
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in APT Satellite Holdings Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**APT SATELLITE HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock code: 1045)

**PROPOSED BONUS ISSUE OF SHARES
AND
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an Annual General Meeting of APT SATELLITE HOLDINGS LIMITED to be held at its principal place of business, 22 Dai Kwai Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 24 May 2011 at 3:00 p.m. is set out on pages 14 to 17 of this circular. In the event that you are not able to attend the Annual General Meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting if they so wish.

18 April 2011

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at its principal place of business, 22 Dai Kwai Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 24 May 2011 at 3:00 p.m.
“Board”	the board of Directors
“Bonus Issue of Shares”	the proposed issue of the Bonus Shares by the Company on the basis of one Bonus Share for every two existing issued Shares held by the Shareholders on the Record Date upon and subject to the terms and conditions referred to in this circular
“Bonus Shares”	the new Shares proposed to be issued under the Bonus Issue of Shares
“Share Buy Back Rules”	provisions contained in the Listing Rules to regulate the repurchase of shares by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Buy Back Mandate”	as defined in the Letter from the Board
“Bye-laws”	Bye-laws of the Company
“Company”	APT Satellite Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	14 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time

DEFINITIONS

“Overseas Shareholder(s)”	Shareholders whose addresses as shown in the Register of Members of the Company on the Record Date are outside Hong Kong
“PRC”	the People’s Republic of China
“Record Date”	24 May 2011, being the date for determining of entitlements to the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong, as amended from time to time
“%”	per cent

EXPECTED TIMETABLE

Year 2011

Last day of dealings in Shares cum entitlements to the Bonus Issue of Shares	Monday, 16 May
First day of dealings in Shares ex-entitlements to the Bonus Issue of Shares	Tuesday, 17 May
Latest time for lodging share transfer forms for entitlements to the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting	4:30 p.m. on Wednesday, 18 May
Closure of Register of Members (both days inclusive)	From Thursday, 19 May to Tuesday, 24 May
Latest time for lodging forms of proxy for the Annual General Meeting	3:00 p.m. on Sunday, 22 May
Record Date for determining of entitlements to the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting.	Tuesday, 24 May
Annual General Meeting	3:00 p.m. on Tuesday, 24 May
Re-open of Register of Members.	Wednesday, 25 May
Despatch of certificates for Bonus Shares	Wednesday, 1 June
First day of dealings in Bonus Shares	Friday, 3 June

Note: All times in this circular refer to Hong Kong time.

LETTER FROM THE CHAIRMAN



APT SATELLITE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1045)

Executive Directors:

Cheng Guangren (*President*)

Qi Liang (*Vice President*)

Non-executive Directors:

Rui Xiaowu (*Chairman*)

Lim Toon

Yin Yen-liang

Wu Zhen Mu

Yong Foo Chong

Zhuo Chao

Tseng Ta-mon (*Alternate director to Yin Yen-liang*)

Registered office:

Clarendon House

2 Church Street

Hamilton, HM 11

Bermuda

Head office and principal

place of business:

22 Dai Kwai Street

Tai Po Industrial Estate

Tai Po, New Territories

Hong Kong

Independent Non-executive Directors:

Lui King Man

Lam Sek Kong

Cui Ligu

18 April 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSED BONUS ISSUE OF SHARES
AND
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to (i) the Bonus Issue of Shares; (ii) the increase in authorised share capital; (iii) the grant of general mandates to repurchase Shares and to issue new Shares; and (iv) the proposed re-election of the retiring Directors.

LETTER FROM THE CHAIRMAN

BONUS ISSUE OF SHARES

Background

As announced on 24 March 2011 in conjunction with the announcement of the Group's results for the year ended 31 December 2010, the Board recommended to make the Bonus Issue of Shares on the basis of one Bonus Share for every two existing issued Share of the Company held by the Company's Shareholders whose names appear on the register of members of the Company on 24 May 2011, being the Record Date.

