment recommendations and/or publishing independent research views in respect of such securities and trading or otherwise effecting transactions, for its own account or the accounts of its customers, in debt or equity securities or senior loans of our Group or any of our affiliates.

DBS Bank Ltd. has confirmed that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner for the Institutional Offering outside of Malaysia.

11.4.10 Declaration by Deutsche Bank AG, Hong Kong Branch

Deutsche Bank, together with its affiliates, branches and subsidiaries (together, the "**Deutsche Bank Group**"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the Deutsche Bank Group may hold positions, for their own account or the accounts of customers, in equity, debt or other securities of members of our Group and/or our shareholders. In addition, members of the Deutsche Bank Group have provided, and may in the future provide, investment banking services to our Group and/or our shareholders, for which members of the Deutsche Bank Group have received or may receive compensation.

As at the LPD, a member of the Deutsche Bank Group has extended a term loan facility and other facilities to one of our subsidiaries.

Deutsche Bank has confirmed that notwithstanding the above, it does not have a conflict of interest that prevents it from acting in its capacity as a Joint Bookrunner for the Institutional Offering outside of Malaysia.

11.4.11 Macquarie Capital (Singapore) Pte. Limited

Macquarie Capital (Singapore) Pte. Limited, its affiliates, related and associated companies (the "**Macquarie Group**") form a diversified financial group and are in the ordinary course of business engaged in a wide range of businesses, including providing stockbroking, investment advisory, investment management, research, securities issuance and trading (customer and proprietary) to clients. The Macquarie Group has engaged and may in the future, engage in transactions with and perform services for members of our Group, in addition to its role in the IPO.

In addition, in the ordinary course of business, any member of the Macquarie Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities (or related derivative instruments) or loan financing of any member of our Group. This is a result of the businesses of the Macquarie Group generally acting independently of each other, and accordingly there may be situations where members of the Macquarie Group and/or its customers now have or in the future, may have, interest or take actions that may conflict with the interests of our Company.

Macquarie Capital (Singapore) Pte. Limited has confirmed that there is no conflict of interest in its capacity as a Joint Bookrunner for the international portion of the Institutional Offering in relation to the IPO and the Listing.

11.4.12 Declaration by Merrill Lynch (Singapore) Pte. Ltd.

Bank of America Corporation, the ultimate parent company of Merrill Lynch (Singapore) Pte. Ltd. ("**BofAML**"), and/or its subsidiaries, branches, affiliates and associates (collectively, the "**BAC Group**"), comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In its capacity as principal or agent, the BAC Group is, and may in the future, be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, trading (customer and proprietary) and brokerage), from which conflicting interests or duties may arise. Members of the BAC Group have engaged in, and may in the future engage in, investment banking and other commercial dealings with our Company and/or our affiliates and shareholders, in addition to the role set out in this Prospectus. In addition, in the ordinary course of its business activities, BofAML and other members of the BAC Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with our Company, affiliates and/or any other persons, or make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative securities, including swaps) or financial instruments (including bank loans) of our Company or any of our affiliates.

BofAML has confirmed that it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner for the Institutional Offering outside of Malaysia.

11.4.13 Declaration by Morgan Stanley & Co. International plc

Morgan Stanley & Co. International plc ("**Morgan Stanley**"), together with its affiliates, is a global financial services firm engaged in a wide range of securities trading and brokerage activities, investment banking, financial advisory, investment management and wealth management businesses. Morgan Stanley and/or its affiliates may, in the ordinary course of business, engage in any one or more of the following:

(i) perform investment banking transactions with or provide services to our Company and/or our affiliates for which they have received or may in the future receive compensation;

(ii) acquire shares where legally permissible in the IPO other than as a Joint Bookrunner for the Institutional Offering outside Malaysia; and

(iii) trade the securities of our Company and/or our affiliates for its own account and for the accounts of its customers, and may at any time hold a long or short position in such securities.

Morgan Stanley has confirmed that notwithstanding the above, it does not have a conflict of interest that prevents it from acting as a Joint Bookrunner in relation to the Institutional Offering outside of Malaysia.

11.4.14 Declaration by AmInvestment Bank Berhad

AmInvestment Bank Berhad has confirmed that there is no existing or potential conflict of interest in their capacity as the Joint Managing Underwriter for the Retail Offering and the Co-Lead Manager for the Institutional Offering in Malaysia.

