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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in Asia Satellite Telecommunications Holdings Limited (the “Company”), you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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ASIASAT

Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

**Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders**



**大有融資有限公司
MESSIS CAPITAL LIMITED**

A letter from the Board is set out on pages 5 to 12 of this circular. A letter from the Independent Board Committee is set out on pages 13 to 14 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 25 of this circular.

A notice convening the SGM to be held at 12th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong on 14 October 2015 at 10:00 a.m. is set out on pages 30 to 31 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

* *for identification purpose only*

25 September 2015

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreement Term”	the three-year period commencing on the Effective Date;
“AsiaSat”	Asia Satellite Telecommunications Company Limited, an indirect wholly-owned subsidiary of the Company incorporated under the laws of Hong Kong; the principal business of which is the provision of satellite transponder capacity and satellite services to the broadcasting and telecommunications markets;
“associate(s)”	has the meaning as ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bowenvale”	Bowenvale Limited, a controlling Shareholder who owns approximately 74.43% of the total issued share capital of the Company as at the Latest Practicable Date, and a company incorporated under the laws of the British Virgin Islands;
“Carlyle”	The Carlyle Group L.P. and its affiliates (as the context may require);
“CITIC Group”	中國中信集團有限公司 (CITIC Group Corporation), the controlling shareholder of CITIC Limited, an indirect shareholder controlling 50% of the voting rights of Bowenvale as at the Latest Practicable Date, and an enterprise established and existing under the laws of the PRC;
“CITIC Limited”	CITIC Limited (中國中信股份有限公司), a company incorporated in Hong Kong, formerly known as CITIC Pacific Limited, the shares of which are listed on the Stock Exchange (stock code: 00267);
“CITIC Networks”	中信網絡有限公司 (CITIC Networks Co., Ltd), a wholly-owned subsidiary of the CITIC Group and a company established under the laws of the PRC;
“CITICSat”	中信網絡有限公司北京衛星通訊分公司 (CITIC Networks Co., Ltd. Beijing Satellite Telecommunications Branch), the branch established and run by CITIC Networks for the development and operation of its satellite system related business;

DEFINITIONS

“Company”	Asia Satellite Telecommunications Holdings Limited, an investment holding company incorporated under the laws of Bermuda, the shares of which are listed on the main board of the Stock Exchange;
“Condition”	the condition more particularly described under the section headed “Renewed Transponder Master Agreement — Condition and Effective Date” of this circular;
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning as ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Effective Date”	18 October 2015, subject to the fulfillment of the Condition;
“Existing Transponder Master Agreement”	the transponder master agreement entered into between AsiaSat, CITIC Networks and CITICSat on 6 September 2012 whereby AsiaSat agreed to, among other things, provide satellite transponder capacity of some of AsiaSat’s satellites to CITICSat;
“Group”	the Company and its subsidiaries from time to time;
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	a board committee, comprising all the independent non-executive Directors established to advise the Independent Shareholders in respect of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps;
“Independent Financial Adviser” or “Messis Capital”	Messis Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders with regard to the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps;
“Independent Shareholders”	Shareholders other than Bowenvale;

DEFINITIONS

“Latest Practicable Date”	21 September 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MIIT”	中華人民共和國工業和信息化部 (the Ministry of Industry and Information Technology of the PRC);
“Permit”	基礎電信業務經營許可證 (the Basic Telecom Business Operating Permit);
“PRC” or “China”	the People’s Republic of China excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan;
“Previous Disclosures”	the announcement and circular of the Company dated 6 September 2012 and 27 September 2012, respectively, in relation to the Existing Transponder Master Agreement;
“Proposed Caps”	collectively the Proposed Fee Caps and the Proposed Marketing Caps;
“Proposed Fee Caps”	the maximum aggregate annual utilisation fee payable by CITICSat during the Agreement Term;
“Proposed Marketing Caps”	the maximum aggregate annual marketing consulting fee payable by AsiaSat during the Agreement Term;
“Proposed Transactions”	collectively the provision of the Transponder Capacity to CITICSat and the promotion of the Transponder Capacity by CITICSat pursuant to the Renewed Transponder Master Agreement;
“Renewed Transponder Master Agreement”	the agreement entered into between AsiaSat, CITIC Networks and CITICSat on 4 September 2015 for, among other things, the provision of the Transponder Capacity to CITICSat and promotion of the Transponder Capacity by CITICSat, the major terms of which are set out in this circular;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“Satellites”	the AsiaSat 4, AsiaSat 5, AsiaSat 6, AsiaSat 7 satellites, their respective replacement satellites, and any other future AsiaSat satellites which will be subject to the approval for an amendment to the conditions of the Permit held by CITIC Networks by MIIT and “ Satellite ” shall mean any one of the Satellites;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“SGM”	the special general meeting of the Company to be convened and held for the purpose of considering, and if thought fit, approving the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transponder Capacity”	the transponder capacity of the Satellites;
“US\$” or “US dollars”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

The conversions of RMB into US dollars and into HK dollars are for convenience only and have been made at rates of US\$1.00 to RMB6.50 and RMB1.00 to HK\$1.20, respectively. Such conversions should not be construed as representations that the RMB amounts could be converted into US and HK dollars at that or any other rates.

ASIASAT

Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

Chairman:
Gregory M. ZELUCK

Deputy Chairman:
JU Wei Min

Executive Director:
William WADE

Non-executive Directors:
LUO Ning
Peter JACKSON
Julius M. GENACHOWSKI
Alex S. YING

Independent Non-executive Directors:
James WATKINS
Stephen LEE Hoi Yin
Kenneth McKELVIE
Maura WONG Hung Hung

Alternate Director:
CHONG Chi Yeung (alternate to LUO Ning)

Company Secretary:
Sue YEUNG

Registered Office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Office in Hong Kong:
12th Floor, Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

25 September 2015

To the Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

INTRODUCTION

Reference is made to the Previous Disclosures.