Based on 414,538,000 Shares in issue as at 14 April 2011, being the Latest Practicable Date and assuming the issued share capital of the Company remains unchanged on the Record Date, a total of 207,269,000 Bonus Shares will be issued. It is proposed that the Directors be authorized to capitalize the sum of HK\$20,726,900, being share premium, and apply such sum in paying up in full the 207,269,000 Bonus Shares.

Status of Bonus Shares

The Bonus Shares will rank pari passu in all respects with the Shares of the Company from their date of issue except that they will not rank for the Bonus Issue of Shares.

Fractions of the Bonus Shares

Fractional entitlements (if any) to the Bonus Shares will not be allotted to the Shareholders of the Company and will be aggregated and sold for the benefit of the Company.

Conditions of the Bonus Issue of Shares

The Bonus Issue of Shares is conditional upon (i) the passing of relevant resolutions to approve the Bonus Issue of Shares at the forthcoming Annual General Meeting which will be held on 24 May 2011; and (ii) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Bonus Shares.

Closure of Register of Members

The Register of Members of the Company will be closed from Thursday, 19 May 2011 to Tuesday, 24 May 2011 (both days inclusive), during which period no transfer of Shares of the Company will be registered. In order to qualify for the proposed Bonus Issue of Shares and for attending and voting at the Annual General Meeting of the Company to be held on Tuesday, 24 May 2011, all properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 18 May 2011.

Trading arrangements

Application will be made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Bonus Shares.

LETTER FROM THE CHAIRMAN

The Bonus Shares will be traded in board lots of 500 Shares. Each Shareholder will receive one share certificate for the Bonus Shares entitled. It is expected that certificates for the Bonus Shares will be posted to the Company's Shareholders on 1 June 2011 at their own risk and the first date of dealings in the Bonus Shares will be on 3 June 2011.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange. Stamp Duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

Overseas Shareholders

The issue of Bonus Shares to Overseas Shareholders under the proposed Bonus Issue may be affected by the laws of their relevant jurisdictions.

All Shareholders residing outside Hong Kong should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive the Bonus Shares.

As at the Latest Practicable Date, the Company has Overseas Shareholders situated in the British Virgin Islands, the PRC and Malaysia. The Company has made preliminary verbal enquiries with the legal advisers in the relevant jurisdictions regarding the feasibility of extending the Bonus Issue to Shareholders with registered addresses outside Hong Kong and related legal and regulatory restrictions and requirements.

Base on the preliminary verbal enquiry result which is subject to the legal opinion provided by the legal advisers in writing, it would be lawful for the Company to extend the Bonus Issues to those Shareholders with registered address in the British Virgin Islands, the PRC and Malaysia, respectively. If the formal enquiry results is/are different from the preliminary verbal enquiry results, the Company will make an announcement before the first book closure date on 19 May 2011.

If after making such enquiries, the Board is of the opinion that the exclusion of those Overseas Shareholders in relevant jurisdictions from the Bonus Issue is necessary or expedient, the Bonus Shares will not be granted to those Overseas Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to those Overseas Shareholders to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to those Overseas Shareholders pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risks, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

It is the responsibility of the Shareholders (including Overseas Shareholders) to observe the local legal requirements applicable to the Shareholders for taking up and on-sale (if applicable) of the Bonus Shares under the Bonus Issue.

LETTER FROM THE CHAIRMAN

INCREASE IN AUTHORISED SHARE CAPITAL

The existing authorized share capital of the Company is HK\$100,000,000 divided into 1,000,000,000 Shares of the Company of which 414,538,000 Shares are in issue as at the Latest Practicable Date. In order to accommodate future expansion and growth, an ordinary resolution will be proposed at the Annual General Meeting to increase the authorized share capital of the Company from HK\$100,000,000 to HK\$200,000,000 by the creation of 1,000,000,000 new Shares of HK\$0.10 each in the capital of the Company. The additional new Shares shall rank pari passu in all respects with existing Shares. The proposed increase in authorized share capital of the Company is conditional upon the passing of an ordinary resolution by the Shareholders at the Annual General Meeting.

