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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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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 11 of this circular. A letter from the Independent Board Committee is set out on pages 12 to 13 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 14 to 21 of this circular.

A notice convening the special general meeting of the Company to be held at 19th Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 18 October 2012 at 10:00 a.m. is set out on pages 27 to 28 of this circular.

If you are not able to attend and/or vote at the special general meeting 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 17M 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 meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

* *for identification purpose only*

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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 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 74.4% of the total issued share capital of the Company as at the Latest Practicable Date, and a company incorporated under the laws of British Virgin Islands;
“CITIC Group”	中國中信集團有限公司 (CITIC Group Corporation), 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 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;
“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” in the Letter from the Board of this circular;
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules;

DEFINITIONS

“controlling shareholder(s)”	has the meaning as ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Effective Date”	the date on which the Condition is fulfilled, which is currently expected to be 18 October 2012;
“Existing Permit”	基礎電信業務經營許可證 (the Basic Telecom Business Operating Permit) issued to CITIC Networks by MIIT dated 8 January 2008, which will expire on the Existing Permit Expiry Date;
“Existing Permit Expiry Date”	22 October 2012;
“Existing Transponder Master Agreement”	the transponder master agreement entered into between AsiaSat, CITIC Networks and CITICSat on 28 November 2008 whereby AsiaSat agreed to, among other things, provide satellite transponder capacity on 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 Limited”	Messis Capital Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Renewed Transponder Master Agreement, the Proposed Transactions and the Proposed Caps;
“Independent Shareholders”	Shareholders other than Bowenvale;
“Latest Practicable Date”	24 September 2012, being the last 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;

DEFINITIONS

“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), formerly 中華人民共和國信息產業部 (MII, Ministry of Information of the PRC);
“New Permit”	基礎電信業務經營許可證 (the Basic Telecom Business Operating Permit) dated 13 August 2012 issued to CITIC Networks by MIIT which will expire on the New Permit Expiry Date;
“New Permit Expiry Date”	means the expiry date of the New Permit, being 13 August 2022;
“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 28 November 2008 and 19 December 2008, respectively, in relation to the Existing Transponder Master Agreement;
“Proposed Capacity Transactions”	the proposed provision of Transponder Capacity by AsiaSat to CITICSat pursuant to orders placed under the Renewed Transponder Master Agreement;
“Proposed Caps”	collectively the Proposed Fee Caps and the Proposed Marketing Caps;
“Proposed Fee Caps”	the maximum aggregate annual values of the Proposed Capacity Transactions during the Agreement Term;
“Proposed Marketing Caps”	the maximum aggregate annual values of the Proposed Marketing Support during the Agreement Term;
“Proposed Marketing Support”	the promotion of AsiaSat’s Transponder Capacity services in the PRC by CITICSat during the Agreement Term;
“Proposed Transactions”	collectively the Proposed Capacity Transactions and the Proposed Marketing Support;
“Renewed Transponder Master Agreement”	the agreement entered into between AsiaSat, CITIC Networks and CITICSat on 6 September 2012 for, among other things, the provision of AsiaSat’s Transponder Capacity to CITICSat, the major terms of which are set out in this circular;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“Satellites”	the AsiaSat 3S, AsiaSat 4 and AsiaSat 5 satellites, their respective replacement satellites, and any other future AsiaSat satellites which will be subject to the approval to an amendment of the New Permit conditions 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;
“substantial shareholder(s)”	has the meaning as ascribed to it under the Listing Rules;
“Transponder Capacity”	the transponder capacity on 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 RMB6.5 and RMB1 to HK\$1.2, 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.



Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

Executive Director:

Mr. William WADE

Non-executive Directors:

Mr. JU Wei Min (*Chairman*)

Mr. Sherwood P. DODGE (*Deputy Chairman*)

Mr. MI Zeng Xin

Mr. LUO Ning

Mr. Peter JACKSON

Mr. John F. CONNELLY

Ms. Nancy KU

Mr. Mark CHEN

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Principal Office in Hong Kong:

19th Floor, Sunning Plaza

10 Hysan Avenue

Causeway Bay

Hong Kong

Independent Non-executive Directors:

Professor Edward CHEN

Mr. Robert SZE

Mr. James WATKINS

Alternate Director:

Mr. CHONG Chi Yeung (alternate to Mr. MI Zeng Xin)

Company Secretary:

Ms. Sue YEUNG

27 September 2012

To the Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

INTRODUCTION

Reference is made to the Previous Disclosures.