The Company announced that on 4 September 2015, AsiaSat entered into the Renewed Transponder Master Agreement with CITIC Networks and CITICSat, pursuant to which AsiaSat may, subject to fulfillment of the Condition, continue to provide transponder capacity on its

* for identification purpose only

LETTER FROM THE BOARD

Satellites to CITICSat on substantially the same terms as the Existing Transponder Master Agreement on an exclusive basis and CITICSat will continue to promote the provision of the Transponder Capacity in the PRC during the Agreement Term.

The purpose of this circular is to provide you with, among other things, (i) further information on the Renewed Transponder Master Agreement; (ii) the recommendations of the Independent Board Committee to the Independent Shareholders; (iii) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of SGM.

RENEWED TRANSPONDER MASTER AGREEMENT

Date

4 September 2015

Agreement Term

A period of three years starting from the Effective Date, which is expected to be 18 October 2015.

Parties

- (1) AsiaSat, an indirect wholly-owned subsidiary of the Company;
- (2) CITIC Networks, a wholly-owned subsidiary of CITIC Group and a connected person of the Company; and
- (3) CITICSat, a branch established by CITIC Networks, a wholly-owned subsidiary of CITIC Group and a connected person of the Company.

LETTER FROM THE BOARD

Transaction Details and Pricing Policy

CITIC Networks and CITICSat have granted to AsiaSat a right to provide the Transponder Capacity for use by their customers in the PRC on an exclusive basis under the Renewed Transponder Master Agreement. During the Agreement Term, CITICSat will, upon the requests of its end-user customers in the PRC, place orders for the Transponder Capacity provided by AsiaSat pursuant to the terms and conditions of the Renewed Transponder Master Agreement. Upon the confirmation on the availability of the Transponder Capacity and the acceptance of any such order, AsiaSat will provide the relevant Transponder Capacity to CITICSat for use by CITICSat's customers for such utilisation period as ordered, at a utilisation fee in RMB to be agreed between CITICSat and AsiaSat based on the market comparable rate or at a rate similar to those AsiaSat would have offered to independent third party customers in the PRC with a discount of no more than 5%, to be determined with reference to the projected sales for the relevant year and the discount that AsiaSat would have offered to other bulk purchaser(s) of its Transponder Capacity in the PRC. In arriving the market comparable rate, the sales and marketing team of AsiaSat would (i) compare the pricing of the Transponder Capacity demanded by and offered to independent third party customers on similar transactions; (ii) obtain market data and industry information from time to time including the pricing of competitors through market research, industry websites and public information available; and (iii) keep regular contact with established customers to better understand the market price trend.

To ensure that the terms of the individual Transponder Capacity orders are fair and reasonable and are on normal commercial terms or better so far as the Group is concerned, the sales and marketing team of AsiaSat will recommend the utilisation fee and discount for the orders placed by CITICSat with reference to those offered to independent third party customers on recent similar transactions. The finance department of AsiaSat will then review the recommended utilisation fee and discount and cross check with the pricing of all previous transactions offered to independent third party customers for the relevant year to ensure that the recommended utilisation fee and the discount are no more favourable than those offered to independent third party customers. The finance team head will be responsible for approving the individual Transponder Capacity orders.

During the Agreement Term, CITICSat will promote the provision of the Transponder Capacity in the PRC and provide marketing consulting services to AsiaSat at a marketing consulting fee, being a fixed fee of RMB1,000,000 plus a variable fee of 0.25% over any recognised sales by CITICSat of the Transponder Capacity in excess of RMB200 million. The marketing consulting fee was determined based on arms' length negotiations between the parties and the commission payable by AsiaSat to its third party sales agents.

LETTER FROM THE BOARD

Payment Terms

CITICSat shall pay to AsiaSat the utilisation fee less any applicable tax(es) with respect to the Transponder Capacity after the end of each calendar quarter.

AsiaSat shall pay the marketing consulting fee to CITICSat annually within 30 days after the end of each calendar year.

Any risk associated with foreign exchange fluctuation will be borne by AsiaSat under the Renewed Transponder Master Agreement.

Termination

In the event that the Permit is revoked, cancelled, terminated or modified by the PRC government to the effect to preclude either CITIC Networks or CITICSat from conducting the provision of Transponder Capacity to end-user(s) during the Agreement Term, the Renewed Transponder Master Agreement will be terminated.

Proposed Caps

There is no commitment from AsiaSat, CITIC Networks or CITICSat on the amount of Transponder Capacity to be ordered or provided under the Renewed Transponder Master Agreement. However, the Directors believe that the total utilisation fee receivable from CITICSat and the total marketing consulting fee payable to CITICSat for the promotion of the Transponder Capacity and for CITICSat's marketing consulting services in each of the financial reporting periods under the Agreement Term will not exceed their respective annual caps as set out below:

(a) Utilisation Fee

The aggregate annual utilisation fee receivable by AsiaSat from CITICSat in relation to the provision of the Transponder Capacity, i.e. the Proposed Fee Caps, for each of the following financial reporting periods under the Agreement Term are stated as follows:

Period commencing on the Effective Date and ending on 31 December 2015	Financial year ending 31 December 2016	Financial year ending 31 December 2017	Period commencing on 1 January 2018 and ending on 17 October 2018
RMB78.0 million (approximately US\$12.0 million) (approximately HK\$93.6 million)	RMB370.5 million (approximately US\$57.0 million) (approximately HK\$444.6 million)	RMB422.5 million (approximately US\$65.0 million) (approximately HK\$507.0 million)	RMB390.0 million (approximately US\$60.0 million) (approximately HK\$468.0 million)

LETTER FROM THE BOARD

The determination of the Proposed Fee Caps has taken into consideration (i) the annual revenue generated from the provision of the Transponder Capacity to CITICSat in the PRC in the previous three financial years ended 31 December 2014, in the amount of approximately HK\$225.6 million in 2012, approximately HK\$268.8 million in 2013 and approximately HK\$261.1 million in 2014; (ii) the potential growth of the PRC market due to strong demand for video broadcasting and various applications in telecommunications services; and (iii) 2 newly launched satellites AsiaSat 6 and AsiaSat 8 in the third quarter of 2014.

(b) *Marketing Consulting Fee*

The aggregate annual marketing consulting fee payable by AsiaSat to CITICSat in relation to the promotion of the Transponder Capacity in the PRC and for CITICSat's marketing consulting services, i.e. the Proposed Marketing Caps, for each of the following financial reporting periods under the Agreement Term are stated as follows:

Period commencing on the Effective Date and ending on 31 December 2015	Financial year ending 31 December 2016	Financial year ending 31 December 2017	Period commencing on 1 January 2018 and ending on 17 October 2018
RMB0.40 million (approximately US\$0.062 million) (approximately HK\$0.48 million)	RMB1.50 million (approximately US\$0.231 million) (approximately HK\$1.80 million)	RMB1.60 million (approximately US\$0.246 million) (approximately HK\$1.92 million)	RMB1.60 million (approximately US\$0.246 million) (approximately HK\$1.92 million)

The determination of the Proposed Marketing Caps has taken into consideration the maximum sales of the Transponder Capacity to CITICSat under the Proposed Fee Caps.

Condition and Effective Date

The Renewed Transponder Master Agreement will take effect from the Effective Date, i.e. from 18 October 2015, subject to the fulfillment of the Condition (namely, the approval by the Independent Shareholders of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps).

INFORMATION ON CITICSAT, CITIC NETWORKS AND CITIC GROUP

The Company understands that CITIC Networks is a wholly-owned subsidiary of CITIC Group, the principal business activities of which are the provision of integrated territorial and international communications network and system services; while CITICSat is the branch established by CITIC Networks for its development and operation of satellite system related business. CITIC Group is a business conglomerate with extensive lines of business, including but not limited to, finance, investments, engineering and contracting, resources, infrastructure, real estate development, manufacturing, information technology, trading and services. As at the Latest

LETTER FROM THE BOARD

Practicable Date, CITIC Group is the controlling shareholder of CITIC Limited and CITIC Limited indirectly controls 50% of the voting rights of Bowenvale, which in turn holds approximately 74.43% of the total issued share capital of the Company.

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of satellite transponder capacity and satellite services to broadcasting and telecommunications markets.

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTIONS

As at the Latest Practicable Date, CITIC Networks holds the Permit issued by MIIT with a term from 7 July 2015 to 13 August 2022 which allows it to provide basic telecommunications services, including the provision of communications networks and the leasing and sales of certain satellite transponder capacity to customers in the PRC. The Existing Transponder Master Agreement has enabled the Group to indirectly provide satellite transponder services to the extensive and established business network of CITIC Networks in the PRC. As the Existing Transponder Master Agreement is due to expire on 17 October 2015, to facilitate the Company in continuing to provide satellite transponder capacity to users in the PRC, CITIC Networks and the Company consider it necessary to enter into the Renewed Transponder Master Agreement and the Company has further obtained an understanding from CITIC Group that should CITIC Networks cease to hold the Permit for any reason, CITIC Group will arrange for another member of the group to be a holder of the Permit to replace CITIC Networks and to continue with the arrangement envisaged under the Renewed Transponder Master Agreement with the Company.

LISTING RULES IMPLICATIONS

CITICSat is the branch established and run by CITIC Networks for the development and operation of its satellite system related business. CITIC Networks is a wholly-owned subsidiary of CITIC Group. As at the Latest Practicable Date, CITIC Group is the controlling shareholder of CITIC Limited and CITIC Limited indirectly controls 50% of the voting rights of Bowenvale, which in turn holds approximately 74.43% of the total issued share capital of the Company. Accordingly, CITIC Group, CITIC Networks and CITICSat are connected persons of the Company and the transactions contemplated under the Renewed Transponder Master Agreement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the maximum aggregate annual value of the Proposed Transactions calculated with reference to the Proposed Caps exceed 5% and the Proposed Caps exceed HK\$10,000,000, the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

LETTER FROM THE BOARD

Bowenvale, which owns approximately 74.43% of the total issued share capital of the Company as at the Latest Practicable Date, is interested in the Proposed Transactions contemplated under the Renewed Transponder Master Agreement, and is therefore required to abstain from voting at the SGM.

SGM

A notice convening the SGM to be held at 12th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong on 14 October 2015 at 10:00 a.m. is set out on pages 30 to 31 of this circular. An ordinary resolution will be proposed to the Independent Shareholders to consider and, if thought fit, approve the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolution put to the vote at the SGM will be taken by way of poll.

A proxy form for use at the SGM is enclosed with this circular. If you are not able to attend and/or vote at the SGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof should you so wish.

An announcement will be made by the Company following the conclusion of the SGM to inform you of the poll results.