The Directors confirm that the Company has no present intention of issuing any part of the increased authorized share capital.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the Annual General Meeting to grant the Directors of the Company a general mandate to exercise the powers to repurchase the Company's Shares up to 10% of the issued and fully paid-up share capital of the Company as at the date of passing of such resolution. An explanatory statement as required under the Share Buy Back Rules to provide the requisite information of the general mandate to repurchase Shares is set out in Appendix I hereto.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

Two ordinary resolutions will also be proposed at the Annual General Meeting respectively granting to the Board a general mandate to allot, issue and deal with the Company's Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution (i.e. 82,907,600 Shares on the basis that no further Shares will be issued or repurchased from the Latest Practicable Date up to the date of the Annual General Meeting) and adding to such general mandate so granted to the Board any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company as at the date of passing of the resolutions.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Company's Bye-laws, Directors who were appointed during the year, as well as one-third of the Directors for the time being shall retire at the Annual General Meeting, and, being eligible, will offer themselves for re-election at the Annual General Meeting. Details of the retiring Directors proposed to be re-elected as required under the Listing Rules and the Company's Bye-laws are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 14 to 17 of this circular.

LETTER FROM THE CHAIRMAN

A form of proxy for use at the Annual General Meeting is enclosed with this Circular. Such form is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.apstar.com) respectively. If you intend to appoint a proxy to attend the Annual General Meeting, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or adjourned meeting if you so wish.

VOTING BY POLL

Notwithstanding any provisions contained in the Bye-laws of the Company, in accordance with Rule 13.39(4) of the Listing Rules which became effective on 1 January 2009, the chairman of the Annual General Meeting will direct that each of the proposed resolutions set out in the notice be voted by poll. The chairman would explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his votes or cast all his votes in the same way.

After the conclusion of the Annual General Meeting, the poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.apstar.com) respectively.

RESPONSIBILITY STATEMENT

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

RECOMMENDATIONS

The Board consider that the proposed Bonus Issue of Shares, proposed increase in authorized share capital, proposed granting of general mandates for the Directors to repurchase of Shares and to issue new Shares and proposed re-election of retiring Directors are all in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE CHAIRMAN

Your attention is also drawn to the additional information set out in Appendix I (Explanatory Statement on Share Buy Back) and Appendix II (Details of retiring Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
For and on behalf of the Board
Rui Xiaowu
Chairman

This Appendix is an explanatory statement, as required by the Listing Rules, to provide requisite information for your consideration of the proposed mandate on repurchase of Shares.

1. REASONS FOR SHARE BUY BACK

Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the proposed mandate for repurchase of Shares would be in the best interest of the Company and its Shareholders. Such repurchase may, depending on market conditions and funding arrangement at the time, lead to an enhancement of value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company. At any time in the future when Shares are trading at a discount to their underlying value, the given mandate to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since their interest over the assets of the Company in terms of share percentage would increase in proportion to the number of Shares repurchased by the Company.

2. SHARE CAPITAL

As at 14 April 2011, being the Latest Practicable Date, the issued share capital of the Company comprised 414,538,000 Shares of HK\$0.10 each.

Subject to the passing of Ordinary Resolution Number 4 at the Annual General Meeting, the Company would be allowed under the Buy Back Mandate to repurchase a maximum of 41,453,800 Shares on the basis that no further Shares will be issued or repurchased from the Latest Practicable Date up to the date of the Annual General Meeting.