* for identification purpose only

LETTER FROM THE BOARD

The Company announced that on 6 September 2012, 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 Satellites to CITICSat on substantially the same terms as the Existing Transponder Master Agreement on an exclusive basis during the term of the Renewed Transponder Master Agreement. Further, CITICSat will promote AsiaSat's Transponder Capacity services 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 Agreements; (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

6 September 2012

Agreement Term

A period of three years from the Effective Date, which is expected to be 18 October 2012

Parties

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

Transaction Details and Pricing Basis

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 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 an utilisation fee in RMB to be agreed between the parties based on the market rate or at a rate similar to those AsiaSat would have offered to independent third party customers in the PRC. Such utilisation fee is payable by CITICSat's customers to CITICSat before the sum is settled with AsiaSat on a quarterly basis.

LETTER FROM THE BOARD

During the Agreement Term, CITICSat will promote AsiaSat's Transponder Capacity services in the PRC at a fee in RMB to be determined based on the total value of the Transponder Capacity orders placed and collected from CITICSat's customers under the Renewed Transponder Master Agreement during each of the financial reporting periods under the Agreement Term, and AsiaSat will reimburse CITICSat for certain costs incurred by CITICSat for the promotion of AsiaSat's Transponder Capacity services in the PRC.

CITICSat will settle with AsiaSat any utilisation fee received from its customers, net of any outstanding fee and costs incurred in relation to the Proposed Marketing Support payable by AsiaSat to CITICSat, in US dollars on a quarterly basis. Any risk associated with foreign exchange fluctuation will be borne by AsiaSat under the Renewed Transponder Master Agreement.

Termination

In the event that the New Permit is revoked, cancelled, terminated or modified to the effect to preclude the CITIC Group from engaging in the Proposed Capacity Transactions 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, 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 Capacity Transactions and the total amount payable to CITICSat for the Proposed Marketing Support in each of the financial reporting periods under the Agreement Term will not exceed their respective annual caps as set out below:

(a) Proposed Capacity Transactions

The aggregate annual utilisation fee receivable by AsiaSat from CITICSat in relation to the Proposed Capacity Transactions, 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 2012	Financial year ending 31 December 2013	Financial year ending 31 December 2014	Period commencing on 1 January 2015 and ending on 17 October 2015
RMB37.6 million (approximately US\$5.8 million) (approximately HK\$45.1 million)	RMB215.1 million (approximately US\$33.1 million) (approximately HK\$258.1 million)	RMB228.9 million (approximately US\$35.2 million) (approximately HK\$274.7 million)	RMB190.7 million (approximately US\$29.3 million) (approximately HK\$228.8 million)

LETTER FROM THE BOARD

The determination of the Proposed Fee Caps has taken into consideration (i) the annual revenue generated from AsiaSat's provision of Transponder Capacity to CITICSat in the PRC in the previous three financial years ended 31 December, in the amount of approximately HK\$54.2 million in 2009, approximately HK\$128.5 million in 2010 and approximately HK\$189.1 million in 2011, and the six months ended 30 June 2012 in the amount of approximately HK\$97.2 million; and (ii) the potential growth of the PRC market due to the rapid expansion of demand for higher quality transmission signals in telecommunications.

(b) Proposed Marketing Support

The aggregate annual fee payable and costs to be reimbursed by AsiaSat to CITICSat in relation to the Proposed Marketing Support, 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 2012	Financial year ending 31 December 2013	Financial year ending 31 December 2014	Period commencing on 1 January 2015 and ending on 17 October 2015
RMB1.6 million (approximately US\$0.2 million) (approximately HK\$1.9 million)	RMB11.3 million (approximately US\$1.7 million) (approximately HK\$13.5 million)	RMB14.2 million (approximately US\$2.2 million) (approximately HK\$17.0 million)	RMB13.1 million (approximately US\$2.0 million) (approximately HK\$15.7 million)

The determination of the Proposed Marketing Caps has taken into consideration (i) AsiaSat's previous expenses of the same nature under the Existing Transponder Master Agreement, in the amount of approximately HK\$11.2 million in 2009, approximately HK\$11.4 million in 2010, approximately HK\$1.3 million in 2011^(Note), and approximately HK\$3.1 million for the six months ended 30 June 2012; (ii) the competitive market situation in the PRC with the recent launch of new satellites by other PRC service providers; and (iii) an expected increase in marketing activities in support of an expected increase in Transponder Capacity to be provided by AsiaSat to CITICSat.