RECOMMENDATION

The Directors (excluding the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee contained in this circular) consider the terms of the Renewed Transponder Master Agreement and the Proposed Transactions to be on normal commercial terms and in the ordinary and usual course of business of the Company. Such Directors also consider that the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps are fair and reasonable and in the interest and benefit of the Company and the Shareholders as a whole. Accordingly, the Board (excluding the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee contained in this circular) recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

LETTER FROM THE BOARD

None of the Directors had a material interest in the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps or was required to abstain from voting on the Board resolutions in relation to the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps. However, as a matter of good corporate governance, Mr. Ju Wei Min, Mr. Luo Ning and Mr. Peter Jackson, being Directors nominated by CITIC Group, the parent company of CITIC Networks and CITICSat, and Mr. James Watkins, Mr. Stephen Lee Hoi Yin, Mr. Kenneth McKelvie and Ms. Maura Wong Hung Hung, being members of the Independent Board Committee, had voluntarily abstained from voting on the Board resolutions in relation to the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

ADDITIONAL INFORMATION

The Independent Board Committee comprising all the independent non-executive Directors has been formed to consider the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps. Your attention is drawn to its letter of recommendation set out on pages 13 to 14 of this circular.

Messis Capital has also been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps. Your attention is drawn to its letter of recommendation set out on pages 15 to 25 of this circular.

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully
For and on behalf of
Asia Satellite Telecommunications Holdings Limited
Gregory M. ZELUCK
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the full text of the letter from the Independent Board Committee to the Independent Shareholders in connection with the Proposed Transactions contemplated under the Renewed Transponder Master Agreement which has been prepared for the purpose of inclusion in this circular:

ASIASAT

Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

25 September 2015

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

Reference is made to the circular dated 25 September 2015 of the Company (the “Circular”) of which this letter forms part. Terms defined in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed as the Independent Board Committee to advise you on the fairness and reasonableness of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps, details of which are set out in the letter from the Board contained in the Circular.

Messis Capital has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders on the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

We wish to draw your attention to the letter from the Board on pages 5 to 12 of the Circular, which sets out information in connection with the Proposed Transactions contemplated under the Renewed Transponder Master Agreement. We also wish to draw your attention to the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, which contains its advice in respect of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps, set out on pages 15 to 25 of the Circular.

* *for identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the principal factors and reasons considered by the Independent Financial Adviser, its opinion and recommendation, we concur with the view of the Independent Financial Adviser and consider the terms of the Renewed Transponder Master Agreement and the Proposed Transactions to be on normal commercial terms and in the ordinary and usual course of business of the Company, and take the view that the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

Yours faithfully

For and on behalf of the

Independent Board Committee

James WATKINS	Stephen LEE Hoi Yin	Kenneth McKELVIE	Maura WONG Hung Hung
<i>Independent Non-executive Director</i>	<i>Independent Non-executive Director</i>	<i>Independent Non-executive Director</i>	<i>Independent Non-executive Director</i>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter from Messis Capital in connection with the advice to the Independent Board Committee and the Independent Shareholders on the terms of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps), which has been prepared for the purpose of inclusion in this Circular:



大有融資有限公司
MESSIS CAPITAL LIMITED

25 September 2015

*To the Independent Board Committee and
the Independent Shareholders of the Company*

Dear Sir/Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of whether the entering into of the Renewed Transponder Master Agreement described herein by the Company and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are in the interests of the Company and the Shareholders as a whole and fair and reasonable so far as the Independent Shareholders are concerned, details of which are set out in the letter from the Board (the “Board Letter”) contained in the circular of the Company dated 25 September 2015 (the “Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context of this letter otherwise requires.

The Company announced that on 4 September 2015 AsiaSat had entered into the Renewed Transponder Master Agreement with CITIC Networks and CITICSat, pursuant to which AsiaSat may, subject to approval from the Independent Shareholders for, among other things, the transactions contemplated under the Renewed Transponder Master Agreement, continue to provide Transponder Capacity of its Satellites to CITICSat on substantially the same terms as the Existing Transponder Master Agreement on an exclusive basis and CITICSat will continue to promote the provision of AsiaSat’s Transponder Capacity in the PRC during the Agreement Term.

CITICSat is the branch established and run by CITIC Networks for the development and operation of its satellite system-related business. CITIC Networks is a wholly-owned subsidiary of CITIC Group. As at the Latest Practicable Date, CITIC Group is the controlling shareholder of CITIC Limited and CITIC Limited indirectly controls 50% of the voting rights of Bowenvale, which in turn holds approximately 74.43% of the total issued share capital of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Accordingly, CITIC Group, CITIC Networks and CITICSat are connected persons of the Company and the transactions contemplated under the Renewed Transponder Master Agreement will constitute continuing connected transactions for the Company under the Listing Rules.

Since all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the maximum aggregate annual value of the Proposed Transactions calculated with reference to the Proposed Caps exceed 5% and the Proposed Caps exceed HK\$10,000,000, the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are subject to independent shareholders' approval requirements under the Listing Rules.

The Independent Board Committee comprising all the Independent Non-Executive Directors has been formed to consider the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps.

In formulating our opinion, we have relied on the accuracy of the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company and which the Directors consider to be complete and relevant, and have assumed that the statements made were true, accurate and complete at the time they were made and continue to be true on the date of the Circular. We assume that all information, representations and opinions contained or referred to in the Circular and all information, representations and opinions which have been provided by the Company were true at the time they were made and will continue to be true at the date of the despatch of the Circular.

