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**Ganymede Investment  
Holdings, L.L.C.**

*(Incorporated in the State of Delaware  
with limited liability)*

**Asia Satellite Telecommunications  
Holdings Limited**

*(Incorporated in Bermuda with limited liability)  
(Stock code: 1135)*

**JOINT ANNOUNCEMENT**

**(1) SHARE PURCHASE AGREEMENT IN RELATION TO THE SALE  
AND PURCHASE OF SHARES IN BOWENVALE LIMITED**

**(2) POSSIBLE MANDATORY UNCONDITIONAL GENERAL CASH  
OFFER BY GOLDMAN SACHS (ASIA) L.L.C. AND  
MERRILL LYNCH (ASIA PACIFIC) LIMITED  
ON BEHALF OF**

**GANYMEDE INVESTMENT HOLDINGS, L.L.C.  
TO ACQUIRE ALL THE ISSUED SHARES OF ASIA SATELLITE  
TELECOMMUNICATIONS HOLDINGS LIMITED (OTHER THAN  
THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY  
GANYMEDE INVESTMENT HOLDINGS, L.L.C. AND PARTIES  
ACTING IN CONCERT WITH IT)**

**Financial Advisers to Jupiter Investment Holdings, L.L.C. and  
Ganymede Investment Holdings, L.L.C.**

**Goldman  
Sachs**

**Lead Financial Adviser**

**BofA Merrill Lynch**

**Financial Adviser**

## **THE SHARE PURCHASE AGREEMENT**

The Company was notified by the Sellers that on 23 December 2014 (after trading hours), the Sellers and the Purchaser entered into the Share Purchase Agreement, pursuant to which the Sellers have conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, being 144,131,474 Bowenvale Shares in aggregate (representing a 49.50% economic interest and 50.00% voting interest in Bowenvale as at the date of this joint announcement), for a total cash consideration of (a) HK\$3,576,836,924 (equivalent to HK\$24.82 per Sale Share (rounded to 2 decimal places)) or approximately US\$461,307,108 (equivalent to US\$3.20 per Sale Share (rounded to 2 decimal places)), or (b) HK\$3,747,418,324 (equivalent to HK\$26.00 per Sale Share) or approximately US\$483,307,108 (equivalent to US\$3.35 per Sale Share (rounded to 2 decimal places)) if either a Market Disruption Event does not occur or a Filing Delay occurs. The total cash consideration shall be paid by the Purchaser to the Sellers in US\$, at an agreed exchange rate of US\$1:HK\$7.7537.

As the only substantial asset of Bowenvale is its holding of 291,174,695 Shares in the Company, this consideration represents (a) an effective price per Share of HK\$24.82 (rounded to 2 decimal places) or US\$3.20 (rounded to 2 decimal places), or (b) an effective price per Share of HK\$26.00 or US\$3.35 (rounded to 2 decimal places) if either a Market Disruption Event does not occur or a Filing Delay occurs.

Completion is conditional upon satisfaction (or, with respect to certain Conditions, waiver by the Purchaser) of the Conditions as set out in the section headed “THE SHARE PURCHASE AGREEMENT — Conditions” in this joint announcement. If the Conditions are not satisfied or waived (as the case may be) on or before the Long Stop Date, the Share Purchase Agreement shall terminate automatically, in which event the rights and obligations of the parties to the Share Purchase Agreement shall cease immediately, save in respect of antecedent breaches and under certain provisions which shall survive termination of the Share Purchase Agreement. If the Share Purchase Agreement is terminated, neither the Purchaser nor the Offeror intends (and is not obliged) to make the Offer. The Purchaser and the Sellers may agree in writing to extend the Long Stop Date. Completion shall take place on the Completion Date.

The Offeror will issue a further announcement as soon as practicable after all of the Conditions have been satisfied or waived (as the case may be), if any agreement is made between the Purchaser and the Sellers to extend the Long Stop Date, or if the Share Purchase Agreement is terminated in accordance with its terms and the Offer will not be made.

## **THE SHAREHOLDERS' AGREEMENT**

The Company was also notified that on 23 December 2014, the Purchaser, Able Star and Bowenvale entered into the New Shareholders' Agreement which is on substantially the same terms as the Current Shareholders' Agreement. The New Shareholders' Agreement only comes into effect immediately following Completion at which point the Current Shareholders' Agreement will terminate.

## **THE FRAMEWORK AGREEMENT**

The Company was also notified that on 23 December 2014, Able Star and the Purchaser entered into the Framework Agreement to govern the parties' respective rights and obligations with respect to the Transaction and the Offer.

## **POSSIBLE MANDATORY UNCONDITIONAL GENERAL CASH OFFER**

As at the date of this joint announcement, none of the Offeror and parties acting in concert with it (including the Purchaser) is interested in any Shares, convertible securities, options, warrants or derivatives in the Company (except for and to the extent of the interest in 144,131,474 Bowenvale Shares which the Purchaser holds through the Share Purchase Agreement and the interest in 291,174,695 Shares (representing approximately 74.43% of the issued share capital of the Company) held by Bowenvale).

Subject to and immediately following Completion, the Purchaser will obtain a 49.50% direct economic interest and 50.00% direct voting interest in Bowenvale and, as a result, an approximately 36.84% indirect economic interest in the Company. The Executive has taken the view that the acquisition by the Purchaser of the Sale Shares pursuant to the Share Purchase Agreement would, on Completion, result in the formation of a new concert group between the Purchaser, Able Star and Bowenvale that has statutory control over the Company, thereby triggering a mandatory unconditional general offer obligation under the Takeovers Code in respect of the Company. The Purchaser and the Offeror have, therefore, indicated that the Offeror will make a mandatory unconditional general cash offer in accordance with Rule 26.1 of the Takeovers Code for all the issued Shares (other than those already acquired or agreed to be acquired by the Offeror and parties acting in concert with it) in the event that Completion occurs under the Share Purchase Agreement.

The Purchaser, the Offeror and the Company jointly announce that, subject to Completion, Goldman Sachs and BofAML will, on behalf of the Offeror and in compliance with the Takeovers Code, make the Offer on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

**For each Offer Share accepted under the Offer ..... HK\$24.82 in cash**  
**(or if either a Market Disruption Event**  
**does not occur or a Filing Delay occurs) ..... HK\$26.00 in cash**

The principal terms of the Offer are set out in the section headed “POSSIBLE MANDATORY UNCONDITIONAL GENERAL CASH OFFER” in this joint announcement. The offer price per Offer Share shall reflect the effective price per Share paid by the Purchaser under the Share Purchase Agreement as stated above, and therefore, shall be HK\$24.82 per Offer Share or increased to HK\$26.00 per Offer Share if either a Market Disruption Event does not occur or a Filing Delay occurs. Further announcement(s) will be made to update the Shareholders on the effective price per Share actually paid by the Purchaser under the Share Purchase Agreement and the offer price per Offer Share immediately after the Completion Date.

Based on the offer price of HK\$24.82 per Offer Share, the entire issued share capital of the Company is valued at HK\$9,709,472,310 (or if either a Market Disruption Event does not occur or a Filing Delay occurs, based on the offer price of HK\$26.00 per Offer Share, the entire issued share capital of the Company shall be valued at HK\$10,171,083,000). The Offer will however only be made to the Offer Shareholders. As at the date of this joint announcement, there are 391,195,500 Shares in issue. As the Offeror and parties acting in concert with it will hold an aggregate of 291,174,695 Shares immediately upon Completion, only 100,020,805 Shares will be subject to the Offer. Based on the offer price of HK\$24.82 per Offer Share, the Offer is valued at HK\$2,482,516,380.10 (or if the offer price is increased to HK\$26.00 per Offer Share if either a Market Disruption Event does not occur or a Filing Delay occurs, the Offer is valued at HK\$2,600,540,930).

Upon the making of the Offer, the Offeror (together with its concert parties) will hold more than 50.00% of the Shares. The Offer, if and when made, will, therefore, be a mandatory unconditional general cash offer in accordance with Rule 26.1 of the Takeovers Code.

As at the date of this joint announcement, there are 391,195,500 Shares in issue and the Company does not have any outstanding options, warrants, derivatives or other securities which may confer to the holder(s) thereof any right to subscribe for, convert into or exchange into Shares. As at the date of this joint announcement, the Company has not entered into any agreement for the issue of any Shares or options, warrants, derivatives or other securities which may confer to the holder(s) thereof any right to subscribe for, convert into or exchange into Shares.

### **CONFIRMATION OF FINANCIAL RESOURCES**

Assuming either a Market Disruption Event does not occur or a Filing Delay occurs, the financial resources required by the Purchaser to satisfy its obligations in respect of the Purchase amounts to HK\$3,747,418,324 (equivalent to approximately US\$483,307,108) which shall be paid to the Sellers. Assuming that either a Market Disruption Event does not occur or a Filing Delay occurs and the Offer is accepted in full, the financial resources required by the Offeror to satisfy its obligations in respect of the Offer amount to HK\$2,600,540,930 (equivalent to approximately US\$335,393,545).

The Purchaser intends to finance the consideration payable by the Purchaser under the Share Purchase Agreement with (a) equity commitments from Carlyle Asia Partners IV, and (b) debt financing to be provided under the SPA Facilities Agreement. The Offeror intends to finance the consideration payable by the Offeror under the Offer with (a) equity commitments from Carlyle Asia Partners IV, and (b) debt financing to be provided under the MGO Facility Agreement. Carlyle Asia Partners IV is ultimately controlled by The Carlyle Group L.P. The Carlyle Group L.P. is listed on the Nasdaq Stock Exchange (ticker reference: CG). Carlyle is a global alternative asset manager with US\$203 billion of assets under management across 129 funds and 141 fund of funds as of 30 September 2014.