Note: Such amount for the year 2011 has taken into account refunds from the relevant PRC tax authority for overpayment of business tax in the PRC in 2009 and 2010 in the aggregate amount of approximately HK\$7.0 million.

Condition and Effective Date

The Renewed Transponder Master Agreement will take effect from 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).

LETTER FROM THE BOARD

The Renewed Transponder Master Agreement shall supersede and replace the Existing Transponder Master Agreement on the Effective Date.

INFORMATION ON CITICSAT, CITIC NETWORKS AND CITIC GROUP

The Company understands that CITIC Networks is a wholly-owned subsidiary of the CITIC Group, the principal business activities of which is 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. The CITIC Group is a business conglomerate with extensive lines of business, including but not limited to, finance, investments, engineering and contracting, resources, infrastructure, regional and real estate development, manufacturing, information technology, trading and services.

INFORMATION ON THE GROUP

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

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTIONS

The Existing Permit was granted to CITIC Networks in 2008, allowing it to provide basic telecom 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 22 October 2012, the Company considers it necessary to enter into the Renewed Transponder Master Agreement to continue to facilitate such arrangement with CITIC Networks.

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 the CITIC Group. As at the Latest Practicable Date, the CITIC Group indirectly controlled 50% of the voting rights of Bowenvale, which in turn held approximately 74.4% of the total issued share capital of the Company. Accordingly, the 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 one 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 exceeds 5%, 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 owned approximately 74.4% 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 special general meeting of the Company to be held at 19th Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 18 October 2012 at 10:00 a.m. is set out on pages 27 to 28 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. 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 17M 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. Peter Jackson and Mr. Chong Chi Yeung, being Directors nominated by CITIC Group Corporation, the parent company of CITIC Networks and CITICSat, and Mr. Robert Sze, Professor Edward Chen and Mr. James Watkins, 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 12 to 13 of this circular.

Messis Capital Limited 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 14 to 21 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
JU Wei Min
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:



Asia Satellite Telecommunications Holdings Limited

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1135)

27 September 2012

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF TRANSPONDER MASTER AGREEMENT

Reference is made to the circular dated 27 September 2012 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 Limited 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 11 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 14 to 21 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

Edward CHEN
*Independent Non-executive
Director*

Robert SZE
*Independent Non-executive
Director*

James WATKINS
*Independent Non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter from Messis 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

27 September 2012

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

Dear Sirs,

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 the whether the entering into the Renewed Transponder Master Agreement described herein 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 27 September 2012 (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 announces that on 6 September 2012, AsiaSat 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 on its Satellites to CITICSat on substantially the same terms as the Existing Transponder Master Agreement on an exclusive basis during the term of the Renewed Transponder Master Agreement. Further, CITICSat will promote AsiaSat’s Transponder Capacity services 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 the CITIC Group. At the Latest Practicable Date, the CITIC Group indirectly controls 50% of the voting rights of Bowenvale, which in turn holds approximately 74.4% of the total issued share capital of the Company. Accordingly, the 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.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Since one 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 exceeds 5%, 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.

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 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 have assumed 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 are 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 view and recommendation. 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 6 September 2012 and the annual report of the Company for the year ended 31 December 2011;
- (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);
- (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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (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.

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 and are 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 announces that on 6 September 2012, 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 Satellites to CITICSat on substantially the same terms as the Existing Transponder Master Agreement on an exclusive basis during the term of the Renewed Transponder Master Agreement. Further, CITICSat will promote AsiaSat's Transponder Capacity services 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 broadcasting and telecommunications markets and broadband access services.