3. FUNDING OF REPURCHASE

The Directors propose that in repurchasing Shares under the Buy Back Mandate, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and the Bye-laws of the Company and the laws of Bermuda.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's audited financial statements contained in its annual report for the year ended 31 December 2010) in the event that the Buy Back Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Buy Back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. MARKET PRICES OF SHARES

The highest and lowest prices for Shares of the Company traded on the Stock Exchange during each of the previous twelve months were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2010		
April	4.12	3.08
May	3.59	2.84
June	3.21	2.76
July	3.04	2.71
August	3.28	2.61
September	3.00	2.62
October	2.76	2.55
November	3.51	2.61
December	3.05	2.68
2011		
January	3.10	2.71
February	3.08	2.80
March	3.19	2.80
From 1 April to 14 April (the Latest Practicable Date)	2.98	2.81

5. DISCLOSURE OF INTERESTS

The Directors have undertaken to the Stock Exchange that they will exercise the Buy Back Mandate in accordance with the Listing Rules, the laws of Bermuda and the memorandum of association and the Bye-laws of the Company.

If as a result of Share repurchase by the Company, a substantial Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, APT Satellite International Company Limited, the immediate holding company of the Company is beneficially interested in 214,200,000 Shares, which represents approximately 51.67% of the issued share capital of the Company.

In the event that the Directors should exercise in full the Buy Back Mandate to be granted pursuant to the ordinary resolution to be proposed at the forthcoming Annual General Meeting, the shareholding of APT Satellite International Company Limited would be increased to approximately 57.41% of the issued share capital of the Company. The Directors consider that such repurchase would not give rise to an obligation for APT Satellite International Company Limited to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Buy Back Mandate to such extent that the public float in the Company would reduce below 25% of the issued share capital of the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) presently intend to sell Shares to the Company under the Buy Back Mandate in the event that the Buy Back Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Buy Back Mandate is approved by its Shareholders.

6. SHARE PURCHASES MADE BY THE COMPANY

No purchase of the Company's Shares has been made by the Company nor any of its subsidiaries (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

Stated below are the details of the Directors who will retire and be eligible for re-election at the Annual General Meeting according to the Bye-laws of the Company:

Mr. ZHUO Chao, aged 48, has been appointed as the Non-Executive Director of the Company commencing 10 December 2010.

Mr. Zhuo, graduated from the Science & Technology University for National Defense in 1983 specializing in Radiation Physics, and obtained a Master of Business Administration degree from the Beijing Institute of Technology in 2002, a Research Fellow.

Mr. Zhuo is currently the Director and General Manager of China Satellite Communications Company Limited (“China Satcom”). China Satcom is one of the shareholders of APT Satellite International Company Limited, the substantial Shareholder of the Company. Mr. Zhuo is concurrently the General Manager of China Telecommunications Broadcast Satellite Corporation; the Chairman & General Manager of China Direct Broadcast Satellite Company Limited; the Chairman of Sino Satellite Communications Company Limited; the Chairman of China Orient Telecomm Satellite Company Limited; and the Director of China DBStar Company Limited.

From 1983 to 2006, Mr. Zhuo had been working in the 14th Institute of the China Academy of Launch Vehicle Technology (“CALT”) of China Aerospace Science and Technology Corporation (“CASC”) as the Deputy Director, then the Director of the 14th Institute; the Director of the Science and Technology Commission. From 2006 to 2009, he had been the Assistant to the Director, then the Deputy Director of CALT. From 2009 to 2010, Mr. Zhuo had been the Head of the Aerospace Technology Application Division of CASC. Since July 2010, he has been appointed as the Director & General Manager of China Satcom. Mr. Zhou has extensive experience in corporate management.

Mr. Zhuo has also been appointed as the Director of APT Satellite Company Limited and APT Satellite Investment Company Limited, subsidiaries of the Company. Mr. Zhuo has also been appointed as the Director of APT Satellite International Company Limited, the substantial Shareholder of the Company.