We consider that we have received sufficient information to enable us to reach an informed view and to justify our reliance on the accuracy of the information and representations contained in the Circular and to provide a reasonable basis for our views and recommendations. We have no reason to suspect that any material information has been withheld by the Company or by the Directors. We have not, however, carried out any independent investigation into the business and affairs of the Company. Pursuant to the Listing Rules, we have taken reasonable steps to satisfy ourselves which include the following:

- (a) obtained all the information and documents relevant to an assessment of the fairness and reasonableness of the terms of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps), including but not limited to, the Board Letter, the Renewed Transponder Master Agreement, the Existing Transponder Master Agreement, the announcement of the Company dated 4 September 2015, the annual report of the Company for the year ended 31 December 2014 and the interim results announcement of the Company for the six months ended 30 June 2015;
- (b) reviewed the reasons and background as well as the terms of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps);

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- (c) reviewed the fairness and reasonableness of the assumptions and projections relevant to the Proposed Caps;
- (d) confirmed that no third party expert opinion is relevant to the Renewed Transponder Master Agreement ; and
- (e) confirmed with the Company that no alternative offer of similar agreement has been made by any party other than those to the Renewed Transponder Master Agreement.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company or any other parties that could reasonably be regarded as relevant to our independence. In the last two years, we have acted as the independent financial adviser to the independent board committee and the independent shareholders of the Company for the following transactions:

Date of the relevant circular and our letter of advice

Nature of the transactions

30 October 2014

Revision of annual caps for existing continuing connected transactions

Apart from normal professional fees paid or payable to us in connection with the previous appointments mentioned above as well as this appointment as the Independent Financial Adviser, no arrangement exist whereby we have received or will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that the aforementioned previous appointment would not affect our independence, and that we are independent pursuant to Rule 13.84 of the Listing Rules.

PRINCIPAL FACTORS TAKEN INTO ACCOUNT

In arriving at our opinions and recommendations to the Independent Board Committee and the Independent Shareholders in respect of whether the terms of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are fair and reasonable, within the ordinary course of business of the Company, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, we have considered the principal factors and reasons set out below:

I. Background of and reasons for entering into the Renewed Transponder Master Agreement

The Company announced that on 4 September 2015, AsiaSat entered into the Renewed Transponder Master Agreement with CITIC Networks and CITICSat, pursuant to which AsiaSat may, subject to fulfillment of the Condition, continue to provide Transponder Capacity of its Satellites to CITICSat on substantially the same terms as the Existing Transponder Master

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Agreement on an exclusive basis during the term of the Renewed Transponder Master Agreement. Further, CITICSat will continue to promote the Transponder Capacity in the PRC during the Agreement Term.

The Group

The Group is principally engaged in the provision of satellite transponder capacity and satellite services to the broadcasting and telecommunications markets.

CITICSat, CITIC Networks and CITIC Group

The Company understands that CITIC Networks is a wholly-owned subsidiary of CITIC Group, the principal business activities of which are the provision of integrated territorial and international communications network and system services; while CITICSat is the branch established by CITIC Networks for its development and operation of its satellite system-related business. CITIC Group is a business conglomerate with extensive lines of business, including but not limited to, finance, investments, engineering and contracting, resources, infrastructure, real estate development, manufacturing, information technology, trading and services. As at the Latest Practicable Date, CITIC Group is the controlling shareholder of CITIC Limited and CITIC Limited indirectly controls 50% of the voting rights of Bowenvale, which in turn holds approximately 74.43% of the total issued share capital of the Company.

Reasons for entering into the Renewed Transponder Master Agreement

As at the Latest Practicable Date, CITIC Networks holds the Permit issued by MIIT with a term from 7 July 2015 to 13 August 2022 which allows it to provide basic telecommunications services, including the provision of communications networks and the leasing and sales of certain satellite transponder capacity to customers in the PRC. The Existing Transponder Master Agreement has enabled the Group to indirectly provide satellite transponder services to the extensive and established business network of CITIC Networks in the PRC. As the Existing Transponder Master Agreement is due to expire on 17 October 2015, to facilitate the Company in continuing to provide satellite transponder capacity to users in the PRC, CITIC Networks and the Company consider it necessary to enter into the Renewed Transponder Master Agreement and the Company has further obtained an understanding from CITIC Group that should CITIC Networks cease to hold the Permit for any reason, CITIC Group will arrange for another member of the group to be a holder of the Permit to replace CITIC Networks and to continue with the arrangement envisaged under the Renewed Transponder Master Agreement with the Company.

Having considered that (i) the Group is principally engaged in the provision of satellite transponder capacity and satellite services to the broadcasting and telecommunications markets; and (ii) the entering into the Renewed Transponder Master Agreement will enable the Group to continue to indirectly provide satellite transponder services to the extensive and established business network of CITIC Networks in the PRC, we are of the view that entering

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into the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions) are within the ordinary and usual course of business of the Company.

II. Terms of the Renewed Transponder Master Agreement

Date

4 September 2015

Agreement Term

A period of three years from the Effective Date, which is expected to be 18 October 2015

Parties

- (1) AsiaSat, an indirect wholly-owned subsidiary of the Company;
- (2) CITIC Networks, a wholly-owned subsidiary of CITIC Group and a connected person of the Company; and
- (3) CITICSat, a branch established by CITIC Networks, a wholly-owned subsidiary of CITIC Group and a connected person of the Company.

