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Bowenvale Limited

*(Incorporated in the British
Virgin Islands with limited liability)*

ASIASAT

**Asia Satellite Telecommunications
Holdings Limited**

(Incorporated in Bermuda with limited liability)
(Stock Code: 1135)

FURTHER JOINT ANNOUNCEMENT

**PROPOSED PRIVATIZATION OF
ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT**

**GRANT OF SHARE AWARDS PURSUANT TO SHARE AWARD
SCHEME**

**UPDATE ON THE NUMBER OF RELEVANT SECURITIES IN ISSUE
PURSUANT TO RULE 3.8 OF THE TAKEOVERS CODE**

The Board announces that on 2 July 2019, based on the 2019 Awards Reference Amount and the applicable market price determined by reference to, among others, the average of the closing market prices of the Shares for the period between 17 June 2019 and 28 June 2019 (both dates inclusive), the Company has granted an aggregate of 733,840 Share Awards, representing approximately 0.19% of the issued share capital of the Company as at the date of this announcement, to the Grantees in accordance with the terms of the 2017 ESAS.

Based on the closing price of HK\$9.39 per Share as quoted on the Stock Exchange on 2 July 2019 (being the date of grant of the 2 July Awards), the total market value of the 2 July Awards amounts to HK\$6,890,758.

This announcement is also made by the Company pursuant to Rule 3.8 of the Takeovers Code.

Reference is made to (i) the announcement made by the Company on 20 December 2017 regarding the adoption of the 2017 ESAS; and (ii) the joint announcement made by the Company and Bowenvale Limited on 27 June 2019 regarding, among other things, the proposed privatization of the Company through a scheme of arrangement (the “**Joint Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Joint Announcement.

The Board announces that on 2 July 2019, based on the 2019 Awards Reference Amount and the applicable market price determined by reference to, among others, the average of the closing market prices of the Shares for the period between 17 June 2019 and 28 June 2019 (both dates inclusive), the Company has granted an aggregate of 733,840 Share Awards (the “**2 July Awards**”), representing approximately 0.19% of the issued share capital of the Company as at the date of this announcement, to 15 ESAS participants (the “**Grantees**”) in accordance with the terms of the 2017 ESAS.

Based on the closing price of HK\$9.39 per Share as quoted on the Stock Exchange on 2 July 2019 (being the date of grant of the 2 July Awards), the total market value of the 2 July Awards amounts to HK\$6,890,758.

As part of the 2 July Awards, the Company has granted 181,186 Share Awards, representing 0.05% of the issued share capital of the Company as at the date of this announcement, to Ms. Sue YEUNG (the chief financial officer and the company secretary of the Company).

A table showing Ms. Sue YEUNG’s interest in Shares, aggregate Unvested Awards, 2019 Vesting Awards, and Net Unvested Awards as at the date of this announcement is set out below:

| | As at the date of this announcement | | | |
|---------------|--|--|--|--|
| | (A) | (B) | (C) | (D) = (B) - (C) |
| | Number of Shares owned | Unvested Awards/ Value (Note 1) | 2019 Vesting Awards/ Value (Note 1) | Net Unvested Awards/ Value (Note 1) |
| Ms. Sue YEUNG | 582,439 | 615,451 / HK\$6,289,909 | 77,997 / HK\$797,129 | 537,454 / HK\$5,492,780 |

Note:

1. *Based on the Share Award Offer Price.*

If the Scheme becomes effective and the Roll-over Arrangements are implemented, pursuant to the Roll-over Arrangements, (i) Ms. Sue YEUNG shall, as one of the Participating Management Shareholders under the Roll-over Arrangements, waive her right to the accelerated vesting of part of the 2 July Awards attributable to Ms. Sue YEUNG (being 67,401 of 2 July Awards in the aggregate value of HK\$626,155 (based on the net asset value of HK\$9.29 per Share as at 31 December 2018, although the actual value will be subject to the vesting provisions and the applicable net asset value of the Shares at the time of settlement, subject to a minimum quantum to be

agreed)); and (ii) upon the terms of the MIP to be adopted by the Company following the Effective Date, the Company shall, in relation to the waiver of the accelerated vesting of 67,401 of Ms. Sue YEUNG's 2 July Awards, issue 67,401 Roll-over RSUs in the aggregate value of HK\$626,157 and 53,920 Incentive RSUs in the aggregate value of HK\$500,917 (based on the net asset value of HK\$9.29 per Share as at 31 December 2018, although the actual value will be subject to the vesting provisions and the applicable net asset value of the Shares at the time of settlement, subject to a minimum quantum to be agreed) to Ms. Sue YEUNG.

The final total Roll-over RSUs and Incentive RSUs for every Roll-over Award to be issued to Ms. Sue YEUNG is set out below:

| | <i>Number of Roll-over Awards</i> | <i>Number of Roll-over RSUs proposed to be issued under the MIP/Value (Note 2)</i> | <i>Number of Incentive RSUs proposed to be issued under the MIP/Value (Note 2)</i> |
|---------------|-----------------------------------|--|--|
| Ms. Sue YEUNG | 199,933 | 199,933 / HK\$1,857,378 | 159,945 / HK\$1,485,889 |

Note:

- 2. Based on the net asset value of HK\$9.29 per Share as at 31 December 2018, although the actual value will be subject to the vesting provisions and the applicable net asset value of the Shares at the time of settlement, subject to a minimum quantum to be agreed.*

None of the Grantees is a Director, chief executive or substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them.

If the Scheme lapses or is otherwise terminated, the 2 July Awards shall vest as follows:

- as to 25% of the 2 July Awards on the second anniversary date of granting, i.e. 2 July 2021;
- as to 25% of the 2 July Awards on the third anniversary date of granting, i.e. 2 July 2022;
- as to 25% of the 2 July Awards on the fourth anniversary date of granting, i.e. 2 July 2023; and
- as to the remaining 25% of the 2 July Awards on the fifth anniversary date of granting, i.e. 2 July 2024.