11.4.15 Declaration by AFFIN Investment Bank Berhad

AFFIN Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in their capacity as the Joint Underwriter for the Retail Offering.

11.4.16 Declaration by Kenanga Investment Bank Berhad

Kenanga Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in their capacity as the Joint Underwriter for the Retail Offering and Co-Lead Manager for for the Institutional Offering in Malaysia.

11.4.17 Declaration by MIDF Amanah Investment Bank Berhad

MIDF Amanah Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in their capacity as the Joint Underwriter for the Retail Offering.

11.4.18 Declaration by Public Investment Bank Berhad

Public Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in their capacity as the Joint Underwriter for the Retail Offering and Co-Lead Manager for the Institutional Offering in Malaysia.

11.4.19 Declaration by CLSA Singapore Pte Ltd

CLSA Singapore Pte Ltd has confirmed that there is no existing or potential conflict of interest in their capacity as the Co-Lead Manager for the Institutional Offering outside of Malaysia.

11.4.20 Declaration by Oversea-Chinese Banking Corporation Limited

Oversea-Chinese Banking Corporation Limited ("**OCBC**"), its subsidiaries and associated company (collectively the "**OCBC Group**") may, in the ordinary course of their businesses, extend credit facilities or engage in commercial banking, investment banking, private banking, securities trading, asset and funds management, research and insurance with any member of our Group (based on accounting concept as recognised in the financial statements) and/or respective affiliates, in addition to the role set out in this Prospectus.

In addition, in the ordinary course of its business, any member of the OCBC Group may at any time offer or provide services to or engage in any transactions (on its own account or otherwise) with any member of our Group, our respective affiliates, or any other entity or person. This includes but is not limited to, holding long or short positions in securities issued by any member of our Group and respective affiliates, and trading or otherwise effecting transactions, for its own account or the accounts of its customers, in debt or equity (or related derivative instruments) of any member of our Group and respective affiliates. This is a result of the businesses of OCBC Group generally acting independent of each other, and accordingly there may be situations where parts of the OCBC Group and/or its customers now have interest or may in the future, have interest or take actions that may conflict with the interests of our Company.

The OCBC Group has from, time to time, extended credit facilities including term loans and hedging facilities, to our Group.

OCBC has confirmed that the above-mentioned extension of credit facilities does not result in a conflict of interest situation in respect of its capacity as set out in this Prospectus and the extension of credit facilities is in the ordinary course of the OCBC Group's business.

11.4.21 Declaration by PricewaterhouseCoopers

PricewaterhouseCoopers has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants of our Company.

11.4.22 Declaration by Kadir, Andri & Partners

Kadir, Andri & Partners has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Company as to Malaysian law.

11.4.23 Declaration by Clifford Chance

Clifford Chance has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Company and the Selling Shareholder as to US and English law.

11.4.24 Declaration by Zul Rafique & Partners

Zul Rafique & Partners has acted and is currently acting as advisers for AHSB Group, Astro Malaysia Group, the Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters and Co-Lead Managers and other companies controlled by or associated with any of them in other transactions. They confirmed that notwithstanding the above, there is no existing or potential conflict of interest in their capacity as Legal Adviser to the Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters and Co-Lead Managers as to Malaysian law.

11.4.25 Declaration by Linklaters Singapore Pte. Ltd.

Linklaters Singapore Pte Ltd has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators, Joint Bookrunners and Co-Lead Managers as to US and English law.

11.4.26 Declaration by Albar & Partners

Albar & Partners has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to the Selling Shareholder as to Malaysian law.

11.4.27 Declaration by Value Partners Management Consulting

Value Partners Management Consulting has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Market Researcher.

(The rest of this page has been intentionally left blank)

12. FINANCIAL INFORMATION

12.1 Historical pro forma consolidated financial information

Our Company was incorporated on 14 February 2011. In March 2011 and April 2011, we acquired the Malaysian businesses of AAAN as part of the Reorganisation implemented by our ultimate shareholder, AHSB. Please refer to Section 6.1 of this Prospectus for further information on the Reorganisation.

The main operating subsidiary that we acquired from AAAN under the Reorganisation was MBNS which accounted for more than 90% of our Group's revenue on a pro forma basis for the financial year ended 31 January 2012. In addition, we acquired other Malaysian businesses as part of the Reorganisation. These business combinations under common control have been accounted for using the acquisition method of accounting in accordance with the principle of FRS 3 "Business Combinations".