Goldman Sachs, the lead financial adviser to the Purchaser in respect of the Purchase and to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Purchaser and the Offeror to satisfy the total consideration for the Sale Shares under the Share Purchase Agreement and the acceptance of the Offer in full, respectively, whether or not a Market Disruption Event or a Filing Delay occurs.

## **COMPULSORY ACQUISITION RIGHTS AND LISTING STATUS OF THE COMPANY**

Rule 2.11 of the Takeovers Code and the Companies Act together provide that, except with the consent of the Executive, where the Offeror seeks to acquire or privatise the Company by means of the Offer and the use of compulsory acquisition rights, such rights may only be exercised if acceptances of the Offer and purchases (in each case of the disinterested Shares) made by the Offeror and persons acting in concert with it during the period of four months after posting of the Composite Document total 90% of the disinterested Shares (i.e. not less than 90,018,725 Offer Shares).

If the Offeror obtains the prescribed percentage of acceptances from holders of Shares approving the Offer as required under the Takeovers Code and the Companies Act such that it (together with its concert parties) can exercise their right to compulsorily acquire all of the Offer Shares, the Offeror intends, subject to applicable regulatory approvals, to exercise its compulsory acquisition rights to acquire all such Offer Shares in accordance with the Takeovers Code and applicable laws. If the Offeror proceeds with the exercise of such compulsory acquisition rights and the privatisation of the Company, the Company will apply for the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules and a suspension of dealings in the Shares from the close of the Offer up to the withdrawal of listing of the Shares from the Stock Exchange.

In the event that the Offeror does not effect a compulsory acquisition of the remaining Offer Shares, whether by reason of not having acquired the prescribed percentage required or by reason of not obtaining applicable regulatory approvals to do so, the Purchaser and the Offeror intend to maintain the listing of the Shares on the Stock Exchange following close of the Offer.

As at the close of the Offer, under the Listing Rules if less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that: (a) a false market exists or may exist in the trading of the Shares; or (b) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares. In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares and therefore trading in the Shares may be suspended until a sufficient level of public float is attained. Each of the Offeror and the Company will undertake to the Stock Exchange that it will, in such event,

use all its reasonable endeavours to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame following close of the Offer.

### **DIVIDEND FACILITY AND POSSIBLE DECLARATION OF SPECIAL INTERIM DIVIDEND**

Pursuant to the Framework Agreement, the Purchaser and Able Star have agreed that following Completion, and if so requested by the Purchaser, each party will procure that the Company and/or the HK Subsidiary will enter into the Dividend Facility, draw down funds available to it under the Dividend Facility and to declare and pay the Special Interim Dividend of such amount as requested but in any event not in excess of US\$600,000,000) on a pro rata basis to the registered holders of the Shares as at a record date falling after close of the Offer and to be fixed by the Board for determining entitlements to the payment of the Special Interim Dividend. Based on the 391,195,500 Shares in issue as at the date of this joint announcement, the maximum amount of the Dividend Facility of US\$240,000,000 and the available and distributable cash reserves of the Company and/or HK Subsidiary, the proposed Special Interim Dividend is intended to be US\$600,000,000 or HK\$11.89 per Share (rounded to 2 decimal places). The proposed Special Interim Dividend is intended to be paid in cash out of the Company's and/or HK Subsidiary's reserves which will be partly contributed by the net proceeds to be received by the Company and/or HK Subsidiary following the drawdown of the Dividend Facility.

The Dividend Facility is a proposed loan facility from the Financing Banks to the Company and HK Subsidiary, the terms of which have been negotiated with the assistance of the SPA Parent, of up to an aggregate amount of US\$240,000,000. On 23 December 2014, the Financing Banks issued to the SPA Parent a binding commitment letter in favour of the Company, and which the SPA Parent will countersign within 14 business days (a day other than a Saturday, Sunday or public holiday in Hong Kong) of 23 December 2014. From the date of the SPA Parent countersigning the commitment letter, the Financing Banks are committed to provide the Dividend Facility to the Company and HK Subsidiary for a period of 9 months until 23 September 2015, and which will be available for drawdown by the Company and/or the HK Subsidiary once the Company and/or the HK Subsidiary either (a) countersigns the commitment letter and the Dividend Facility Agreement or (b) enters into the Dividend Facility Agreement itself without any further action from the SPA Parent. In return, the SPA Parent is obliged to (amongst other things): (a) assist the Financing Banks in completing a timely and orderly syndication of the facilities, (b) provide an indemnity to the Financing Banks

(including their respective affiliates, directors, officers and employees) against any loss or liability in connection with any dispute arising out of the financing of the Dividend Facility (subject to certain exclusions and conditions) and (c) reimburse the Financing Banks for their reasonable costs and expenses (including legal fees) in connection with the Dividend Facility.

Upon the Company and/or the HK Subsidiary countersigning the commitment letter and the Dividend Facility Agreement, the SPA Parent will be immediately released from the obligations stated at (b) and (c) above, and can also enforce the Financing Bank's commitment to provide the Dividend Facility to the Company and/or the HK Subsidiary. As at the date of this joint announcement, neither the Company nor HK Subsidiary has countersigned the commitment letter or the Dividend Facility Agreement or entered into the Dividend Facility Agreement itself.

Whilst the Company has not yet approved the entry into the Dividend Facility, the Purchaser has sought to engage the Management in the review of the basic term sheet which sets out the key terms of the Dividend Facility and the Management has provided preliminary feedback on such terms. Furthermore, the key terms of the Dividend Facility have also been presented to the Board.

After the close of the Offer, and subject to and upon the Board's approval of the entry into and drawdown of the Dividend Facility and the declaration of Special Interim Dividend, the Dividend Facility available to the Company and the HK Subsidiary will be drawn down and the Special Interim Dividend will be paid on a pro rata basis to all Shareholders of the Company, including Bowenvale and all other public Shareholders, as at a date after close of the Offer (which is to be fixed by the Board for determining entitlements to the payment of the Special Interim Dividend). Bowenvale will subsequently use the pro rata proceeds of the Special Interim Dividend it receives to declare and pay an interim dividend to the Purchaser and Able Star. It is the Purchaser's intention to use the portion of any Special Interim Dividends to be received by it from Bowenvale to repay the SPA Debt Facilities and it is the Offeror's intention to use the portion of any Special Interim Dividends to be received by it from the Company to repay the MGO Debt Facility.

It should be noted that the entry into the Dividend Facility Agreement, drawdown of the Dividend Facility, and declaration and payment of the Special Interim Dividend on a pro rata basis to all Shareholders of the Company is subject to the approval of the Board which will not be sought until after the close of the Offer.

For the avoidance of doubt, any Offer Shareholder who accepts the Offer, if made, will not be entitled to participate in any dividends (including any Special Interim Dividend) which may be declared and paid following the close of the Offer.

Further announcement(s) will be made to update the Shareholders on the Special Interim Dividend as and when appropriate.

#### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER OF THE COMPANY**

Pursuant to Rule 2.1 of the Takeovers Code, an Independent Board Committee, comprising all the independent non-executive Directors of the Company, namely Mr. James WATKINS, Mr. Stephen LEE Hoi Yin, Mr. Kenneth McKELVIE and Ms. Maura WONG Hung Hung, has been established to advise the Offer Shareholders in respect of the Offer.

An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offer. The appointment of the independent financial adviser is subject to the approval of the Independent Board Committee. A further announcement will be made when the independent financial adviser to the Independent Board Committee is appointed.

#### **AVAILABILITY OF COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document and the offeree company's board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document, containing, among other things, the terms and conditions of the Offer, the expected timetable of the Offer, the recommendation from the Independent Board Committee and the advice from the independent financial adviser to the Independent Board Committee in respect of the Offer, should normally be posted to the Shareholders within 21 days of the date of this joint announcement. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the Executive's consent is required if the making of a general offer is subject to prior fulfilment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period contemplated by Rule 8.2 of the Takeovers Code. As it is expected that the Conditions under the Share Purchase Agreement will not be satisfied within 21 days from the date of this joint announcement, an application will be made by the Offeror and the Company to the Executive pursuant to Note 2 to Rule 8.2 of the Takeovers Code for the Executive's consent to extend the date of posting of the Composite Document to a date falling within seven (7) days after Completion or such other date as the Executive may approve.

## **WARNING**

**The Offer is a possibility only.**

**The Offer is a possible mandatory unconditional general cash offer and will only be made if Completion takes place, which is conditional upon satisfaction (or, with respect to certain Conditions, waiver by the Purchaser) of the Conditions (referred to in the section headed “THE SHARE PURCHASE AGREEMENT — Conditions” in this joint announcement). Completion may or may not take place and accordingly, the Offer may or may not be made. Shareholders and potential investors in the Company are advised to exercise caution when dealing in the Shares.**

## **INTRODUCTION**

The Company was notified by the Sellers that on 23 December 2014, (after trading hours), the Sellers and the Purchaser entered into the Share Purchase Agreement, the material terms of which are set out below.

## **THE SHARE PURCHASE AGREEMENT**

### **Date**

23 December 2014 (after trading hours)

### **Parties**

- (a) Seller A, Seller B, Seller C and Seller D (as sellers); and
- (b) the Purchaser (as purchaser).

The Purchaser and its ultimate parent company are third parties independent of, and not connected with, (i) the Sellers; and (ii) the Company and its connected persons before Completion. Upon Completion, the Purchaser will have an indirect economic interest of approximately 36.84% in the Company.