Save as disclosed above, Mr. Zhuo does not hold any other position with the Company and other members of the Company, nor has any directorship in other listed public companies in the last three years. He has no relationship with any directors, senior management, substantial Shareholder or controlling Shareholder of the Company and does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Zhuo has not entered into any service contract with the Company, nor is appointed for specific term. His only emolument is annual director's fee of HK\$50,000. Director's emolument is determined in general meeting in accordance with the Bye-laws of the Company with reference to the recommendation provided by the Company's Remuneration Committee to the Board in accordance with its Terms of Reference after taking into account of certain determining factors, including the Company's operation objective and development plan; the managerial organization structure; the financial budget of the Company; the performance and expectation of the relevant person; and the supply and demand situation of the human resources market. Mr. Zhuo's proposed emolument in 2011 is same as his emolument in 2010. In addition, pursuant to the bye-law 87 of the Bye-laws of the Company, Mr. Zhuo shall hold office until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

Save as disclosed above, there is no other matter that needs to be brought to the attention of holders of securities of the Company, nor there is any information as required to be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. CUI Ligu, aged 41, has been appointed as the Independent Non-Executive Director of the Company since July 2007. Mr. Cui is also the Member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. Cui graduated from the faculty of economic law of the China University of Political Science and Law in 1991, and commenced his legal practice in PRC in 1993. He founded the Guantao Law Firm in 1994, and is acting as a Founding Partner and the officer of its Management Committee. Mr. Cui has over 18 years of experience in legal sector, and holds independent directorship in the board of directors of several companies, such as UBS SDIC Fund Management Co., Ltd., SDIC Xinji Energy Co., Ltd (a corporation listed on the Shanghai Securities Exchange in China), CNNC SUFA Technology Industry Co., Ltd, (a corporation listed on the Shenzhen Securities Exchange in China), CNNC International Limited (a corporation listed on The Stock Exchange of Hong Kong Ltd.), and NavInfo Co., Ltd. (a company became listed on The Shenzhen Securities Exchange in China). He is also a member of the Finance & Securities Committee of All China Lawyers Association; a vice general secretary of the Chamber of Financial Street; and the legal counselor in the internal control group of securities issuing of Guodu Securities Limited and Bohai Securities Co., Ltd.

Save as disclosed above, Mr. Cui does not have any relationship with any other directors, senior management, substantial Shareholders or controlling Shareholders of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Cui had no interests in Shares of the Company. The Company does not have service contract with Mr. Cui. The only emolument of Mr. Cui in 2010 was director's fee amounted HK\$200,000. The emolument of Mr. Cui was made and is to be reviewed annually according to the recommendation to the Board of Directors provided by the Company's Remuneration Committee in accordance with its Terms of Reference after taking into account of certain determining factors, including the Company's operation objective and development plan; the managerial organization structure; the financial budget of the Company; the performance and expectation of the relevant person; and the supply and demand situation of the human resources market. Mr. Cui's proposed emolument in 2011 is same as his emolument in 2010. Mr. Cui is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the Bye-laws.

There is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of Shareholders of the Company.

Mr. QI Liang, aged 49, has been appointed as the Executive Director and Vice President of the Company since 20 June 2008. Mr. Qi is also the Member of each Nomination Committee and Remuneration Committee of the Company.

Mr. Qi graduated from the Beijing College of Finance and Commerce in Finance major in 1986. He has been the Post-graduate of Monetary and Banking, Finance Department from the Chinese Academy of Social Sciences since 1998 and accredited as Senior Economist. Currently, he is the Deputy Chief Accountant for China Satellite Communications Company Limited (“China Satcom”). China Satcom is one of the shareholders of APT Satellite International Company Limited, a substantial Shareholder of the Company. Since 1986, Mr. Qi had worked consecutively for the Beijing Planning Committee; the National Agriculture Investment Co., the Supreme Court, the China Rural Development Trust & Investment Co., and the China Merchants Bank Beijing Branch. He had been the Assistant to the President, and the General Manager of the Finance Department of China Aerospace International Holdings Limited during the period from 2004 to April 2008.