MBNS has been identified as the accounting acquirer for these business combinations. Accordingly, although the audited consolidated financial statements have been prepared by our Company, being the legal parent, they are in substance a continuation of the consolidated financial statements of our legal subsidiary, MBNS and its then only subsidiary, MEASAT Digicast.

The share capital shown in our audited consolidated financial statements, including comparatives, is our Company's issued and paid-up share capital. The acquisition of MBNS by us is deemed a capital reorganisation and the difference between the consideration for MBNS and the NA of MBNS at the date of acquisition has been taken to capital reorganisation reserve. The results of MBNS are presented from 1 February 2011 to 31 January 2012 in our audited consolidated financial statements although the acquisition of MBNS was completed on 5 April 2011.

The net identifiable assets and liabilities and post-acquisition results of the acquired businesses have been included in our audited consolidated financial statements from the respective acquisition dates in March 2011 and April 2011.

The comparatives for our audited financial statements for the financial years ended 31 January 2010 and 2011 represent the results of MBNS and its then only subsidiary, MEASAT Digicast. They do not include the results of our other subsidiaries.

The following selected historical financial information for the financial years ended 31 January 2010, 2011 and 2012 and for the three month financial period ended 30 April 2011 have been derived from the pro forma consolidated financial information of our Company for the corresponding financial years or financial period under review and should be read in conjunction with the Reporting Accountants' report on the pro forma consolidated financial information as set out in Section 12.6 of this Prospectus.

The pro forma consolidated financial information are presented on the assumption that our Group as at 30 April 2012 had been in existence throughout the financial period under review.

The selected historical financial information for the three month financial period ended 30 April 2012 have been derived from the audited consolidated financial statements of our Group which had been in existence throughout the financial period under review. The audited consolidated financial information for the three month financial period ended 30 April 2012 should be read in conjunction with the Accountants' Report and related notes set out in Section 13 of this Prospectus.

As the pro forma consolidated financial statements are prepared for illustrative purposes only, such information, because of its nature, may not give a true picture of the effects of the Reorganisation, IPO and Listing on our financial position, had the transactions or events occurred at the financial statement date. Further, such information does not purport to predict our financial position, results and cash flow. For more information on this risk, please refer to Section 5.1.11 of this Prospectus.

	Pro Forma				Audited
	Financial year ended 31 January			Three month financial period ended 30 April	
	2010	2011	2012	2011[1]	2012
	(RM 000, except percentages and per share data)				
Income statements:					
Revenue	3,242,334	3,664,065	3,888,801	908,366	986,028
Cost of sales	(1,933,974)	(2,000,369)	(2,236,613)	(522,174)	(584,989)
Gross profit	1,308,360	1,663,696	1,652,188	386,192	401,039
Other operating income	22,930	27,426	27,235	8,099	6,989
Marketing and distribution costs	(282,665)	(315,986)	(322,959)	(57,541)	(90,154)
Administrative expenses	(244,519)	(308,209)	(366,084)	(76,970)	(100,135)
Finance income	69,098	119,445	68,684	27,494	22,911
Finance costs	(70,927)	(93,656)	(194,687)	(22,938)	(69,238)
Share of post tax results from investments accounted for using the equity method	(986)	(2,213)	(52)	(874)	489
PBT	801,291	1,090,503	864,325	263,462	171,901
Tax expense	(187,365)	(263,024)	(234,709)	(67,173)	(48,536)
Profit for the financial year/period	613,926	827,479	629,616	196,289	123,365
Profit for the financial year/period attributable to:					
Equity holder of our Company	614,143	823,489	624,120	195,592	122,282
Non-controlling interests	(217)	3,990	5,496	697	1,083
	613,926	827,479	629,616	196,289	123,365
Other selected financial data:					
EBITDA[2]	986,202	1,369,752	1,414,660	356,251	341,928
Gross profit margin (%)[3]	40.4%	45.4%	42.5%	42.5%	40.7%
EBITDA margin (%)[4]	30.4%	37.4%	36.4%	39.2%	34.7%
PBT margin (%)[5]	24.7%	29.8%	22.2%	29.0%	17.4%
Profit margin (%)[6]	18.9%	22.6%	18.2%	21.6%	12.5%
Basic earnings per ordinary share (sen)[7]	13.0	17.4	13.2	16.6[9]	10.4[9]
Diluted earnings per ordinary share (sen)[8]	11.7	15.7	11.9	14.9[9]	9.3[9]