If the Scheme does not become effective, the Trustee will be issued new Shares pursuant to the general mandate of the Company granted to the Directors at the annual general meeting of the Company held on 14 June 2019 to satisfy the 2 July Awards. As at the date of this announcement, the Company has not issued any Shares pursuant to such general mandate of the Company. To the extent any of the 2 July Awards will need to be satisfied by the issue of new Shares, such new Shares will be subject to approval from the Stock Exchange for the listing of, and permission to deal in, such new Shares. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, such new Shares. The new Shares will be allotted and issued at nominal value and no new funds will be raised as a result of the aforesaid allotment and issue.

If the Scheme becomes effective, the Offeror shall pay to the Trustee the Share Award Offer Price for each 2 July Award which does not constitute a Roll-over Award (if the Roll-over Arrangements are implemented), or for each 2 July Award (if the Roll-over Arrangements are not implemented). If the Roll-over Arrangements are implemented, no Share Award Offer Price will be paid in respect of each 2 July Award which constitutes a Roll-over Award. Conditional upon the Scheme becoming effective, the Offeror shall pay to the Trustee the Share Award Amount in respect of the 2 July Awards to be cancelled, which shall be paid by the Trustee to the relevant Grantees on the Effective Date as soon as practicable after the Trustee receives such amount from the Offeror under the Scheme.

FINANCIAL RESOURCES

On the basis of the Scheme Consideration Price of HK\$10.22 per Scheme Share and 100,020,805 Scheme Shares in issue as at the Latest Practicable Date, the Scheme Shares are in aggregate valued at approximately HK\$1,022 million. On the basis of the Share Award Offer Price of HK\$10.22 per Unvested Award or 2019 Award, 2,735,250 Unvested Awards and 241,546 Estimated Number of 2019 Awards to be awarded to Dr. Roger Shun-hong TONG (assuming the Roll-over Arrangements are not implemented and the 2019 Awards are granted in July 2019) as at the date of this announcement, the Share Award Amount is approximately HK\$30 million. Based on the Scheme Shares in issue, the number of Unvested Awards and the Estimated Number of 2019 Awards to be awarded to Dr. Roger Shun-hong TONG (assuming the Roll-over Arrangements are not implemented and the 2019 Awards are granted in July 2019), in each case, as at the date of this announcement, the total amount of cash required to effect the Proposal is approximately HK\$1,053 million.

The Offeror intends to finance the cash required for the Proposal using the proceeds of external debt financing.

Based on the above and taking the higher of (a) HK\$9,968,445 (being the revised Estimated 2019 Awards Consideration following the grant of the 2019 Awards to ESAS Participants (other than Dr. Roger Shun-hong TONG) on 2 July 2019 and (b) the 2019 Awards Reference Amount, BofAML, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Proposal in accordance with its terms.

If and to the extent 2019 Awards are granted to Dr. Roger Shun-hong TONG, following such grant and hence the determination of the final number of Unvested Awards as at the Effective Date, the Scheme Document will set out an updated confirmation by BofAML as to whether it is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Proposal, including cancellation of all of the 2019 Awards (assuming the Roll-over Arrangements are not implemented).

REASONS FOR AND BENEFITS OF THE GRANT OF THE 2 JULY AWARDS

The Board made the 2 July Awards to the Grantees to recognize and reward their past efforts and contributions to the growth and development of the Group, as well as provide incentive to the Grantees to continue to contribute to the Group.

UPDATE ON NUMBER OF RELEVANT SECURITIES OF THE COMPANY

This announcement is also made by the Company pursuant to Rule 3.8 of the Takeovers Code.

As at the date of this announcement and taking into account the 2 July Awards, the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company are as follows:

- (i) 391,195,500 Shares in issue; and
- (ii) 2,735,250 Unvested Awards. The number of Unvested Awards has increased from 2,001,410 to 2,735,250 as a result of the grant of the 2 July Awards.

Save as disclosed above, the Company has no other relevant securities and no other changes in the number of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, respective associates (within the meaning ascribed thereto under the Takeovers Code, including but not limited to any person holding 5% or more of any class of relevant securities of the Company) of the Company and the Offeror, are hereby reminded to disclose their dealings in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company pursuant to the Takeovers Code. For this purpose, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“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 of an offeror or the offeree company and other persons under Rule 22 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 \$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.”

By order of the Board of
Bowenvale Limited
Gregory Michael ZELUCK
Chairman
LIU Zhengjun
Vice-Chairman

By order of the Board of
Asia Satellite
Telecommunications
Holdings Limited
Sue YEUNG
Company Secretary

Hong Kong, 3 July 2019

As at the date of this announcement, the directors of the Offeror are Mr. LUO Ning, Mr. Gregory Michael ZELUCK, Mr. FAN Jui-Ying, Mr. LIU Zhengjun, Dr. DING Yucheng and Mr. Herman CHANG Hsiuguo.

As at the date of this announcement, the Board comprises 10 directors. The Executive Director is Dr. Roger Shun-hong TONG. The Non-executive Directors are Mr. Gregory M. ZELUCK (Chairman), Mr. LIU Zhengjun (Deputy Chairman), Mr. LUO Ning, Dr. DING Yucheng, Mr. Herman CHANG Hsiuguo and Mr. FAN Jui-Ying. The Independent Non-executive Directors are Mr. Marcel R. FENEZ, Mr. Steven R. LEONARD and Ms. Philana Wai Yin POON. 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 contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this 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 announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in the announcement misleading.

** for identification purpose only*