Mr. Qi is also the Director of APT Satellite Company Limited, APT Satellite Investment Company Limited, Acme Star Investment Limited, APT Satellite Telewell Limited, APT Satellite Vision Limited, APT Satellite TV Development Limited, Middle East Ventures Limited, APT Telecom Services Limited, APT Satellite Global Company Limited, APT Satellite Enterprise Limited, APT Satellite Link Limited and Haslett Investments Limited, subsidiaries of the Company, and the Chairman of APT Communication Technology Development (Shenzhen) Company Limited, a subsidiary of the Company. Mr. Qi is also the Director of APT Satellite International Company Limited.

Save as disclosed above, Mr. Qi does not hold any other position with the Company and other members of the Company, nor have any directorship in other listed public companies in the last three years. He does not have any relationship with any directors, senior management, substantial or controlling Shareholder of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Qi had no interests in Shares of the Company.

Mr. Qi entered into a service contract with the Company for an initial term of three years, commencing on 20 June 2008 and continuing thereafter until terminated by either party giving to the other not less than six months’ notice. According to the service contract, Mr. Qi is entitled to an annual salary of HK\$1,485,289 payable monthly in equal installments in arrears and a monthly housing allowance of HK\$40,000, but not including director’s fees. With effect from 1 May 2009, the emoluments of Mr. Qi has been adjusted and he is entitled to an annual salary of HK\$1,470,000 (including two months variable salary) and a monthly allowance of HK\$20,000. The emolument of Mr. Qi was made and is to be reviewed annually according to the recommendation to the Board of Directors provided by the Company’s Remuneration Committee in accordance with its Terms of Reference after taking into account of certain determining factors, including the Company’s operation objective and development plan; the managerial organization structure; the financial budget of the Company; the performance and expectation of the

relevant person; and the supply and demand situation of the human resources market. In 2010, the total amount of emoluments paid to Mr. Qi was HK\$1,902,000, comprising a director's fee of HK\$50,000, salary, allowances and benefits in kind of HK\$1,726,000, retirement scheme contributions of HK\$126,000 and incentive payment of HK\$762,000. Mr. Qi's director's fee for 2011 has been determined by the Board as HK\$50,000. Mr. Qi is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the Bye-laws.

There is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of Shareholders of the Company.

Mr. WU Zhen Mu, aged 65, has been appointed as the Non-Executive Director of the Company since June 1998. Mr. Wu graduated in Manufacturing Engineering of the Beijing Institute of Aeronautics in 1969 and obtained a Master's degree in Electro-Mechanical Automation in the same institute in 1981. He was a lecturer in Zhengzhou Institute of Aeronautics from 1970 and 1979 and had been a lecturer, associate Professor and Professor in Beijing University of Aeronautics and Aerospace from 1982 to 1993. Since 1993, he has been appointed as a Professor of the Commission of Science and Technology of China Aerospace Corporation.

Mr. Wu is also the Director of APT Satellite Company Limited and APT Satellite Investment Company Limited, subsidiaries of the Company. Mr. Wu is also the Director of APT Satellite International Company Limited, a substantial Shareholder of the Company.

Save as disclosed above, Mr. Wu does not hold any other position with the Company and other members of the Company, nor have any directorship in other listed public companies in the last three years. He does not have any relationship with any directors, senior management, substantial or controlling Shareholder of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Wu had no interests in Shares of the Company. The Company does not have service contract with Mr. Wu. Mr. Wu's only emolument in 2010 is director's fee which has been determined by the Board as HK\$50,000. The emolument of Mr. Wu was made and is to be reviewed annually according to the recommendation to the Board of Directors provided by the Company's Remuneration Committee in accordance with its Terms of Reference after taking into account of certain determining factors, including the Company's operation objective and development plan; the managerial organization structure; the financial budget of the Company; the performance and expectation of the relevant person; and the supply and demand situation of the human resources market. Mr. Wu's proposed emolument in 2011 is same as his emolument in 2010. Mr. Wu is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the Bye-laws.