### **Sale Shares**

The Sale Shares comprise a total of 144,131,474 Bowenvale Shares, representing a 49.50% economic interest and 50.00% voting interest in Bowenvale as at the date of this joint announcement. With respect to the Sale Shares, 11,023,499, 6,655,399, 6,655,399 and 119,797,177 Bowenvale Shares are held and are to be sold by Seller A, Seller B, Seller C and Seller D, respectively. Pursuant to the terms of the Share Purchase Agreement, the Sale Shares will be acquired by the Purchaser subject,

amongst other terms, to the terms of the Current Shareholders' Agreement and the memorandum and articles of association of Bowenvale but otherwise free from all encumbrances and together with all rights that attach (or may in the future attach) to the Sale Shares (including the right to receive all dividends and distributions declared, made or paid in respect of the Sale Shares on or after Completion).

The Purchaser shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.

### **Consideration**

The total consideration for the sale and purchase of the Sale Shares pursuant to the Share Purchase Agreement is HK\$3,576,836,924 (equivalent to HK\$24.82 per Sale Share (rounded to 2 decimal places)), of which HK\$273,564,525.23 (rounded to 2 decimal places) is payable to Seller A (or its designated nominee), HK\$165,163,626.14 (rounded to 2 decimal places) is payable to Seller B (or its designated nominee), HK\$165,163,626.14 (rounded to 2 decimal places) is payable to Seller C (or its designated nominee) and HK\$2,972,945,146.49 (rounded to 2 decimal places) is payable to Seller D (or its designated nominee). The total cash consideration shall be paid by the Purchaser to the Sellers in United States Dollars at an agreed exchange rate of US\$1:HK\$7.7537, equivalent to approximately US\$461,307,108 in aggregate.

If either a Market Disruption Event does not occur or a Filing Delay occurs, the total consideration for the sale and purchase of the Sale Shares pursuant to the Share Purchase Agreement shall be increased to be HK\$3,747,418,324 (equivalent to approximately HK\$26.00 per Sale Share), of which HK\$286,610,974 is payable to Seller A (or its designated nominee), HK\$173,040,374 is payable to Seller B (or its designated nominee), HK\$173,040,374 is payable to Seller C (or its designated nominee) and HK\$3,114,726,602 is payable to Seller D (or its designated nominee). The total cash consideration shall be paid by the Purchaser to the Sellers in United States Dollars at an agreed exchange rate of US\$1:HK\$7.7537, equivalent to approximately US\$483,307,108 in aggregate.

As the only substantial asset of Bowenvale is its holding of 291,174,695 Shares in the Company, this consideration represents an effective price per Share of (a) HK\$24.82 (rounded to 2 decimal places) or US\$3.20 (rounded to 2 decimal places), or (b) HK\$26.00 or US\$3.35 (rounded to 2 decimal places) if either a Market Disruption Event does not occur or a Filing Delay occurs.

The relevant amount payable by the Purchaser to each Seller shall be paid in full in cash on Completion by electronic transfer to the bank account(s) designated in writing by the relevant Seller at least five (5) Business Days prior to the Completion Date.

## Conditions

Completion is conditional upon the satisfaction (or, with respect to the Conditions in paragraphs (a) and (b) below, waiver by the Purchaser) of the following Conditions:

- (a) The warranties set out in the Share Purchase Agreement given by the Sellers remaining true and accurate in all material respects as at Completion.
- (b) There having been no Material Adverse Change since the date of the Share Purchase Agreement.
- (c) The Communications Authority shall have provided its confirmation, in a form satisfactory to the Securities and Futures Commission for the purposes of compliance with Note 4 of Rule 26.2 of the Takeovers Code, that the change in relation to a carrier licensee resulting from the sale and purchase of the Sale Shares under the Share Purchase Agreement in respect of each of the following carrier licences held by the Company or its subsidiaries will not have, or is unlikely to have, the effect of substantially lessening competition in a telecommunications market in Hong Kong as referred to in section 7P of the Telecommunications Ordinance:
  - (i) one Fixed Carrier Licence issued under the Telecommunications Ordinance on 3 May 2004 and held by HK Subsidiary as the licensee; and
  - (ii) seven Space Station Carrier Licences issued under the Telecommunications Ordinance on each of 21 November 1995, 2 February 1999, 27 June 2000, 31 July 2009, 23 November 2011, 12 July 2014 and 12 August 2014 and held by HK Subsidiary as the licensee,

and, if such confirmation is subject to conditions or proposed directions, such conditions or proposed directions being acceptable to the Purchaser (acting reasonably).

- (d) The Communications Authority shall have provided a consent or waiver to the extent such consent or waiver is required under the following broadcasting licenses held by the Company or its subsidiaries in connection with the sale and purchase of the Sale Shares under the Share and Purchase Agreement and/or the Offer:
  - a. Non-Domestic Television Programme Service Licence issued under the Broadcasting Ordinance (Chapter 562 of the Laws of Hong Kong) on 17 September 2005 and held by Auspicious Colour Limited, a subsidiary of the Company,

and, if such consent or waiver is subject to conditions or proposed directions, such conditions or proposed directions being acceptable to the Purchaser (acting reasonably).

- (e) MOFCOM issuing a notice approving the transaction contemplated by the Share Purchase Agreement or the statutory clearance period specified by MOFCOM pursuant to the Anti-Monopoly Law of the PRC, including any extension of such period, having lapsed and either (1) no objection having been raised or qualifications or requirements imposed by MOFCOM in relation to the Share Purchase Agreement or (2) if any qualifications or requirements are imposed by MOFCOM such qualifications or requirements are acceptable to the Purchaser (acting reasonably) (the “**MOFCOM Condition**”).
- (f) The European Commission issuing a decision under Article 6(1)(b) of the EC Regulation, or being deemed to have done so under Article 10(6) of the EC Regulation, declaring the acquisition of Sale Shares by the Purchaser pursuant to the Transaction compatible with the internal market without attaching to its decision any conditions or obligations that are not acceptable to the Purchaser (acting reasonably) and in the event that a request under Article 9(2) of the EC Regulation has been made by a Member State, the European Commission indicating that it has decided not to refer the Transaction (or any part thereof) or any matter arising there-from to a competent authority of a Member State in accordance with Article 9(1) of the EC Regulation.
- (g) Such other regulatory approvals as the Sellers and the Purchaser agree are required for the transactions contemplated by the Share Purchase Agreement having been obtained and, if such approvals are subject to conditions or proposed directions, such conditions or proposed directions being acceptable to the Purchaser (acting reasonably).

Although the timing for satisfaction of the Conditions is uncertain and depends upon the responses of the relevant regulators involved, the Offeror anticipates that all of the Conditions will have been satisfied in 3 to 6 months from the date of this joint announcement.

The Purchaser may waive any or both of the Conditions in paragraphs (a) and (b) (but not the other Conditions) above.

If the Conditions are not satisfied or waived (as the case may be) on or before the Long Stop Date, the Share Purchase Agreement shall terminate automatically, in which event the rights and obligations of the parties to the Share Purchase Agreement shall cease immediately, save in respect of antecedent breaches and under certain provisions which survive termination of the Share Purchase Agreement. If the Share Purchase Agreement is terminated, neither the Purchaser nor the Offeror intends (and is not obliged) to make the Offer. The Purchaser and the Sellers may agree in writing to extend the Long Stop Date.

The Offeror will issue a further announcement as soon as practicable after all of the Conditions have been satisfied or waived (as the case may be), if any agreement is made between the Purchaser and the Sellers to extend the Long Stop Date, or if the Share Purchase Agreement is terminated in accordance with its terms and the Offer will not be made.

### **Completion**

Completion shall take place on:

- (a) the fifth (5) Business Day immediately following the first day on which all the Conditions (other than those Conditions (being the Conditions in paragraphs (a) and (b) of the section entitled “THE SHARE PURCHASE AGREEMENT — Conditions”) which by their nature will be satisfied on Completion but subject to the satisfaction or waiver of such Conditions) are satisfied (or waived); or
- (b) any other date agreed in writing by the Sellers and the Purchaser,

unless Completion is deferred as a result of written agreement by the Sellers and the Purchaser, in which event the Completion Date shall be the date to which Completion is so deferred.

### **Warranties**

The Sellers provide a number of customary warranties including with respect to (a) their title to, and authority and capacity to sell, the Sale Shares, (b) the issued share capital of Bowenvale and the Company, and (c) the assets and liabilities of Bowenvale.

## **THE SHAREHOLDERS' AGREEMENT**

The Company was also notified that on 23 December 2014, the Purchaser, Able Star and Bowenvale entered into the New Shareholders' Agreement which is on substantially the same terms as the Current Shareholders' Agreement. The New Shareholders' Agreement only comes into effect immediately following Completion at which point the Current Shareholders' Agreement will terminate.

Following Completion, the board of Bowenvale shall comprise three (3) directors nominated by Able Star and three (3) directors nominated by the Purchaser. The right to nominate the deputy chairman and the chairman of Bowenvale will rotate on a two (2) yearly basis between Able Star and the Purchaser. The quorum for the meetings of the board of Bowenvale (other than adjourned meetings) shall be two (2) directors, one (1) appointed by Able Star and one (1) appointed by the Purchaser. Decisions of the board of Bowenvale shall be by unanimous vote of the directors present. Neither the chairman nor the deputy chairman will have an additional vote at the board meetings.

The New Shareholders' Agreement provides that the Board (unless otherwise agreed by Able Star and the Purchaser) shall comprise three (3) Directors nominated by Able Star, three (3) Directors nominated by the Purchaser and (for so long as the Company remains listed on the Stock Exchange) one (1) Executive director being the chief executive officer of the Company and four (4) independent non-executive Directors. Please see the section headed "FUTURE INTENTIONS OF THE OFFEROR REGARDING THE GROUP — Proposed change of board composition of the Company", on the actual composition of the current Board and the proposed changes to the Board as of the date of this joint announcement. Bowenvale shall make representations to the Board from time to time requesting that the Board shall appoint Bowenvale's chairman as chairman of the Board and Bowenvale's deputy chairman as deputy chairman of the Board.