12. FINANCIAL INFORMATION *(cont'd)*

Notes:

(1) *The pro forma consolidated income statement for the three month financial period ended 30 April 2011 has been prepared based on unaudited consolidated financial information of our Company.*

(2) *EBITDA represents 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. The table below sets forth a reconciliation of our profit for the financial year/period to EBITDA:*

	Financial year ended 31 January			Three month financial period ended 30 April	
	2010	2011	2012	2011	2012
			RM 000		
Profit for the financial year/period	613,926	827,479	629,616	196,289	123,365
Tax expense	187,365	263,024	234,709	67,173	48,536
PBT	801,291	1,090,503	864,325	263,462	171,901
Finance income	(69,098)	(119,445)	(68,684)	(27,494)	(22,911)
Finance costs	70,927	93,656	194,687	22,938	69,238
Depreciation and amortisation	182,096	302,825	424,280	96,471	124,189
Share of post tax results from investments accounted for using the equity method	986	2,213	52	874	(489)
EBITDA	986,202	1,369,752	1,414,660	356,251	341,928

EBITDA, as well as the related ratios presented in this Prospectus, are supplemantal measures of our performance and liquidity that are not required by, or presented in accordance with the FRS and MFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the FRS and MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordanca with the FRS and MFRS or as an alternative to cash flow from operating activities or as a meesure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

(3) *Computed based on gross profit over total revenue of our Group.*

(4) *Computed based on EBITDA over total revenue of our Group.*

(5) *Computed based on PBT over total revenue of our Group.*

(6) *Computed based on profit for the financial year/period over total revenue of our Group.*

(7) *Computed based on profit for the financial year/period attributable to the equity holder of our Company over 4,723.0 million Shares.*

(8) *Computed based on profit for the financial year/period attributable to the equity holder of our Company over the enlarged share capital of 5,248.0 million Shares, after taking into account the Public Issue and assuming the maximum vesting and issuance of 50.7 million Shares pursuant to the full grenting of the Share Awards under the Management Share Scheme. Please refer to Section 15.4 of this Prospectus for further details.*

(9) *Annualised.*

12.2 Management's discussion and analysis of pro forma financial condition and results of operations

The following discussion and analysis with respect to the financial years ended 31 January 2010, 2011 and 2012 and the three month financial period ended 30 April 2011 are based on the pro forma consolidated financial information of our Company. The discussion and analysis with respect to the three month financial period ended 30 April 2012 are based on the audited consolidated financial information of our Company for the corresponding period. You should read this Section together with the Reporting Accountants' report on pro forma consolidated financial information as set out in Section 12.6 and the Accountants' Report as set out in Section 13 of this Prospectus, where relevant.

12.2.1 Introduction

We engage in the creation, aggregation and distribution of content over multiple delivery platforms including TV, radio, publications and digital media. During the financial year ended 31 January 2012, we produced approximately 8,000 hours of TV content and as at the LPD, we have produced or commissioned for production over 40,000 hours of TV content. As at 31 July 2012, we broadcast 156 TV channels in total including 68 Astro-created and branded channels with 22 HD channels.

On a pro forma basis, our revenue was RM3,242.3 million, RM3,664.1 million and RM3,888.8 million for the financial years ended 31 January 2010, 2011 and 2012, respectively. Our pay-TV residential subscriber base consisted of approximately 2,930,000 subscribers, 2,931,000 subscribers and 3,067,000 subscribers as at 31 January 2010, 2011 and 2012, respectively. Our Residential ARPU was RM82, RM85 and RM89 for the financial years ended 31 January 2010, 2011 and 2012, respectively.

12.2.2 Factors affecting our financial condition and results of operations

During the financial years ended 31 January 2010, 2011 and 2012, and the three month financial period ended 30 April 2012, our financial condition and results of operations were affected by, among others, the principal factors set forth below.

(i) Number of residential subscribers and Residential ARPU

A substantial portion of our revenue is derived from residential subscriptions which is dependent on the number of residential subscribers and Residential ARPU. As at 31 January 2010, 2011 and 2012 and as at 30 April 2012, the number of pay-TV residential subscribers was approximately 2,930,000, 2,931,000 and 3,067,000 and 3,108,000 respectively. The increase in pay-TV residential subscribers was primarily a result of our further penetration into Malay households.