There is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of Shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in Bermuda with limited liability)
(Stock code: 1045)

NOTICE IS HEREBY GIVEN that an annual general meeting of APT Satellite Holdings Limited (the “Company”) will be held at its principal place of business, 22 Dai Kwai Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 24 May 2011 at 3:00 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and the auditors of the Company for the year ended 31 December 2010.
2. To re-elect Directors and to authorise the Board of Directors to fix the Directors’ remuneration.
3. To re-appoint the auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this Resolution) of all the powers of the Company to purchase shares of HK\$0.10 each in the capital of the Company be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; or
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held.”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements or options which may require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Right Issue (as defined in paragraph (d) of this resolution); or
 - (ii) any exercise of subscription or conversion rights under any warrants of the Company, or any securities which are convertible into shares of the Company, or any share option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible grantee pursuant to the scheme of shares or rights to acquire shares in the Company; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company,
- shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution and the said approval shall be limited accordingly;
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
 - (iii) the expiration of the period within which the next annual general meeting is required by the bye-laws of the Company or any other applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this Resolution, “Right Issue” means an offer of shares open for a period fixed by the Directors to shareholders on the register of members of the Company on a fixed record date in proportion to their then holding of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the general mandate granted to the Directors of the Company to exercise the powers of the Company to issue, allot and deal with additional shares pursuant to Resolution No. 5 above be and is hereby extended by the addition to the total nominal amount of share capital and any shares which may be issued, allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the total nominal amount of shares in the capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to Resolution No. 4 above, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing this Resolution.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the new shares of HK\$0.10 each in the capital of the Company (the “Shares”) to be issued pursuant to this resolution:

- (a) HK\$20,726,900 as would be required to be applied in paying up in full at par 207,269,000 new Shares (the “Bonus Shares”), such Bonus Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (b) below) among shareholders of the Company whose names appear on the Register of Members of the Company at the close of business on 24 May 2011 (the “Record Date”) on the basis of one Bonus Share for every two existing issued Shares held by the shareholders of the Company on the Record Date, be capitalized and applied in such manner and the directors be and are hereby authorized to allot and issue such Bonus Shares;
- (b) no fractional Bonus Shares shall be allotted to shareholders of the Company and fractional entitlements (if any) will be aggregated and sold for the benefit of the Company;
- (c) the Bonus Shares to be issued pursuant to paragraph (a) above shall rank pari passu in all respects with the existing issued Shares as at the date of issuing such Bonus Shares except that they will not rank for the bonus issue of shares mentioned in this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) the directors be and are hereby authorized to do all acts and things as may be necessary and expedient in connection with the issue of Bonus Shares referred to in paragraph (a) of this resolution.”.
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the authorised share capital of the Company be and is hereby increased from HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each to HK\$200,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.10 each by creation of an additional 1,000,000,000 ordinary shares of HK\$0.10 each, and the new shares are to rank pari passu with the existing ordinary shares in all respects, and any Director be authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by the Director to be incidental to, ancillary to or in connection with the matters contemplated in and for completion of the increase in authorized share capital of the Company.”

By Order of the Board
Dr. Lo Kin Hang, Brian
Company Secretary

Hong Kong, 18 April 2011

Notes:

- (a) The Register of Members of the Company will be closed from 19 May 2011, Thursday to 24 May 2011, Tuesday, both days inclusive, during which period no transfers of shares can be registered.
- (b) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (c) In order to be valid, the form of proxy must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority, not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the Annual General Meeting or adjourned meeting if they so wish.
- (d) The form of proxy for use in connection with the Annual General Meeting is enclosed and such form is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.apstar.com) respectively.
- (e) All the resolutions at the Annual General Meeting will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company respectively.