Subject to certain exceptions: (a) pursuant to the New Shareholders' Agreement, Bowenvale must notify Able Star and the Purchaser when the voting rights attaching to the Shares are to be or may be exercised and Able Star and the Purchaser shall communicate to Bowenvale their respective wishes with respect to how they want such voting rights exercised, (b) where the wishes expressed by Able Star and the

Purchaser in respect of a particular resolution are the same, Bowenvale must exercise the voting rights attaching to the Shares owned by Bowenvale in accordance with the common wish of Able Star and the Purchaser, and (c) where the wishes expressed by Able Star and the Purchaser in respect of a particular resolution are not the same (or Able Star or the Purchaser fails to communicate its wishes to Bowenvale), Bowenvale must vote against such resolution.

Pursuant to the New Shareholders' Agreement, neither Able Star nor the Purchaser are able to dispose of their Bowenvale Shares, nor are they able to require Bowenvale to dispose of their attributable Shares, without the prior written consent of the other.

With respect to the payment of dividends, as soon as practicable after the payment to Bowenvale of any dividends on or with respect to the Shares owned by Bowenvale, Bowenvale shall distribute such dividends to Able Star and the Purchaser (subject to deductions, withholdings, retentions and/or postponements in certain circumstances).

## **THE FRAMEWORK AGREEMENT**

The Company was also notified that on 23 December 2014, Able Star and the Purchaser entered into the Framework Agreement which sets out such parties' respective rights and obligations with respect to the Transaction, the Offer and the post-Offer refinancing and recapitalisation set out in the paragraph below.

### **Dividend Facility**

Pursuant to the Framework Agreement, Able Star and the Purchaser agree that following Completion, as soon as reasonably practicable following receipt by Able Star of a request from the Purchaser, Able Star and the Purchaser shall procure that (a) the Borrower(s) enter into the Dividend Facility as borrower(s), (b) the Borrower(s) use(s) best endeavours to satisfy the conditions of the Dividend Facility and thereafter (but not until after the closing of the offer period of the Offer) draw down the Dividend Facility Amount, and (c) the Borrower(s) comply(ies) with their respective obligations in the Dividend Facility (including by providing security over their respective assets or the assets of their respective subsidiaries if so required by the terms of the Dividend Facility).

## **Dividends**

Pursuant to the Framework Agreement, Able Star and the Purchaser agree that following the Borrower(s)' drawdown of any of the Dividend Facility Amount, Able Star and the Purchaser shall procure that the Company eventually distributes by way of interim dividend US\$600,000,000 in aggregate (or, if less, the greatest amount which the Company is entitled to distribute pursuant to applicable laws) as soon as reasonably practicable following the close of the offer period of the Offer but in any event within the twelve (12) month period following Completion.

## **POSSIBLE MANDATORY UNCONDITIONAL GENERAL CASH OFFER**

### **The Offer**

As at the date of this joint announcement, none of the Offeror and parties acting in concert with it (including the Purchaser) is interested in any Shares, convertible securities, options, warrants or derivatives in the Company (except for the interest in 144,131,474 Bowenvale Shares which the Purchaser has through the Share Purchase Agreement and the interest in 291,174,695 Shares (representing approximately 74.43% of the issued share capital of the Company) held by Bowenvale).

Subject to and immediately following Completion, the Purchaser will obtain a 49.50% direct economic interest and 50.00% direct voting interest in Bowenvale and, as a result, an approximately 36.84% indirect economic interest in the Company. The Executive has taken the view that the acquisition by the Purchaser of the Sale Shares in Bowenvale pursuant to the Share Purchase Agreement would, on Completion, result in the formation of a new concert group between the Purchaser, Able Star and Bowenvale that has statutory control over the Company, thereby triggering a mandatory unconditional general offer obligation under the Takeovers Code in respect of the Company. The Purchaser, the Offeror and the Company jointly announce that, subject to Completion, Goldman Sachs and BofAML, on behalf of the Offeror, will make a mandatory unconditional general cash offer in accordance with Rule 26.1 of the Takeovers Code (as the Offeror (together with its concert parties) will hold more than 50% of the Shares in issue at the time of making of the Offer) and in compliance with the Takeovers Code for all the issued Shares (other than those already acquired or agreed to be acquired by the Offeror and parties acting in concert with it) on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

**For each Offer Share accepted under the Offer .....HK\$24.82 in cash**

**(or if either a Market Disruption Event  
does not occur or a Filing Delay occurs) ..... HK\$26.00 in cash**

The offer price per Offer Share shall reflect the effective price per Share paid by the Purchaser under the Share Purchase Agreement as stated above, and therefore, shall be HK\$24.82 per Offer Share or increased to HK\$26.00 per Offer Share if either a Market Disruption Event does not occur or a Filing Delay occurs. Further announcement(s) will be made to update the Shareholders on the effective price per Share actually paid by the Purchaser under the Share Purchase Agreement and the offer price per Offer Share immediately after the Completion Date.

### **Comparison of value**

The offer price of HK\$24.82 per Offer Share represents:

- a discount of approximately 8.07% over the closing price of HK\$27.00 per Share as quoted on the Stock Exchange on 23 December 2014, being the Last Trading Day;
- a discount of approximately 6.30% over the average closing price of approximately HK\$26.49 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 6.78% over the average closing price of approximately HK\$26.63 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 7.66% over the average closing price of approximately HK\$26.88 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 6.91% over the average closing price of approximately HK\$26.66 per Share as quoted on the Stock Exchange for the sixty (60) consecutive trading days immediately prior to and including the Last Trading Day; and
- a premium of approximately 40.73% over the unaudited consolidated net assets per Share of approximately HK\$17.64 as at 30 June 2014 (being the date to which the latest unaudited consolidated interim financial statements of the Group were made up), calculated based on the Group's unaudited consolidated net assets of approximately HK\$6,899.583 million (rounded to 3 decimal places) as at 30 June 2014 and 391,195,500 Shares in issue as at the date of this joint announcement.

If either a Market Disruption Event does not occur or a Filing Delay occurs, the offer price of HK\$26.00 per Offer Share represents:

- a discount of approximately 3.70% over the closing price of HK\$27.00 per Share as quoted on the Stock Exchange on 23 December 2014, being the Last Trading Day;
- a discount of approximately 1.85% over the average closing price of approximately HK\$26.49 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 2.35% over the average closing price of approximately HK\$26.63 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 3.27% over the average closing price of approximately HK\$26.88 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 2.48% over the average closing price of approximately HK\$26.66 per Share as quoted on the Stock Exchange for the sixty (60) consecutive trading days immediately prior to and including the Last Trading Day; and
- a premium of approximately 47.42% over the unaudited consolidated net assets per Share of approximately HK\$17.64 as at 30 June 2014 (being the date to which the latest unaudited consolidated interim financial statements of the Group were made up), calculated based on the Group's unaudited consolidated net assets of approximately HK\$6,899.583 million (rounded to 3 decimal places) as at 30 June 2014 and 391,195,500 Shares in issue as at the date of this joint announcement.

### **Highest and lowest prices of the Shares**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period preceding the Last Trading Day, and including the Last Trading Day, were HK\$31.50 per Share on 23 June 2014 and HK\$25.95 per Share on 17 October and 21 October 2014.

## **Value of the Offer**

Based on the offer price of HK\$24.82 per Offer Share, the entire issued share capital of the Company is valued at HK\$9,709,472,310 (or if either a Market Disruption Event does not occur or a Filing Delay occurs, based on the offer price of HK\$26.00 per Offer Share, the entire issued share capital of the Company shall be valued at HK\$10,171,083,000). The Offer will however only be made to the Offer Shareholders. As at the date of this joint announcement, there are 391,195,500 Shares in issue. As the Offeror and parties acting in concert with it will hold an aggregate of 291,174,695 Shares immediately upon Completion, only 100,020,805 Shares will be subject to the Offer. Based on the offer price of HK\$24.82 per Offer Share, the Offer is valued at HK\$2,482,516,380.10 (or if the offer price is increased to HK\$26.00 per Offer Share, the Offer is valued at HK\$2,600,540,930 if either a Market Disruption Event does not occur or a Filing Delay occurs).

## **Confirmation of financial resources**

Assuming either a Market Disruption Event does not occur or a Filing Delay occurs, the financial resources required by the Purchaser to satisfy its obligations in respect of the Purchase amounts to HK\$3,747,418,324 (equivalent to approximately US\$483,307,108) which shall be paid to the Sellers. Assuming that either a Market Disruption Event does not occur or a Filing Delay occurs and the Offer is accepted in full, the financial resources required by the Offeror to satisfy its obligations in respect of the Offer amount to HK\$2,600,540,930 (equivalent to approximately US\$335,393,545).

The Purchaser intends to finance the consideration payable by the Purchaser under the Share Purchase Agreement with (a) equity commitments from Carlyle Asia Partners IV, and (b) debt financing to be provided under the SPA Facilities Agreement. The Offeror intends to finance the consideration payable by the Offeror under the Offer with (a) equity commitments from Carlyle Asia Partners IV, and (b) debt financing to be provided under the MGO Facility Agreement. Carlyle Asia Partners IV is ultimately controlled by The Carlyle Group L.P. The Carlyle Group L.P. is listed on the Nasdaq Stock Exchange (ticker reference: CG). Carlyle is a global alternative asset manager with US\$203 billion of assets under management across 129 funds and 141 fund of funds as of 30 September 2014.