Transaction Details and Pricing Basis

CITIC Networks and CITICSat have granted to AsiaSat the right to provide the Transponder Capacity for use by their customers in the PRC on an exclusive basis under the Renewed Transponder Master Agreement. During the Agreement Term, CITICSat will, upon the requests of its end-user customers in the PRC, place orders for the Transponder Capacity provided by AsiaSat pursuant to the terms and conditions of the Renewed Transponder Master Agreement. Upon the confirmation on the availability of the Transponder Capacity and the acceptance of any such order, AsiaSat will provide the relevant Transponder Capacity to CITICSat for use by CITICSat's customer for such utilisation period as ordered, at an utilisation fee in RMB to be agreed between the parties based on the market comparable rate or at a rate similar to those AsiaSat would have offered to independent third party customers in the PRC with a discount of no more than 5% to be determined with reference to the projected sales for the relevant year and the discount that AsiaSat would have offered to other bulk purchaser(s) of its Transponder Capacity in the PRC. In arriving the market comparable rate, the sales and marketing team of AsiaSat would (i) compare the pricing of the Transponder Capacity demanded by and offered to independent third party customers on similar transactions; (ii) obtain market data and industry information from time to time including the pricing of competitors through market research, industry websites and public information available; and (iii) keep regular contact with established customers to better understand the market price trend.

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To ensure that the terms of the individual Transponder Capacity orders are fair and reasonable and are on normal commercial terms or better so far as the Group is concerned, the sales and marketing team of AsiaSat will recommend the utilisation fee and discount for the orders placed by CITICSat with reference to those offered to independent third party customers on recent similar transactions. The finance department of AsiaSat will then review the recommended utilisation fee and discount and cross check with the pricing of all previous transactions offered to independent third party customers for the relevant year to ensure that the recommended utilisation fee and the discount are no more favourable than those offered to independent third party customers. The finance team head will be responsible for approving the individual Transponder Capacity orders.

During the Agreement Term, CITICSat will promote the provision of the Transponder Capacity in the PRC and provide marketing consulting services to AsiaSat at a marketing consulting fee, being a fixed fee of RMB1,000,000 plus a variable fee of 0.25% over any recognised sales by CITICSat of the Transponder Capacity in excess of RMB200 million in any calendar year. The marketing consulting fee was determined based on arms' length negotiations between the parties and the commission payable by AsiaSat to its third party sales agents.

CITICSat shall pay to AsiaSat the utilisation fee less any applicable tax(es) with respect to the Transponder Capacity after the end of each calendar quarter. AsiaSat shall pay the marketing consulting fee to CITICSat annually within 30 days after the end of each calendar year. Any risk associated with foreign exchange fluctuation will be borne by AsiaSat under the Renewed Transponder Master Agreement.

We have reviewed the analysis of the direct and indirect costs provided by the Company in relation to the provision of the Transponder Capacity for the period from January 2012 to June 2015, and noted that net profit has been generated between 2012 and the first half of 2015 and is expected to be generated in the coming years from the Proposed Transactions. We are of the view that the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) will enable the Company to capture both revenue and net profit in the coming years which is in the interest of the Company and the Shareholders as a whole.

We have also reviewed the Company's internal research and analysis of the market rates of the transponder capacity provided in the PRC by other transponder providers. We are satisfied that the analysis has provided a reasonable basis for the utilisation fee offered by AsiaSat to CITICSat in relation to the Proposed Transactions. We are of the view that it is fair and reasonable for AsiaSat to provide the relevant Transponder Capacity to CITICSat, at a utilisation fee in RMB to be agreed between CITICSat and AsiaSat based on the market comparable rate or at a rate similar to those AsiaSat would have offered to independent third party customers in the PRC with a discount of no more than 5% to be determined with reference to the projected sales for the relevant year and the discount that AsiaSat would have offered to other bulk purchaser(s) of its Transponder Capacity in the PRC.

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Please refer to our analysis under the section headed “Marketing Consulting Fee” in relation the fairness of the above mentioned marketing consulting fee.

Payment Terms

CITICSat shall pay to AsiaSat the utilisation fee less any applicable tax(es) with respect to the Transponder Capacity at the end of each calendar quarter.

AsiaSat shall pay the marketing consulting fee to CITICSat annually within 30 days after the end of each calendar year.

Any risk associated with foreign exchange fluctuation will be borne by AsiaSat under the Renewed Transponder Master Agreement.

We are of the view that the risk associated with foreign exchange fluctuation to be borne by AsiaSat under the Renewed Transponder Master Agreement is fair as AsiaSat is the only party involved in foreign exchange in the provision of the satellite transponder services to the business network of CITIC Networks and CITICSat’s customers in the PRC under the Renewed Transponder Master Agreement.

Termination

In the event that the Permit is revoked, cancelled, terminated or modified by the PRC government to the effect to preclude either CITIC Networks or CITICSat from conducting the provision of Transponder Capacity to end-user(s) during the Agreement Term, the Renewed Transponder Master Agreement will be terminated.

We are of the view that it is fair and reasonable to terminate the Renewed Transponder Master Agreement as a result of the event, such as the Permit is revoked, cancelled, terminated or modified by the PRC government, which is beyond the control of the parties to the Renewed Transponder Master Agreement and precluding the parties to perform their obligations under the Renewed Transponder Master Agreement.