Residential ARPU was RM82, RM85, RM89 and RM91 for the financial years ended 31 January 2010, 2011 and 2012 and the three month financial period ended 30 April 2012, respectively. The increase in Residential ARPU was primarily a result of higher take-up of our premium products and services, including Astro B.yond HD, Astro B.yond PVR, Astro B.yond IPTV, and pay-per-view services, increases in the price of our products and services and our repackaging and product bundling strategies. Consequently, as at 31 January 2010, 2011 and 2012, the level of HD take-up was approximately 24,000, 304,000 and 772,000 subscribers, respectively, making up 1%, 10% and 25% of the total number of our pay-TV residential subscribers, respectively. As at 30 April 2012, the level of HD take-up was approximately 926,000 subscribers, making up 30% of the total number of our pay-TV residential subscribers which represented 66% of our total Astro B.yond subscribers.

As we continue to penetrate into lower income segments in Malaysia, there has been some downward pressure on our Residential ARPU as such subscribers have historically been less likely to purchase premium products and services, although the relative impact historically on our Residential ARPU by such subscribers has been minimal. Nevertheless, we continue to have targeted programmes to increase our Residential ARPU to address our customers' change in lifestyle and viewing needs.

(ii) Churn

An increasing rate of churn can impact our residential subscriber base, while any amount of churn generally results in operating expenses as a result of efforts to acquire new subscribers and retain existing subscribers. We attempt to manage our churn through a combination of subscriber retention management strategies and by aiming to provide innovative and comprehensive content offerings catering to the diverse needs of our various customer segments. Our MAT Churn rate for our residential subscribers was 11%, 10%, 7% and 8% in the financial years ended 31 January 2010, 2011 and 2012, and the three month financial period ended 30 April 2012, respectively.

In Malaysia, churn arises mainly as a result of personal economic factors, and to a lesser extent, changes in consumers' media consumption preferences and competitive influences. In addition, churn tends to be cyclical as certain quarters of a year have a higher rate of subscriber disconnections. For example, churn tends to increase during the first and fourth quarters of any calendar year because typically, more disposable income is allocated by households towards events such as the start of the school year and key holidays falling during these times. Our ability to manage churn in the future will likely be dependent on our ability to execute our targeted retention programmes, compete with new entrants to the pay-TV sector, procure and create relevant content and provide differentiated customer service through our customer service channels.

(iii) Content

Content has been the largest component of our Group's cost of sales, comprising 54.4%, 55.1% and 51.6% of our Group's pro forma cost of sales for the financial years ended 31 January 2010, 2011 and 2012, respectively, and 52.1% of our Group's audited cost of sales for the three month financial period ended 30 April 2012. As a percentage of pro forma revenue, content costs comprised 32.5%, 30.1% and 29.7% for the financial years ended 31 January 2010, 2011 and 2012, respectively, and 30.9% of our Group's audited revenue for the three month financial period ended 30 April 2012. Our content costs comprise programme provider fees, amortisation of programme rights and production costs. We have secured a combination of exclusive and non-exclusive rights and the contract periods generally spanning several years and, where possible, over multiple delivery platforms. Content is procured either on a flat fee basis, on a per subscriber basis, on a revenue sharing basis or a combination of these.

Despite the decrease in content costs as a percentage of total operating costs, our content costs have increased in absolute amount primarily because of the addition of new channels to expand our channel offerings, the addition of HD channels to increase our HD penetration, the increase in content prices due to inflation and the increase in local production.

(iv) Customer acquisition cost and customer conversion cost

We incur expenses in obtaining new subscribers, including sales and distribution expenses (including incentives), marketing and promotional expenses, installation costs, and set-top box costs. We have extensive sales networks that target various customer segments to increase our effective market reach and to achieve cost efficiencies in distribution. The average customer acquisition cost of each new residential subscriber was RM691, RM630, RM636 and RM596 in the financial years ended 31 January 2010, 2011 and 2012, and the three month financial period ended 30 April 2012, respectively. Customer acquisition cost comprises expenses, such as marketing and installation costs, which are expensed when incurred and Astro B.yond set-top box costs which are capitalised and depreciated over three years.

In addition, although the cost of Astro B.yond set-top boxes is capitalised, we incur expenses, such as marketing and related set-top box expenses, in migrating our existing subscribers to the Astro B.yond set-top boxes. The average customer conversion cost is similar to the average customer acquisition cost, subject to certain differences arising from the manner in which we approach and market to our customers.