The Purchaser and the Offeror have a binding equity commitment letter dated 23 December 2014 from Carlyle Asia Partners IV pursuant to which Carlyle Asia Partners IV has agreed to provide funding to (a) the Purchaser for it to use to pay a portion of the total cash consideration payable by the Purchaser under the Share Purchase Agreement (with the other portion being funded by the debt financing being provided under the SPA Facilities Agreement), and (b) the Offeror for it to use to pay a portion of the total cash consideration payable by the Offeror under the Offer (with the other portion being funded by the debt financing being provided under the MGO Facility Agreement).

Goldman Sachs, the lead financial adviser to the Purchaser in respect of the Purchase and to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Purchaser and the Offeror to satisfy the total consideration for the Sale Shares under the Share Purchase Agreement and the acceptance of the Offer in full, respectively, whether or not a Market Disruption Event or Filing Delay occurs.

### **Effect of accepting the Offer**

As the Executive has taken the view that the acquisition by the Purchaser of the Sellers' Bowenvale Shares pursuant to the Share Purchase Agreement would, on Completion, trigger a mandatory general offer obligation under the Takeovers Code in respect of the Company, the Offer will be unconditional and will only be made upon Completion having taken place. By accepting the Offer, an Offer Shareholder will sell its Share(s) free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights now and in the future accruing or attaching thereto, including, without limitation, the right to receive dividends, distributions or any return of capital declared, made or paid, if any, on or after the date on which the Offer is made (including the Special Interim Dividend). Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

For the avoidance of doubt, any Offer Shareholder who accepts the Offer, if made, will not be entitled to participate in any dividends which may be declared by the Company following the close of the Offer (including any Special Interim Dividend).

## **Payment**

Payment in cash in respect of an acceptance of the Offer will be made as soon as possible but within seven (7) business days (being days on which the Stock Exchange is open for the transaction of business) following the date of receipt of such duly completed acceptance. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

## **Overseas Offer Shareholders**

The Offer will be available to all Offer Shareholders, including the Overseas Offer Shareholders. The making of the Offer to persons not resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident. Overseas Offer Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice.

It is the sole responsibility of the Overseas Offer Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant overseas jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Offer Shareholders in respect of such jurisdictions).

If the receipt of the Composite Document by Overseas Offer Shareholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Offer Shareholders. In those circumstances, the Offeror will apply for any waiver from the Executive as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code.

## **Stamp duty**

The seller's Hong Kong ad valorem stamp duty arising in connection with the acceptance of the Offer, payable at the rate of HK\$1.00 for every HK\$1,000.00 or part thereof of the amount payable in respect of relevant acceptances by the Offer Shareholders, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Offer Shareholders who accept the Offer. The Offeror will bear the buyer's Hong Kong ad valorem stamp duty as purchaser of the Offer Shares and will arrange for the payment of both buyer and seller's stamp duty in connection with such sales and purchases under the Offer.

## **INFORMATION ON THE OFFEROR**

The Offeror has been established for the implementation of the Offer (if and when made) and has no other business activities. The Offeror is an investment holding company incorporated in the State of Delaware on 29 October 2014 with limited liability and is indirectly wholly owned by Jupiter Group Holdings Limited, which in turn is majority owned by Carlyle Asia Partners IV. Carlyle Asia Partners IV is a limited liability partnership established under the laws of Cayman Islands, and is a private investment fund managed by Carlyle and is ultimately controlled by The Carlyle Group L.P.

Carlyle Asia Partners IV has provided a binding equity commitment letter dated 23 December 2014 to the Purchaser and the Offeror for the provision of funding to (a) the Purchaser for it to use to pay a portion of the total cash consideration payable by the Purchaser under the Share Purchase Agreement (with the other portion being funded by the debt financing being provided under the SPA Facilities Agreement), and (b) the Offeror for it to use to pay a portion of the total cash consideration payable by the Offeror under the Offer (with the other portion being funded by the debt financing being provided under the MGO Facility Agreement).

Carlyle is a global alternative asset manager with US\$203 billion of assets under management across 129 funds and 141 fund of funds as of 30 September 2014. It is headquartered in the United States with more than 1,700 professional working in 40 offices in North America, South America, Europe, the Middle East, Africa, Asia and Australia. The Carlyle Group L.P. is listed on the Nasdaq Stock Exchange (ticker reference: CG). Carlyle operates as an investment management firm, not as a conglomerate or a holding company. Accordingly, each company in its investment portfolio is independently managed and financed and each has different investors (although the investors in different Carlyle funds may overlap).

Further information and the latest financial statements are contained on Carlyle's website and are available at <http://ir.carlyle.com/index.cfm>.

## OFFEROR'S INTERESTS IN SECURITIES OF THE COMPANY

The Offeror confirms that, as at the date of this joint announcement:

- (a) no member of the Offeror Group (other than Bowenvale, Able Star, the CITIC Group and each holding company of Able Star (which is also a majority owned indirect subsidiary of the CITIC Group)) owns or has control or direction over any voting rights or rights over the Shares;
- (b) Bowenvale (being a person acting in concert with the Offeror) owns 291,174,695 Shares or approximately 74.43% of the issued share capital of the Company (being 391,195,500 Shares);
- (c) Able Star and each holding company of Able Star (being persons acting in concert with the Offeror) holds a 50.50% economic interest and 50.00% voting interest in Bowenvale and, as a result, an approximately 37.59% indirect economic interest in the Company;
- (d) no member of the Offeror Group holds any convertible securities, warrants or options in respect of any voting rights or rights over the Shares;
- (e) there is no outstanding derivative in respect of securities in the Company entered into by any member of the Offeror Group;
- (f) no member of the Offeror Group has received any irrevocable commitment to accept or reject the Offer;
- (g) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (h) save for the Share Purchase Agreement, there is no agreement or arrangement to which the Purchaser and/or the Offeror is a party which relates to circumstances in which the Purchaser and/or the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (i) no member of the Offeror Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company; and
- (j) no member of the Offeror Group has dealt for value in any Shares, convertible securities, warrants, or options of the Company or any derivative in respect of such securities in the six months immediately prior to the date of this joint announcement.

## **INFORMATION ON THE PURCHASER**

The Purchaser has been established for the purchase of the Sale Shares and has no other business activities. The Purchaser is an investment holding company incorporated in the State of Delaware on 29 October 2014 with limited liability and is indirectly wholly owned by Jupiter Group Holdings Limited, which in turn is majority owned directly by Carlyle Asia Partners IV.

Please see the section headed “INFORMATION ON THE OFFEROR” for further information regarding Carlyle Asia Partners IV and Carlyle.

## **INFORMATION ON THE SELLERS**

Seller A is a company incorporated in the State of Delaware, the registered office of which is situated at 201 Merritt 7, P.O. Box 5201, Norwalk, CT 06856, the United States of America.

Seller B is a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, the United States of America.

Seller C is a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, the United States of America.

Seller D is a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, the United States of America.

Each of the Sellers is an indirectly wholly-owned subsidiary of GEC.

## **INFORMATION ON BOWENVALE**

Bowenvale is an exempted company incorporated in the British Virgin Islands with limited liability. It is a joint venture vehicle directly owned by Able Star (being a wholly-owned indirect subsidiary of CITIC Limited and a majority owned indirect subsidiary of the CITIC Group) and the Sellers (being indirect wholly-owned subsidiaries of GEC). As at the date of this joint announcement, Able Star holds a 50.00% voting interest and a 50.50% economic interest in Bowenvale, and the Sellers together hold a 50.00% voting interest and a 49.50% economic interest in Bowenvale in aggregate.

Following Completion, Bowenvale will be jointly and directly owned by Able Star and the Purchaser, where Able Star will continue to hold a 50.00% voting interest and a 50.50% economic interest in Bowenvale, and the Purchaser will hold a 50.00% voting interest and a 49.50% economic interest in Bowenvale.

## INFORMATION ON THE GROUP

The Company is incorporated in Bermuda with limited liability, and the Shares have been listed on the Main Board of the Stock Exchange since 1996 (trading under the stock code of 1135). The Group is principally engaged in the provision of satellite transponder capacity and satellite services to broadcasting and telecommunications markets.

## SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER COMPLETION

As at the date of this joint announcement, there are 391,195,500 Shares in issue and the Company does not have any outstanding options, warrants, derivatives or other securities which may confer to the holder(s) thereof any right to subscribe for, convert into or exchange into Shares. As at the date of this joint announcement, the Company has not entered into any agreement for the issue of any Shares or options, warrants, derivatives or other securities which may confer to the holder(s) thereof any right to subscribe for, convert into or exchange into Shares.

As at the date of this joint announcement, the Offeror currently neither owns nor has control or direction over any voting rights or rights over Shares. As at the date of this joint announcement, so far as the Offeror is aware, the parties acting in concert with it are beneficially interested in 291,174,695 Shares (representing approximately 74.43% of the issued share capital of the Company) as Bowenvale is a party acting in concert with the Offeror and holds 291,174,695 Shares. The following table sets out the shareholding structure of the Company as at the date of this joint announcement and immediately after Completion (assuming there are no other changes to the issued share capital of the Company since the date of this joint announcement):

	<b>As at the date of this joint announcement</b>		<b>Immediately after Completion and before the Offer</b>	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Bowenvale ( <i>Note 1</i> )	291,174,695	74.43	291,174,695	74.43
Offer Shareholders	<u>100,020,805</u>	<u>25.57</u>	<u>100,020,805</u>	<u>25.57</u>
Total	<u>391,195,500</u>	<u>100.00</u>	<u>391,195,500</u>	<u>100.00</u>

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*Note 1:* As at the date of this joint announcement, Able Star holds a 50.00% voting interest and a 50.50% economic interest in Bowenvale (representing approximately 37.59% indirect economic interest in the Company), and the Sellers together hold a 50.00% voting interest and a 49.50% economic interest in Bowenvale in aggregate (representing approximately 36.84% indirect economic interest in the Company). The Offeror currently neither owns nor has control or direction over any voting rights or rights over any Shares. However, the parties acting in concert with the Offeror are beneficially interested in the 291,174,695 Shares (representing approximately 74.43% of the issued share capital of the Company), as Bowenvale is a party acting in concert with the Offeror and Bowenvale currently holds 291,174,695 Shares.