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Proposed Caps

There is no commitment from AsiaSat, CITIC Networks or CITICSat on the amount of Transponder Capacity to be ordered or provided, or the marketing support to be provided, under the Renewed Transponder Master Agreement. However, the Directors believe that the total utilisation fee receivable from CITICSat for the Proposed Transactions and the total marketing consulting fee payable to CITICSat for the promotion of AsiaSat's Transponder Capacity and for CITICSat's marketing consulting services in each of the financial reporting periods under the Agreement Term will not exceed their respective annual caps as set out below:

(a) Utilisation Fee

The aggregate annual utilisation fee receivable by AsiaSat from CITICSat in relation to the provision of AsiaSat's Transponder Capacity, i.e. the Proposed Fee Caps, for each of the following financial reporting periods under the Agreement Term are stated as follows:

Period commencing on the Effective Date and ending on 31 December 2015	Financial year ending 31 December 2016	Financial year ending 31 December 2017	Period commencing on 1 January 2018 and ending on 17 October 2018
RMB78.0 million (approximately US\$12.0 million) (approximately HK\$93.6 million)	RMB370.5 million (approximately US\$57.0 million) (approximately HK\$444.6 million)	RMB422.5 million (approximately US\$65.0 million) (approximately HK\$507.0 million)	RMB390.0 million (approximately US\$60.0 million) (approximately HK\$468.0 million)

The determination of the Proposed Fee Caps has taken into consideration (i) the annual revenue generated from the provision of AsiaSat's Transponder Capacity to CITICSat in the PRC in the previous three financial years ended 31 December 2014, in the amounts of approximately HK\$225.6 million in 2012, approximately HK\$268.8 million in 2013 and approximately HK\$261.1 million in 2014; (ii) the potential growth of the PRC market due to strong demand for video broadcasting and various applications in telecommunications services; and (iii) 2 newly launched satellites, AsiaSat 6 and AsiaSat 8, in the third quarter of 2014.

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We have reviewed the Proposed Fee Caps along with the Company's internal forecast based on the aggregate amount of existing orders, forecast renewals and orders under negotiation and noted the rationale and key assumptions adopted by the Company in preparing the forecast, including but not limited to: (i) CITICSat continuing to use the Transponder Capacity of the Satellites; (ii) the potential growth of the PRC market due to strong demand for video broadcasting and various applications in telecommunications services; and (iii) the exclusive basis of CITICSat's leasing of transponder capacity from AsiaSat in the PRC. We are also of the view that the forecast based on the annual sales records in 2012, 2013 and 2014 in relation to the Proposed Transactions and the above mentioned key assumptions are complete and the Proposed Fee Caps are adequate as well as fair and reasonable to Company and the Independent Shareholders.

(b) Marketing Consulting Fee

The aggregate annual marketing consulting fees payable by AsiaSat to CITICSat in relation to the promotion of the Transponder Capacity in the PRC and for CITICSat's marketing consulting services, i.e. the Proposed Marketing Caps, for each of the following financial reporting periods under the Agreement Term are stated as follows:

Period commencing on the Effective Date and ending on 31 December 2015	Financial year ending 31 December 2016	Financial year ending 31 December 2017	Period commencing on 1 January 2018 and ending on 17 October 2018
RMB0.40 million (approximately US\$0.062 million) (approximately HK\$0.48 million)	RMB1.50 million (approximately US\$0.231 million) (approximately HK\$1.80 million)	RMB1.60 million (approximately US\$0.246 million) (approximately HK\$1.92 million)	RMB1.60 million (approximately US\$0.246 million) (approximately HK\$1.92 million)

The determination of the Proposed Marketing Caps has taken into consideration the maximum sales of AsiaSat's Transponder Capacity to CITICSat under the Proposed Fee Caps and the marketing consulting fee being a fixed fee of RMB1,000,000 plus a variable fee of 0.25% over any recognised sales by CITICSat of AsiaSat's Transponder Capacity in excess of RMB200 million in any calendar year.

We have reviewed the Proposed Marketing Caps along with the Company's internal forecast and noted the rationale and key assumptions adopted by the Company in preparing the forecast, including but not limited to: (i) CITICSat will obtain the necessary business licences in the PRC for leasing AsiaSat's Satellite Transponder Capacity to end users in the PRC; (ii) the previous expenses of the same nature under the Existing Transponder Master Agreement in 2012, 2013 and 2014; and (iii) the competitive market situation in the PRC with the recent launch of new satellites by other PRC service providers. We are of the view that the forecast based on the previous expenses and the key assumptions is relevant and the Proposed Marketing Caps are adequate as well as fair and reasonable to Company and the Independent Shareholders.

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Condition and Effective Date

The Renewed Transponder Master Agreement will take effect from the Effective Date, i.e. from 18 October 2015, subject to the fulfilment of the Condition (namely, the approval by the Independent Shareholders of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps).

We have reviewed the Renewed Transponder Master Agreement and note that there are no extraordinary terms or less favourable terms to the Company. We are of the view that the entering into by the Company of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are on normal commercial terms.

CONCLUSION

As set out above:

1. the entering into by AsiaSat of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) will enable the Group to capture the potential growth of both revenue and net profit which is in the interest of the Company and the Shareholders as a whole;
2. the entering into by AsiaSat of the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are within the ordinary and usual course of business of the Company and are on normal commercial terms;
3. the utilisation fees offered by AsiaSat to CITICSat in relation to the Transponder Capacity are on terms no less favourable to AsiaSat than those offered to independent third parties for the services covering the PRC, which are fair and reasonable so far as the Independent Shareholders are concerned;
4. the Proposed Caps, based on the historical revenue, the expected increase in demand from CITICSat's existing customers in the PRC and new demand from new target customers, are adequate as well as fair and reasonable to the Company and the Independent Shareholders; and
5. all the terms of the Renewed Transponder Master Agreement are fair and reasonable so far as the Independent Shareholders are concerned.