CITICSat, CITIC Networks and CITIC Group

The Company understands that CITIC Networks is a wholly-owned subsidiary of the CITIC Group, the principal business activities of which is 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. The CITIC Group is a business conglomerate with extensive lines of business, including but not limited to, finance, investments, engineering and contracting, resources, infrastructure, regional and real estate development, manufacturing, information technology, trading and services.

Reasons for the entering into the Renewed Transponder Master Agreement

The Existing Permit was granted to CITIC Networks in 2008, allowing it to provide basic telecom 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

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22 October 2012, the Company considers it necessary to enter into the Renewed Transponder Master Agreement to continue to facilitate such arrangement with CITIC Networks.

Having considered that (i) the Group is principally engaged in the provision of satellite transponder capacity and satellite services to broadcasting and telecommunications markets and broadband access service; and (ii) the entering into the Renewed Transponder Master Agreement including, but not limited to, the renewal of the Existing Permit granted to CITIC Networks since 2008 will continue to allow CITIC Networks to provide the basic telecom services to customers in the PRC, we are of the view that the entering into the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions) are within the ordinary course of business of the Company.

II. Terms of the Renewed Transponder Master Agreement

Date

6 September 2012

Agreement Term

A period of three years from the Effective Date, which is expected to be 18 October 2012

Parties

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Transaction Details and Pricing Basis

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 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 an utilisation fee in RMB to be agreed between the parties based on the market rate or at a rate similar to those AsiaSat would have offered to independent third party customers in the PRC. Such utilisation fee is payable by CITICSat's customers to CITICSat before the sum is settled with AsiaSat on a quarterly basis.

During the Agreement Term, CITICSat will promote AsiaSat's Transponder Capacity services in the PRC at a fee in RMB to be determined based on the total value of the Transponder Capacity orders placed and collected from CITICSat's customers under the Renewed Transponder Master Agreement during each of the financial reporting periods under the Agreement Term, and AsiaSat will reimburse CITICSat for certain costs incurred by CITICSat for the promotion of AsiaSat's Transponder Capacity services in the PRC.

CITICSat will settle with AsiaSat any utilisation fee received from its customers, net of any outstanding fee and costs incurred in relation to the Proposed Marketing Support payable by AsiaSat to CITICSat, in US dollars on a quarterly basis. Any risk associated with foreign exchange fluctuation will be borne by AsiaSat under the Renewed Transponder Master Agreement.

Termination

In the event that the New Permit is revoked, cancelled, terminated or modified to the effect to preclude the CITIC Group from engaging in the Proposed Capacity Transactions during the Agreement Term, the Renewed Transponder Master Agreement will be terminated.

CITIC Networks has extensive and established business network in the PRC. We are of the view that it is in the interest of the Company to enter into the Renewed Transponder Master Agreement and the Proposed Transactions contemplated thereunder, including the provision of the Transponder Capacity to CITICSat's customers and the promotion of AsiaSat's Transponder Capacity services in the PRC by CITICSat.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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 Capacity Transactions and the total amount payable to CITICSat for the Proposed Marketing Support in each of the financial reporting periods under the Agreement Term will not exceed their respective annual caps as set out below:

(a) Proposed Capacity Transactions

The aggregate annual utilisation fee receivable by AsiaSat from CITICSat in relation to the Proposed Capacity Transactions, 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 2012	Financial year ending 31 December 2013	Financial year ending 31 December 2014	Period commencing on 1 January 2015 and ending on 17 October 2015
RMB37.6 million (approximately US\$5.8 million) (approximately HK\$45.1 million)	RMB215.1 million (approximately US\$33.1 million) (approximately HK\$258.1 million)	RMB228.9 million (approximately US\$35.2 million) (approximately HK\$274.7 million)	RMB190.7 million (approximately US\$29.3 million) (approximately HK\$228.8 million)

The determination of the Proposed Fee Caps has taken into consideration (i) the annual revenue generated from AsiaSat's provision of Transponder Capacity to CITICSat in the PRC in the previous three financial years ended 31 December, in the amount of approximately HK\$54.2 million in 2009, approximately HK\$128.5 million in 2010 and approximately HK\$189.1 million in 2011, and the six months ended 30 June 2012 in the amount of approximately \$97.2 million; and (ii) the potential growth of the PRC market due to the rapid expansion of demand for higher quality transmission signals in telecommunications.