Following Completion, Bowenvale will be jointly and directly owned by Able Star and the Purchaser, where Able Star will continue to hold a 50.00% voting interest and a 50.50% economic interest in Bowenvale (representing approximately 37.59% indirect economic interest in the Company), and the Purchaser will hold a 50.00% voting interest and a 49.50% economic interest in Bowenvale (representing approximately 36.84% indirect economic interest in the Company).

## **FUTURE INTENTIONS OF THE OFFEROR REGARDING THE GROUP**

### **Business**

The Purchaser and the Offeror intend to continue the existing business of the Group immediately following Completion and completion of the Offer, if and when made. The Purchaser and the Offeror will also explore other business opportunities for the Group and consider appropriate asset and/or business acquisitions by the Group in order to enhance the business growth of the Group. The Purchaser and the Offeror will, after Completion, conduct a more detailed review of the operations of the Group with a view to formulating a long-term corporate strategy for the Group. As at the date of this joint announcement, however, the Purchaser does not have any specific plan or proposal with respect to any acquisition of assets and/or business by the Group. If the Group does decide to proceed with any such acquisition, further announcement(s) will be made as and when appropriate.

Save for proposed changes in the members of the Board as mentioned below, neither the Purchaser nor the Offeror has any current intention to terminate the employment of any employees of the Group or to introduce any significant changes to the management of the Company.

### **Proposed change of board composition of the Company**

The Board is currently made up of 11 Directors, comprising one (1) executive Director, six (6) non-executive Directors and four (4) independent non-executive Directors.

The Purchaser currently intends to nominate three (3) new members to the Board (the “**Purchaser Nominee Directors**”), namely Mr. Julius GENACHOWSKI, Mr. Alex S. YING and Mr. Gregory Michael ZELUCK as non-executive Directors. Such appointments will only take effect after the date of the Composite Document in accordance with the requirements of the Takeovers Code or such earlier time after Completion as may be consented to by the Executive under Rule 26.4 of the Takeovers Code.

Mr. Julius GENACHOWSKI is a Managing Director in the U.S. Buyout team of Carlyle, focusing on acquisitions and growth investments in global technology, media and telecom, including Internet and mobile. He is based in Washington, D.C. Mr. GENACHOWSKI returned to the private sector after serving as Chairman of the U.S. Federal Communications Commission from 2009 to 2013.

Mr. Alex S. YING is a Managing Director of Carlyle advising on Asian buyout opportunities, with a particular focus on the telecommunications, media and technology sector. He is based in Hong Kong.

Mr. Gregory Michael ZELUCK is currently a Managing Director and Co-Head of Carlyle advising on Asian buyout opportunities. He advises on the sourcing and execution of deals in Greater China. He is based in Hong Kong.

Pursuant to the terms of the Share Purchase Agreement, the Sellers shall cause, on and with effect from the earliest date on which any existing Director may resign under the Listing Rules, the Takeovers Code and any other applicable law, the resignation of each of Mr. Sherwood P. DODGE, Mr. John F. CONNELLY and Ms. Nancy KU (the “**Seller Nominee Directors**”) and Mr. Mark CHEN as a director of Bowenvale and the resignation of each of the Seller Nominee Directors as a director of the Company, AsiaSat BVI Limited (a direct wholly owned subsidiary of the Company) and HK Subsidiary (an indirect wholly owned subsidiary of the Company), and the Sellers shall procure that each of the Seller Nominee Directors and Mr. Mark CHEN will tender their resignations to take effect on such date. It is the current intention of each of the Seller Nominee Directors to resign on the first closing date of the Offer, and in any event no later than three months after the date of appointment of the Purchaser Nominee Directors, to ensure that the number of independent non-executive Directors does not fall below one-third of the total number of Directors for more than 3 months, such that the Company shall continue to be compliant with Rule 3.11 of the Listing Rules.

Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made accordingly.

## **Compulsory Acquisition Rights and Listing Status of the Company**

Rule 2.11 of the Takeovers Code and the Companies Act together provide that, except with the consent of the Executive, where the Offeror seeks to acquire or privatise the Company by means of the Offer and the use of compulsory acquisition rights, such rights may only be exercised if acceptances of the Offer and purchases (in each case of the disinterested Shares) made by the Offeror and persons acting in concert with it during the period of four months after posting of the Composite Document total 90% of the disinterested Shares (i.e., not less than 90,018,725 Offer Shares).

If the Offeror obtains the prescribed percentage of acceptances from holders of Shares approving the Offer as required by the Companies Act and is permitted to do so under Rule 2.11 of the Takeovers Code, the Offeror intends, subject to applicable regulatory approvals, to exercise its compulsory acquisition rights under the Companies Act.

According to Rule 15.6 of the Takeovers Code, since the Offeror intends, subject to applicable regulatory approvals, to exercise its compulsory acquisition rights under the Companies Act to compulsorily acquire those Shares not acquired by the Offeror under the Offer, the Offer may not remain open for acceptance for more than four months from the date of posting of the Composite Document, unless the Offeror has by that time become entitled to exercise such powers of compulsory acquisition available to it under the Companies Act, in which event the Offeror must do so without delay. The Offeror has discussed with the Executive that it will need regulatory approval (particularly from the DDTC under ITAR) and there would therefore be some delay before the compulsory acquisition powers are exercised by the Offeror.

If the level of acceptances of the Offer reaches the prescribed level under the Companies Act and Rule 2.11 of the Takeovers Code permits a compulsory acquisition, and if the Offeror proceeds with the exercise of such compulsory acquisition rights and the privatisation of the Company, the Company will apply for the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules and a suspension of dealings in the Shares from the close of the Offer up to the withdrawal of listing of Shares from the Stock Exchange.

In the event that the Offeror does not effect the compulsory acquisition of the remaining Offer Shares, whether by reason of not having acquired the prescribed percentage required or by reason of not obtaining applicable regulatory approvals to do so, the Purchaser and the Offeror intend to maintain the listing of the Shares on the Stock Exchange following close of the Offer.

As at the close of the Offer, under the Listing Rules if less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that: (a) a false market exists or may exist in the trading of the Shares; or (b) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares. The Stock Exchange may refrain from suspension if the Stock Exchange is satisfied that there remains an open market in the securities and certain other criteria are met. However, at any time when the percentage of securities in public hands is less than the required minimum, and the Stock Exchange has permitted trading in the securities to continue, the Stock Exchange will monitor closely all trading in the securities to ensure that a false market does not develop and may suspend the securities if there is any unusual price movement. In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares and therefore trading in the Shares may be suspended until a sufficient level of public float is attained. Each of the Offeror and the Company will in such event undertake to the Stock Exchange to use all its reasonable endeavours to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame following close of the Offer.

### **Dividend Facility and declaration of Special Interim Dividend**

Pursuant to the Framework Agreement, the Purchaser and Able Star have agreed that following Completion, and if so requested by the Purchaser, each party will procure that the Company and/or the HK Subsidiary will enter into the Dividend Facility, draw down funds available to it under the Dividend Facility and to declare and pay the Special Interim Dividend of such amount as requested but in any event not in excess of US\$600,000,000) on a pro rata basis to the registered holders of the Shares as at a record date falling after close of the Offer and to be fixed by the Board for determining entitlements to the payment of the Special Interim Dividend. Based on the 391,195,500 Shares in issue as at the date of this joint announcement, the maximum amount of the Dividend Facility of US\$240,000,000 and the available and distributable cash reserves of the Company and/or HK Subsidiary, the proposed Special Interim Dividend is intended to be US\$600,000,000 or HK\$11.89 per Share (rounded to 2 decimal places). The proposed Special Interim Dividend is intended to be paid in cash out of the Company's and/or HK Subsidiary's reserves which will be partly contributed by the net proceeds to be received by the Company and/or HK Subsidiary following the drawdown of the Dividend Facility.

The Dividend Facility is a proposed loan facility from the Financing Banks to the Company and HK Subsidiary, the terms of which have been negotiated with the assistance of the SPA Parent, of up to an aggregate amount of US\$240,000,000. On 23 December 2014, the Financing Banks issued to the SPA Parent a binding commitment letter in favour of the Company, and which the SPA Parent will countersign within 14 business days (a day other than a Saturday, Sunday or public holiday in Hong Kong) of 23 December 2014. From the date of the SPA Parent countersigning the commitment letter, the Financing Banks are committed to provide the Dividend Facility to the Company and HK Subsidiary for a period of 9 months until 23 September 2015, and which will be available for drawdown by the Company and/or the HK Subsidiary once the Company and/or the HK Subsidiary either (a) countersigns the commitment letter and the Dividend Facility Agreement or (b) enters into the Dividend Facility Agreement itself without any further action from the SPA Parent. In return, the SPA Parent is obliged to (amongst other things): (a) assist the Financing Banks in completing a timely and orderly syndication of the facilities, (b) provide an indemnity to the Financing Banks (including their respective affiliates, directors, officers and employees) against any loss or liability in connection with any dispute arising out of the financing of the Dividend Facility (subject to certain exclusions and conditions) and (c) reimburse the Financing Banks for their reasonable costs and expenses (including legal fees) in connection with the Dividend Facility.