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III. Recommendation

Having considered the factors and reasons as stated above, we are of the view that entering into the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are within the ordinary course of business of the Company, on normal commercial terms, in the interests of the Company and the Shareholders as a whole and fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders and advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) at the SGM.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Robert Siu
Managing Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have been taken under such provisions of the SFO) or the Model Code for Securities Transactions by Directors of Listed Issuers or which were required to be entered in the register required to be kept under section 352 of the SFO.

Long position in the Shares

Name of Director	Personal interests	Other interests	Total	Approximate percentage of the total issued share capital
William WADE	686,754	—	686,754	0.18%
Peter JACKSON	800,264	—	800,264	0.20%
James WATKINS	50,000	—	50,000	0.01%

As at the Latest Practicable Date, (i) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2014 (being the date to which the latest published audited financial statements of the Company were made up) acquired or disposed of by or leased to, any member of the Group, or were proposed to be acquired or disposed of by or leased to, any member of the Group; and (ii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

Saved as disclosed below, at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of Director	Names of companies which had such discloseable interest or short position	Position within such companies
Gregory M. ZELUCK	Bowenvale Carlyle	Director Managing Director
JU Wei Man	Bowenvale CITIC Projects Management (HK) Limited CITIC Asia Satellite Holdings Company Limited Able Star Associates Limited	Director Director Director Director
LUO Ning	Bowenvale CITIC Corporation Limited	Director Employee
Peter JACKSON	Bowenvale	Director
Julius M. GENACHOWSKI	Bowenvale Carlyle	Director Managing Director
Alex S. YING	Bowenvale Carlyle	Director Managing Director

3. SERVICE CONTRACTS

Mr. William Wade, an Executive Director and President and Chief Executive Officer of the Company entered into a service contract with AsiaSat on 1 August 2010 for a term of three years which can be terminated by either party in writing by giving to the other not less than twelve calendar months' notice in writing.

Save as disclosed above, at the Latest Practicable Date, none of the Directors had entered into any service contract with the Group other than contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING BUSINESS INTERESTS OF DIRECTORS

At the Latest Practicable Date, none of the Directors or their respective associates had any interest in a business which competes or may compete with the business of the Group.

5. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion and advice, which is contained in this circular:

Name	Qualification
Messis Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Messis Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which it appears.

6. EXPERT'S INTEREST IN ASSETS

At the Latest Practicable Date, MESSIS Capital:

- (a) did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (b) did not have any direct or indirect interest in any assets which had since 31 December 2014 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

7. MATERIAL ADVERSE CHANGE

As disclosed in 2015 interim results announcement of the Company dated 27 August 2015, due to delays in licensing approvals, it is taking longer than expected to lease out the transponder capacity of AsiaSat 6 and AsiaSat 8 satellites while the depreciation of both satellites will commence in the second half of the year. In addition, the added interest expenses arising from the AsiaSat 6 and AsiaSat 8 Ex-Im loans and the bank loan raised for the special interim dividend payment will impinge on the earnings of the Company in the second half of the year.

Save as disclosed, at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2014, the date to which the latest published audited consolidated financial statements of the Company were made up.

8. GENERAL

The English text of this circular shall prevail over the Chinese text.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Company at 12th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong during normal business hours on any day other than a Saturday, Sunday and a public holiday from the date of this circular up to and including the date of the SGM:

- (a) the service contract referred to in the paragraph headed “Service Contracts” in this Appendix;
- (b) the Renewed Transponder Master Agreement; and
- (c) the Existing Transponder Master Agreement.

ASIASAT

Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (“SGM”) of Asia Satellite Telecommunications Holdings Limited (the “Company”) will be held at 12th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong on 14 October 2015 (Wednesday) at 10:00 a.m. the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (A) the Renewed Transponder Master Agreement (as defined in the circular of the Company dated 25 September 2015 (the “Circular”) of which this notice forms part) (a copy of which is tabled at the meeting and initialled by the chairman of the meeting for identification purpose) and the Proposed Transactions (as defined in the Circular of which this notice forms part) contemplated thereunder and the implementation thereof be and are hereby approved;
- (B) the Proposed Caps (as defined and detailed in the Circular of which this notice forms part) for each of the four financial reporting periods under the Agreement Term (as defined in the Circular of which this notice forms part) be and are hereby approved; and
- (C) any one director of the Company, or any two directors of the Company if affixation of the common seal is necessary, be and is/are hereby authorised to execute and deliver the Renewed Transponder Master Agreement (as defined in the Circular of which this notice forms part) for and on behalf of the Company or its subsidiaries, and to execute and deliver all such other documents, instruments or agreements and to do all such acts or things which he/she/they may in his/her/their discretion consider necessary or incidental in connection with the matters contemplated under the Renewed Transponder Master Agreement (as defined in the Circular of which this notice forms part).”

By Order of the Board
Asia Satellite Telecommunications Holdings Limited
Gregory M. ZELUCK
Chairman

Hong Kong, 25 September 2015

* *for identification purpose only*

NOTICE OF SGM

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal office in Hong Kong

12th Floor, Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for the SGM is enclosed and such form is also published on the website of the Stock Exchange (www.hkexnews.hk).
3. To be valid, a form of proxy must be delivered to the Company's branch share registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the meeting or adjourned meeting. If a proxy form is signed under a power of attorney, the power of attorney or other authority relied on to sign (or a copy which has been certified by a notary or an office copy) must be delivered to the Company's branch share registrar with the proxy form, except that a power of attorney which has already been registered with the Company need not be so delivered. Proxy forms sent electronically or by any other data transmission process will not be accepted. **Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof should he so wish, and in such event, the form of proxy shall be deemed to be revoked.**
4. The ordinary resolution as set out above will be determined by way of a poll pursuant to the Listing Rules.