We have reviewed the Proposed Fee Caps along with the Company's internal forecast and note that the rationale and key assumptions adopted by the Company in preparing the forecast, including but not limited to, (i) CITICSat continues to use the Transponder Capacity of the Satellites; (ii) there is a potential growth of the PRC market due to the rapid expansion of demand for higher quality transmission signals in telecommunications; and (iii) CITICSat will only lease transponder capacity from AsiaSat; are fair and reasonable. We are also of the view that the forecast based on the annual sales records in 2009, 2010 and 2011 in relation to the Proposed Capacity 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.

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(b) Proposed Marketing Support

The aggregate annual fee payable and costs to be reimbursed by AsiaSat to CITICSat in relation to the Proposed Marketing Support, 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 2012	Financial year ending 31 December 2013	Financial year ending 31 December 2014	Period commencing on 1 January 2015 and ending on 17 October 2015
RMB1.6 million (approximately US\$0.2 million) (approximately HK\$1.9 million)	RMB11.3 million (approximately US\$1.7 million) (approximately HK\$13.5 million)	RMB14.2 million (approximately US\$2.2 million) (approximately HK\$17.0 million)	RMB13.1 million (approximately US\$2.0 million) (approximately HK\$15.7 million)

The determination of the Proposed Marketing Caps has taken into consideration (i) AsiaSat's previous expenses of the same nature under the Existing Transponder Master Agreement, in the amount of approximately HK\$11.2 million in 2009, approximately HK\$11.4 million in 2010 and approximately HK\$1.3 million in 2011^(Note), and approximately HK\$3.1 million for the six months ended 30 June 2012; (ii) the competitive market situation in the PRC with the recent launch of new satellites by other PRC service providers; and (iii) an expected increase in marketing activities in support of an expected increase in Transponder Capacity to be provided by AsiaSat to CITICSat.

Note:

- Such amount for the year 2011 has taken into account refunds from the relevant PRC tax authority for overpayment of business tax in the PRC in 2009 and 2010 in the aggregate amount of approximately HK\$7.0 million.
- No refund of overpaid business tax in the foreseeable future is anticipated.

We have reviewed the Proposed Marketing Caps and along with the Company's internal forecast and note that 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 the end users in the PRC; (ii) the previous expenses of the same nature under the Existing Transponder Master Agreement in 2009, 2010 and 2011; and (iii) the competitive market situation in the PRC with the recent launch of new satellites by other PRC service providers, are fair and reasonable. We are of the view that the forecast based on the previous expenses in 2009, 2010 and 2011 and the above mentioned key assumptions is complete 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 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).

The Renewed Transponder Master Agreement shall supersede and replace the Existing Transponder Master Agreement on the Effective Date.

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 the Renewed Transponder Master Agreement and the transactions contemplated thereunder (including the Proposed Transactions and the Proposed Caps) are on normal commercial terms.

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
Michael Leung
Executive 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

At the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company 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 were as follows:

Long position in the shares of the Company

Name of Directors	Number of ordinary shares in the Company			Total	Approximate percentage of the issued share capital of the Company
	Personal interests	Family interests	Other interests		
William WADE	488,188	—	—	488,188	0.12%
Peter JACKSON	800,264	—	—	800,264	0.20%
James WATKINS	50,000	—	—	50,000	0.01%

Save as disclosed above, 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 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.

At the Latest Practicable Date, there was no contract or arrangement subsisting in which any of the Directors is materially interested and which was significant in relation to the business of the Group.

At the Latest Practicable Date, none of the Directors has had any direct or indirect interest in any assets which have since 31 December 2011 (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 or are proposed to be acquired or disposed of by or leased to any member 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	Capacity	Long or short position	No. of ordinary shares in the Company	% of the Issued Share Capital of the Company
Bowenvale Limited	Beneficial owner	Long position	291,174,695 ^{(1)&(2)}	74.43
Able Star Associates Limited	Interest in controlled corporation	Long position	291,174,695 ⁽¹⁾	74.43
CITIC Group Corporation	Interest in controlled corporation	Long position	291,174,695 ⁽¹⁾	74.43
GE Pacific-3 Holdings, Inc.	Interest in controlled corporation	Long position	291,174,695 ⁽²⁾	74.43
General Electric Company	Interest in controlled corporation	Long position	291,174,695 ⁽²⁾	74.43