Upon the Company and/or the HK Subsidiary countersigning the commitment letter and the Dividend Facility Agreement, the SPA Parent will be immediately released from the obligations stated at (b) and (c) above, and can also enforce the Financing Bank's commitment to provide the Dividend Facility to the Company and/or the HK Subsidiary. As at the date of this joint announcement, neither the Company nor HK Subsidiary has countersigned the commitment letter or the Dividend Facility Agreement or entered into the Dividend Facility Agreement itself.

Whilst the Company has not yet approved the entry into the Dividend Facility, the Purchaser has sought to engage the Management in the review of the basic term sheet which sets out the key terms of the Dividend Facility and the Management has provided preliminary feedback on such terms. Furthermore, the key terms of the Dividend Facility have also been presented to the Board.

After the close of the Offer, and upon the Board's approval of the entry into and drawdown of the Dividend Facility and the declaration of Special Interim Dividend, the Dividend Facility available to the Company and the HK Subsidiary will be drawn down and the Special Interim Dividend will be paid on a pro rata basis to all Shareholders of the Company, including Bowenvale and all other public Shareholders, as at a date after close of the Offer (which is to be fixed by the Board

for determining entitlements to the payment of the Special Interim Dividend). Bowenvale will subsequently use the pro rata proceeds of the Special Interim Dividend it receives to declare and pay an interim dividend to the Purchaser and Able Star. It is the Purchaser's intention to use the portion of any Special Interim Dividends to be received by it from Bowenvale to repay the SPA Debt Facilities and it is the Offeror's intention to use the portion of any Special Interim Dividends to be received by it from the Company to repay the MGO Debt Facility.

It should be noted that the entry into the Dividend Facility Agreement, drawdown of the Dividend Facility, and declaration and payment of the Special Interim Dividend on a pro rata basis to all Shareholders of the Company is subject to the approval of the Board which will not be sought until after the close of the Offer.

For the avoidance of doubt, any Offer Shareholder who accepts the Offer, if made, will not be entitled to participate in any dividends (including any Special Interim Dividend) which may be declared and paid following the close of the Offer.

Further announcement(s) will be made to update the Shareholders on the Special Interim Dividend as and when appropriate.

### **Existing Share Award Scheme**

As disclosed in the announcement of the Company dated 22 August 2007, the Company adopted the ESAS on 22 August 2007. The trustee of the ESAS is the ESAS Trustee, and as at 30 November 2014, the ESAS Trustee (in its capacity as the trustee of ESAS) held 107,560 Shares subject to outstanding unvested Shares under the ESAS. In the event the Offeror proceeds with the privatisation of the Company as described in the section headed "FURTHER INTENTIONS OF THE OFFEROR REGARDING THE GROUP — Compulsory Acquisition Rights and Listing Status of the Company" above, the Company will duly effect appropriate arrangements in respect of all outstanding awards under the ESAS in accordance with the rules relating to the ESAS and issue further announcement(s) for updating the Shareholders as and when appropriate.

## **GENERAL**

### **Availability of the Composite Document**

It is the intention of the Offeror and the Company to combine the offer document and the offeree company's board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document, containing, among other things, the terms and conditions of the Offer, the expected timetable of the Offer, the recommendation from the Independent Board Committee and the advice from the independent financial adviser to the Independent Board Committee in respect of the Offer, should normally be posted to the Shareholders within 21 days of the date of this joint announcement. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the Executive's consent is required if the making of a general offer is subject to prior fulfilment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period contemplated by Rule 8.2 of the Takeovers Code. As it is expected that the Conditions under the Share Purchase Agreement will not be satisfied within 21 days from the date of this joint announcement, an application will be made by the Offeror and the Company to the Executive in respect of Note 2 to Rule 8.2 of the Takeovers Code for the Executive's consent to extend the date of posting of the Composite Document to a date falling within seven (7) days after Completion or such other date as the Executive may approve.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

Offer Shareholders are advised to review carefully the Composite Document.

### **Independent Board Committee and Independent Financial Adviser of the Company**

Pursuant to Rule 2.1 of the Takeovers Code, an Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. James WATKINS, Mr. Stephen LEE Hoi Yin, Mr. Kenneth McKELVIE and Ms. Maura WONG Hung Hung, has been established to advise the Offer Shareholders in respect of the Offer. As all of the Non-Executive Directors are nominee directors from Bowenvale, who are in turn nominated by Bowenvale's shareholders Able Star (which is controlled by CITIC Group) and the Sellers (which are controlled by GEC), they are seen to be interested in the Offer and cannot form part of the Independent Board Committee.

An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offer. The appointment of the independent financial adviser is subject to the approval of the Independent Board Committee. A further announcement will be made when the independent financial adviser to the Independent Board Committee is appointed.

## **Disclosure of dealings in Shares**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and associates of the Offeror (including persons who own or control 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror or any person who as a result of any transaction owns or controls 5% or more of any class of relevant securities of the Company or the Offeror) are reminded to disclose their dealings in the securities of the Company.

The full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

### ***“Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **WARNING**

**The Offer is a possibility only.**

**The Offer is a possible mandatory unconditional general cash offer and will only be made if Completion takes place, which is conditional upon satisfaction (or, with respect to certain Conditions, waiver by the Offeror) of the Conditions. Completion may or may not take place and accordingly, the Offer may or may not be made. Shareholders and potential investors in the Company are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to that term in the Takeovers Code and “concert parties” shall be construed accordingly
“Able Star”	Able Star Associates Limited, a company incorporated in the British Virgin Islands, an indirect wholly-owned subsidiary of CITIC Limited and a majority owned indirect subsidiary of the CITIC Group, and a shareholder of Bowenvale
“associate”	has the meaning ascribed to that term under the Takeovers Code
“Board”	the board of Directors
“BofAML”	Merrill Lynch (Asia Pacific) Limited, a licensed corporation under the SFO, registered to conduct Type 1 (dealing in securities), Type 4 (advising on securities), and Type 6 (advising on corporate finance) regulated activities under the SFO, which is a financial adviser to the Purchaser in respect of the Purchase and to the Offeror in respect of the Offer
“Borrower(s)”	means the Company, HK Subsidiary and/or any of the Company’s subsidiaries as nominated by the Purchaser
“Bowenvale”	Bowenvale Limited, a company incorporated in the British Virgin Islands and the controlling shareholder of the Company, which is indirectly owned by the CITIC Group (through Able Star) and GEC (through the Sellers) and which, following completion of the Transaction, will be jointly (and, in the case of the CITIC Group, indirectly) owned by the CITIC Group and the Purchaser
“Bowenvale Shares”	ordinary shares of HK\$0.10 each in the issued share capital of Bowenvale
“Business Day”	a day other than a Saturday, Sunday or public holiday in Hong Kong or Taiwan

“Carlyle Asia Partners IV”	Carlyle Asia Partners IV, L.P., an exempt partnership established in the Cayman Islands
“CITIC Group”	CITIC Group Corporation, an enterprise established and existing under the laws of the PRC
“CITIC Limited”	CITIC Limited, a company incorporated in Hong Kong, whose shares are currently listed on the Stock Exchange (Stock code: 267)
“Communications Authority”	the Communications Authority established by Section 3 of the Communications Authority Ordinance (Chapter 616 of the Laws of Hong Kong)
“Companies Act”	The Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Asia Satellite Telecommunications Holdings Limited, an exempted company incorporated in Bermuda with limited liability, whose ordinary shares are currently listed on the Stock Exchange (Stock code: 1135)
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Share Purchase Agreement
“Completion Date”	<p>(a) the fifth (5) Business Day immediately following the first day on which all the Conditions (other than those Conditions (being the Conditions in paragraphs (a) and (b) of the section headed “The Share Purchase Agreement — Conditions”) which by their nature will be satisfied on Completion but subject to the satisfaction or waiver of such Conditions) are satisfied (or waived); or</p> <p>(b) any other date agreed in writing by the Sellers and the Purchaser,</p> <p>unless Completion is deferred as a result of agreement by the Sellers and the Purchaser, in which event the Completion Date shall be the date to which Completion is so deferred</p>

“Composite Document”	the formal composite offer document proposed to be jointly issued by the Offeror and the Company to the Offer Shareholders in connection with the Offer and in accordance with the Takeovers Code
“Conditions”	the conditions to Completion as set out in the section headed “THE SHARE PURCHASE AGREEMENT — Conditions” in this joint announcement
“connected person(s)”	has the meaning ascribed to that term under the Listing Rules
“Current Shareholders’ Agreement”	the current shareholders’ agreement dated 29 July 2009 between GEC, the CITIC Group, the Sellers, Able Star and Bowenvale
“DDTC”	means the U.S. State Department’s Directorate of Defense Trade Controls
“Directors”	directors of the Company
“Dividend Facility”	means the term loan and revolving loan facilities from the Financing Banks of up to US\$240,000,000 pursuant to the Dividend Facility Agreement
“Dividend Facility Agreement”	means the term loan and revolving loan facilities agreement to be entered into between, among others, the Company and HK Subsidiary and the Financing Banks
“Dividend Facility Amount”	means US\$234,000,000
“EC Regulation”	means the Council Regulation (EC) 139/2004
“ESAS”	means the existing share award scheme adopted by the Company on 22 August 2007
“ESAS Trustee”	Equity Trust (Jersey) Limited, a company incorporated in Jersey
“Event”	means any event, change, development, circumstance, occurrence, state of facts or effect
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