Marketing efforts relating to the conversion of our existing subscribers to Astro B.yond set-top boxes commenced in the financial year ended 31 January 2010 have increased substantially since commencement and are expected to continue until the financial year ending 31 January 2014. As at 31 January 2012, 1.2 million subscribers had been converted to Astro B.yond set-top boxes, increasing to 1.4 million subscribers as at 30 April 2012, representing 37.7% and 44.3% of our residential subscribers, respectively, and we expect that by 31 January 2014 a greater majority of our subscriber base will be using the Astro B.yond set-top boxes. We expect our customer conversion costs to continue to increase during the conversion period principally due to these marketing efforts, as well as the higher costs of the set-top boxes and their related expenses, and increases in distribution expenses. We also expect increases in depreciation costs relating to the depreciation of Astro B.yond set-top boxes. In addition, as the purchases of Astro B.yond set-top boxes are typically financed through vendor financing, we expect to have an increased level of vendor financing and a corresponding increase in interest costs associated with the additional vendor financing.

Our customer acquisition and conversion costs are principally affected by (i) economies of scale, as we believe a large and growing subscriber base will allow us to use our scale to manage the per-unit cost of set-top boxes and distribution expenses, (ii) fluctuations in foreign exchange rates as the cost of purchasing set-top boxes are typically incurred in USD, (iii) marketing activities and (iv) our customer acquisition and conversion numbers.

(v) Advertising

We derive advertising revenue from our TV, radio, print and digital services businesses. Our advertising customers are diverse with national and international consumer brands. We believe our ability to acquire new advertising customers and to generate recurring revenue from our existing customers is improved by our ability to increase our subscriber base, product offerings, channel share and programme ratings and advertisers' preference for targeted advertising. In addition, advertising revenue can be affected by overall economic conditions. For the financial years ended 31 January 2010, 2011 and 2012 and the three month financial period ended 30 April 2012, as a percentage of total revenue, airtime sales from our TV operations amounted to 4.6%, 6.3%, 6.5% and 5.0%, respectively, while airtime sales from our radio operations amounted to 5.5%, 4.8%, 5.1% and 4.4%, respectively.

(vi) Capital expenditure

We invest in our broadcasting (including Astro B.yond set-top boxes), production and IT systems to help ensure efficient and effective operations and to position our platforms for further product innovation. In addition, we have upgraded our customer relationship management system which we believe has enhanced our ability to evaluate customer preferences and behaviour through the use of key analytics. For the financial years ended 31 January 2010, 2011 and 2012 and for the three month financial period ended 30 April 2012, our Group has invested RM620.9 million, RM549.5 million, RM545.0 million and RM171.8 million, respectively, in infrastructure and system enhancements. As at 30 April 2012, we had approved and contracted capital expenditure with respect to property, plant and equipment and software of RM201.4 million and approved but not contracted capital expenditure of RM2,266.5 million. This capital expenditure is expected to relate largely to investments in new corporate and technical buildings to cater for the expansion of our business, investment in additional transponders on MEASAT-3B, investment in improvements and expansion of production facilities, expansion into new business segments and new product development, investment in our customer relationship management system, maintenance capital expenditure, as well as the purchase of Astro B.yond set-top boxes.

(vii) Taxation benefits

The Ministry of Finance of Malaysia has granted MSC status to certain companies within our Group for digital content and distribution through a Direct-To-User network, the enhancement of existing digital radio broadcasting network and the introduction of terrestrial digital broadcasting technology, the production of motion pictures and content creation as well as the development of new software applications and systems connecting disparate technologies in a single coherent network.

With the MSC status, the corporate tax incentives include either a tax exemption period of ten years or an investment tax allowance of 100% on qualifying capital expenditure incurred within five years to be offset against 100% of the statutory income from the approved projects. Notwithstanding the fact that the corporate tax incentive periods from the MSC incentives have ended, as at 31 January 2012, we had an unutilised investment tax allowance of RM25.6 million for our software development business that may be utilised against future taxable profits from the development of new software applications and systems.

Apart from the corporate tax incentive, the MSC status also provides for indirect tax incentive in the form of duty exemption on the importation of production and multimedia equipment. There is no expiration period to the MSC status. As such, duty exemptions on the importation of production and multimedia equipment will continue to be enjoyed by the MSC status entities within our Group so long as these entities continue to undertake the qualifying MSC activities for which they had been granted approval.