Notes:

- (1) Able Star Associates Limited (“Able Star”) controls 50% of the voting rights of Bowenvale Limited (“Bowenvale”). Able Star is wholly-owned by CITIC Asia Satellite Holding Company Limited (“CITIC Asia”) which in turn is wholly-owned by CITIC Projects Management (HK) Limited (“CITIC Projects”), a wholly-owned subsidiary of CITIC Group Corporation (“CITIC Group”). Accordingly, Able Star, CITIC Asia, CITIC Projects and CITIC Group are deemed to be interested in the total of 291,174,695 shares in the Company held by Bowenvale.
- (2) GE Pacific-3 Holdings, Inc. (“Pacific 3”) controls 41.56% of the voting rights of Bowenvale and other affiliates of General Electric Company (“GE”) own another 8.44%. They are all indirect, wholly-owned subsidiaries of GE. Accordingly, Pacific 3 and its GE affiliates are interested in 291,174,695 shares of the Company held by Bowenvale.

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, Sherwood P. DODGE, Mark CHEN and Nancy KU were senior executives and/or directors of certain subsidiaries of GE, a substantial shareholder of Bowenvale which in turn is the substantial shareholder of the Company. GE has substantial interests in GE International Holdings, Inc., operator of a satellite, GE-23, which could be viewed as competing to some extent with the business of the Company as GE-23 provided transponder capacity to certain Asia-Pacific locations that are also served by the Company.

Save as disclosed above, 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 Limited	a corporation licensed to conduct type 6 regulated activities (as defined in the SFO)

Messis Capital Limited 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, Mesis Capital Limited:

- (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 2011 (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

SpeedCast

As mentioned in the announcement dated 21 September 2012 of the Company, AsiaSat has entered into an agreement with a third party purchaser and SpeedCast Holdings Limited (“SpeedCast”), pursuant to which AsiaSat shall dispose of its entire interest in SpeedCast to such third party purchaser. SpeedCast (together with its subsidiaries) is a leading global network and satellite telecommunications service provider offering high-quality managed network services in more than 30 countries throughout Asia, the Middle East and Africa.

DISH-HD Asia Satellite

As mentioned in the Interim Results Announcement, AsiaSat had agreed to dispose of its stake in DISH-HD Asia Satellite Limited, a joint venture between AsiaSat and EchoStar Corporation for the provision of direct-to-home services at the end of 2011. In June 2012, the Office of the Communications Authority approved the disposal arrangement. However, AsiaSat continues to provide satellite capacity and support services for DISH-HD Asia Satellite’s ongoing operations.

Indian Finance Act

As mentioned in the Interim Results Announcement, a new Finance Bill was proposed in India which could have unfavourable consequences for the Group’s current tax proceedings in the Indian Courts, and was passed by the Indian Parliament in May of this year.

Under the Indian Income Tax Act (as amended by the Finance Act), revenues received from the provision of satellite transponder capacity in India or income earned from any source in India will be charged tax in India. The portion of revenue earned by the Group that would be deemed to be Indian sourced is yet to be decided by the Indian Courts and is therefore still uncertain.

Save as disclosed above, 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 2011, 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 during business hours at the head office of the Company at 19th Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong from the date of this circular up to and including 18 October 2012:

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



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 19th Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 18 October 2012 at 10:00 a.m. for 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 27 September 2012 (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, confirmed and ratified;
- (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 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 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

* *for identification purpose only*

NOTICE OF SGM

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
JU Wei Min
Chairman

Hong Kong, 27 September 2012

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

Principal Place of Business
19th Floor, Sunning Plaza
10 Hysan Avenue
Causeway Bay
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. To be valid, a form of proxy must be delivered to the Company's branch share registrars, Computershare Hong Kong Investor Services Limited, 17M 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 meeting or any adjournment thereof should he so wish.**
3. In accordance with Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), Bowenvale Limited is required to abstain from voting at the SGM.
4. The ordinary resolution as set out above will be determined by way of a poll which is mandatory pursuant to the Listing Rules.