“Filing Delay”	means the Purchaser’s failure to submit to the Anti-Monopoly Bureau within MOFCOM, within seven (7) Business Days following the date of the Share Purchase Agreement, the merger filings in connection with satisfying the MOFCOM Condition
“Financing Banks”	CTBC Bank Co., Ltd, Cathay United Bank Co., Ltd, Mega International Commercial Bank Co., Ltd and ING Bank N.V., Singapore Branch
“Framework Agreement”	means the framework agreement dated 23 December 2014 between the Purchaser and Able Star
“GEC”	General Electric Company, a company incorporated and listed in the United States of America with a diverse global shareholder base
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C., a registered institution under the SFO licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, which is the lead financial adviser to the Purchaser in respect of the Purchase and to the Offeror in respect of the Offer
“Group”	the Company and its subsidiaries and “Group Company” means any one (1) of them
“Hang Seng Index”	the Hang Seng Index published by Hang Seng Indexes Company Limited or any successor company or organisation
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards
“HK Subsidiary”	Asia Satellite Telecommunications Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent board committee of the Board established for the purpose of advising the Offer Shareholders in respect of the Offer, comprising all the independent non-executive Directors of the Company, namely Mr. James WATKINS, Mr. Stephen LEE Hoi Yin, Mr. Kenneth McKELVIE and Ms. Maura WONG Hung Hung
“Initial Index”	means the closing value (expressed in points) of the Hang Seng Index on the date of the Share Purchase Agreement or, if that date is not a Trading Day, on the Trading Day immediately preceding the date of the Share Purchase Agreement
“ITAR”	means the International Traffic in Arms Regulations
“Jupiter Group Holdings Limited”	Jupiter Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability
“Last Trading Day”	23 December 2014, being the last trading day immediately prior to the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	6:00 pm on 29 May 2015 (or, if such date is not a Business Day, the Business Day immediately preceding such date) or such later time and date as may be agreed in writing by the Purchaser and the Sellers
“Loss”	means, in relation to a satellite, an Event (which, if related to the failure of a component of such satellite, must be the permanent failure or permanently intermittent failure of such component) which results in the loss of 75% or more of such satellite’s stated operational capacity
“Market Disruption Event”	occurs if, on the Relevant Date, the closing value (expressed in points) of the Hang Seng Index has declined by 10% or more, as compared to the value (expressed in points) of the Initial Index

“Management”	the President and Chief Executive Officer, Vice President, Finance and Chief Financial Officer and General Counsel of the Company
“Material Adverse Change”	means any Event that is or would reasonably be expected to be materially adverse to the business, operations, assets, liabilities, condition (financial or otherwise) or results of Bowenvale or of the Group taken as a whole, other than Events due to or resulting from (1) general economic or market conditions, (2) matters generally affecting the industries in which any Group Company operates, or (3) the announcement or pendency of the Share Purchase Agreement. For the avoidance of doubt, the Loss of any of satellites AsiaSat 4, AsiaSat 5, AsiaSat 6, AsiaSat 7 or AsiaSat 8 of the Company would be a Material Adverse Change
“MGO Borrower”	Ganymede Intermediate Limited, a company incorporated in the Cayman Islands with the registered number 293154, a direct holding company of the Offeror and an indirect wholly-owned subsidiary of Jupiter Group Holdings Limited
“MGO Debt Facility”	term loan facility in an aggregate amount of up to US\$200,000,000 granted by the Financing Banks pursuant to the MGO Facility Agreement
“MGO Facility Agreement”	means the facility agreement dated 23 December 2014 between, amongst others, MGO Borrower as borrower, CTBC Bank Co., Ltd. as facility agent and Cathay United Bank Co., Ltd. as security agent
“MOFCOM”	Ministry of Commerce of the PRC
“MOFCOM Condition”	has the same meaning as stated under the section headed “THE SHARE PURCHASE AGREEMENT — Conditions” in this joint announcement
“New Shareholders’ Agreement”	the shareholders’ agreement dated 23 December 2014 between the Purchaser, Able Star and Bowenvale

“Offer”	the possible mandatory unconditional general cash offer to be made, subject to Completion, by Goldman Sachs and BofAML on behalf of the Offeror, to acquire all of the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on the terms to be set out in the Composite Document
“Offeror “	Ganymede Investment Holdings, L.L.C., a company incorporated in the State of Delaware with file number 5630441, a direct wholly-owned subsidiary of MGO Borrower and an indirect wholly-owned subsidiary of Jupiter Group Holdings Limited
“Offeror Group”	the Offeror and parties acting in concert with it (including Bowenvale, Able Star, the Purchaser and the CITIC Group)
“Offer Shareholders”	registered holders of the Offer Shares
“Offer Shares”	all Shares (other than those already owned or agreed to be acquired by the Offeror or parties acting in concert with it including, for the avoidance of doubt, Bowenvale) that are subject to the Offer, being 100,020,805 Shares as at the date of this joint announcement
“Overseas Offer Shareholders”	Offer Shareholders whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“PRC”	the People’s Republic of China and, for the purpose of this joint announcement, does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchase”	the proposed purchase of the Sale Shares by the Purchaser from the Sellers in accordance with the terms and conditions of the Share Purchase Agreement

“Purchaser”	Jupiter Investment Holdings, L.L.C., a company incorporated in the State of Delaware with file number 5630439, a direct wholly-owned subsidiary of the SPA Borrower and an indirect wholly-owned subsidiary of Jupiter Group Holdings Limited
“Purchaser Nominee Directors”	means Mr. Julius GENACHOWSKI, Mr. Alex S. YING and Mr. Gregory Michael ZELUCK
“Relevant Date”	means the day which is 2 Business Days before the Completion Date or, if that day is not a Trading Day, means the Trading Day immediately preceding that date
“Sale Shares”	the 144,131,474 Bowenvale Shares to be acquired by the Purchaser from the Sellers on and subject to the terms of the Share Purchase Agreement
“Seller A”	GE Capital Equity Investments, Inc., a company incorporated in the State of Delaware, the registered office of which is situated at 201 Merritt 7, P.O. Box 5201, Norwalk, CT 06856, United States of America and an indirect wholly-owned subsidiary of GEC, and a shareholder of Bowenvale
“Seller B”	GE Pacific-1 Holdings, Inc., a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States of America and an indirect wholly-owned subsidiary of GEC, and a shareholder of Bowenvale
“Seller C”	GE Pacific-2 Holdings, Inc., a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States of America and an indirect wholly-owned subsidiary of GEC, and a shareholder of Bowenvale
“Seller D”	GE Pacific-3 Holdings, Inc., a company incorporated in the State of Delaware, the registered office of which is situated at 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States of America and an indirect wholly-owned subsidiary of GEC, and a shareholder of Bowenvale

“Sellers”	Seller A, Seller B, Seller C and Seller D, and “Seller” means any one (1) of them
“Seller Nominee Directors”	means Mr. Sherwood P. DODGE, Mr. John F. CONNELLY and Ms. Nancy KU
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	ordinary shares of par value HK\$0.10 each in the issued share capital of the Company
“Shareholders”	holders of Shares
“Share Purchase Agreement”	the conditional share purchase agreement dated 23 December 2014 and entered into between the Sellers and the Purchaser in relation to the sale and purchase of the Sale Shares
“SPA Borrower”	Jupiter Intermediate Limited, a company incorporated in the Cayman Islands with the registered number 293155, a direct holding company of the Purchaser and an indirect wholly-owned subsidiary of Jupiter Group Holdings Limited
“SPA Parent”	Jupiter Parent Limited, a company incorporated in the Cayman Islands with the registered number 293115, a direct holding company of the SPA Borrower and a direct wholly-owned subsidiary of Jupiter Group Holdings Limited
“SPA Debt Facilities”	term loan facilities in an aggregate amount of up to US\$296,000,000 granted by the Financing Banks pursuant to the SPA Facilities Agreement
“SPA Facilities Agreement”	means the facilities agreement dated 23 December 2014 between, amongst others, SPA Borrower as borrower, CTBC Bank Co., Ltd. as facility agent and Cathay United Bank Co., Ltd. as security agent

“Special Interim Dividend”	the special interim dividend(s) which, upon approval by the Board, may be declared by the Company and paid on a pro rata basis to all Shareholders of the Company to distribute inter alia the funds received by the Company after the close of the Offer and after the drawdown of funds from the Dividend Facility
“State of Delaware”	the State of Delaware of the United States of America
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers
“Telecommunications Ordinance”	the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong)
“Trading Day”	any day on which the Stock Exchange is open for trading on each of its regular trading sessions
“Transaction”	the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Share Purchase Agreement
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the board of directors of  
**Ganymede Investment  
Holdings, L.L.C.**  
**Wayne BANNON**  
*Director*

By order of the board of directors of  
**Asia Satellite Telecommunications  
Holdings Limited**  
**Sherwood P. DODGE**  
*Chairman*

Hong Kong, 23 December 2014

*As at the date of this joint announcement, the directors of the Offeror are Mr. David PEARSON, Mr. Thomas MAYRHOFER, Ms. Norma KUNTZ and Mr. Wayne BANNON.*

*As at the date of this joint announcement, the executive Director is Mr. William WADE. The non-executive Directors are Mr. Sherwood P. DODGE (Chairman), Mr. JU Wei Min (Deputy Chairman), Mr. LUO Ning, Mr. Peter JACKSON, Mr. John F. CONNELLY and Ms. Nancy KU. The independent non-executive Directors are Mr. James WATKINS, Mr. Stephen LEE Hoi Yin, Mr. Kenneth McKELVIE and Ms. Maura WONG Hung Hung. The alternate Director is Mr. CHONG Chi Yeung (alternate to Mr. LUO Ning).*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Group) contained in this joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions (other than those expressed by the Directors) expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (in relation to the information relating to the Group only) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (in relation to opinions expressed by the Directors only) have been arrived at after due and careful consideration and there are no other facts (in relation to the information relating to the Group only) not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*