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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.

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**APT APT SATELLITE HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock code: 1045)

**PROPOSALS FOR GENERAL MANDATES  
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES****PROPOSED RE-ELECTION OF RETIRING DIRECTORS****NOTICE OF ANNUAL GENERAL MEETING**

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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, 25 May 2010 at 11:00 a.m. (the “Annual General Meeting”) is set out on pages 11 to 13 of this circular. In the event that you are not able to attend the Annual General Meeting, please complete 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 adjourned meeting if they so wish.

20 April 2010

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## LETTER FROM THE CHAIRMAN

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# 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

Wu Jinfeng

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

20 April 2010

*To the Shareholders*

Dear Sir or Madam,

### **PROPOSALS FOR GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES**

### **PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

### **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 the grant of general mandates to repurchase shares and to issue new shares, and the proposed re-election of the retiring directors.

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## LETTER FROM THE CHAIRMAN

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### GENERAL MANDATE TO REPURCHASE SHARES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”) contain provisions to regulate the repurchase by companies with primary listings on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) of their own securities on the Stock Exchange (“the Share Buy Back Rules”).

An ordinary resolution will be proposed at the Annual General Meeting to grant the directors of the Company (“the Directors”) 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.

### GENERAL MANDATE TO ISSUE NEW SHARES

Two ordinary resolutions will also be proposed at the Annual General Meeting respectively granting to the Directors a general mandate to allot, issue and deal with the Company’s shares not exceeding 20% (i.e. 82,657,000 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) of the issued share capital of the Company as at the date of passing of the resolution and adding to such general mandate so granted to the Directors 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.

### 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. 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 11 to 13 of this circular.

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](http://www.hkexnews.hk)) and the Company ([www.apstar.com](http://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.

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## LETTER FROM THE CHAIRMAN

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### 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](http://www.hkexnews.hk)) and of the Company ([www.apstar.com](http://www.apstar.com)).

### RECOMMENDATIONS

The Directors consider that the 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 Directors recommend all shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

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,  
**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 16 April 2010 (the “Latest Practicable Date” prior to the printing of this circular), the issued share capital of the Company comprised 413,285,000 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 41,328,500 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 REPURCHASES**

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 2009) 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:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2009</b>		
April	1.40	0.81
May	1.24	1.02
June	1.48	1.05
July	1.28	0.96
August	1.22	1.03
September	2.15	1.04
October	2.00	1.60
November	3.09	1.90
December	3.27	2.40
<b>2010</b>		
January	3.36	2.65
February	3.05	2.60
March	3.89	2.67
From 1 April to 15 April	4.12	3.08

#### 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 and the laws of Bermuda and in accordance with 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 Hong Kong Code on Takeovers and Mergers ("Takeovers Code"). Accordingly, a shareholder, or group of shareholders acting in concert, 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 51.83% 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 57.59% 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. Wu Jinfeng** (“Mr. Wu”), aged 48, has been appointed as the non-executive Director of the Company since 1 June 2009. Mr. Wu is also the Director of APT Satellite Company Limited, APT Satellite Investment Company Limited, subsidiaries of the Company. Mr. Wu is also the Director of APT Satellite International Company Limited (“APT International”), the substantial shareholder of the Company. Currently, Mr. Wu is the General Manager of China Satellite Communications Corporation (“ChinaSat”) and concurrently the Chief Engineer of China Aerospace Science & Technology Corporation (“CASC”) where CASC is the controlling shareholder of the Company and ChinaSat is a wholly-owned subsidiary of CASC; the General Manager and Director of China Direct Broadcast Satellite Company Limited; the General Manager and Director of China Orient Telecomm Satellite Company Limited; the Vice General Manager of China Telecommunications Broadcast Satellite Corporation; and the Chairman of the Board of China Satellite Mobile Multimedia Network Company Limited. China Direct Broadcast Satellite Company Limited is an enterprise in China jointly established by ChinaSat and Sino Satellite Communications Company Limited; and both China Orient Telecomm Satellite Company Limited and China Telecommunications Broadcast Satellite Corporation are wholly-owned subsidiaries of ChinaSat.

Mr. Wu had been the non-executive Director of the Company during the period from February 2001 to September 2004. Mr. Wu is graduated from the University of Science of Technology of China in 1988, and from the Guanghua School of Management of Peking University in 2000, with a master degree of engineering and a master degree of business administration, and he is also a professor-level senior engineer. Mr. Wu was a lecturer in the University of Science of Technology of China from 1983 to 1988. Then, he has held various posts, namely Engineer, Deputy Director in communications organization division, General Manager in satellite business department of China Telecommunications Broadcast Satellite Corporation and Vice General Manager of ChinaSat during the years 1988 to 2000, and has accumulated rich experience in operation and corporation management in satellite communication industry. Save as disclosed above, Mr. Wu 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.

Mr. Wu has yet to enter 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. Mr Wu’s emolument will be 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 in accordance with its Terms of Reference to the Board. In addition, he is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the bye-laws of the Company. Other than the relationship arising from his being a non-executive Director of the Company and other appointment as disclosed above, Mr. Wu does not have any relationships with any other Directors, senior management and substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Wu is not taken to be interested in shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

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. Yong Foo Chong** (“Mr. Yong”), aged 43, has been appointed as the non-executive Director of the Company since March 2007. Mr. Yong is also the Director of APT Satellite Company Limited and APT Satellite Investment Company Limited, subsidiaries of the Company. Mr. Yong is also the Director of APT International, the substantial shareholder of the Company.

Currently, Mr. Yong is the Head of Satellite for Singapore Telecommunications Limited (“SingTel”) overseeing the fixed and mobile satellite business and infrastructure and also the director of Singasat Private Limited, a wholly owned subsidiary of SingTel, which is one of the shareholders of APT International. Apart from holding the current appointment with SingTel, Mr. Yong is also a board member of Asia Pacific Satellite Communications Council starting January 2007.

Mr. Yong holds an Honours Degree in Electrical & Electronic Engineering from the National University of Singapore, specializing in communication technology. Mr. Yong has worked for SingTel, the holding company of one of the shareholders of APT International which is the substantial shareholder of the Company, since 1998, serving in various appointments. Prior to the current appointment in 2006, he was the Senior Director of Corporate Business Marketing and was responsible for the global marketing of B2B solutions. Mr. Yong had a 2-year stint as the Director of SingTel’s Optus Business Marketing and Product Management based out of Sydney, Australia, whose responsibility was to revamp the entire marketing and product strategy, which included steering the B2B business towards new strategic directions such as IP convergence and SME solutions investment. He was also responsible for strategic bid management which secured many key government and Australian MNC contracts. In 2001, Mr. Yong also helped the Corporate Business Group implement various strategic initiatives such as building a pan-Asian network of managed hosting data centers and was later appointed as Chief Operation Officer of the managed hosting business unit of SingTel. Before joining SingTel, Mr. Yong spent more than seven years in the ICT industry and held specialist and management positions in leading MNCs gaining significant successes and experiences in the area of Telecom Network Management. Save as disclosed above, Mr. Yong 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.

Mr. Yong 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. His emolument will be 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 in accordance with its Terms of Reference to the Board. In addition, he is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the bye-laws of the Company. Other than the relationship arising from his being a non-executive Director of the Company and other appointment as disclosed above, Mr. Yong does not have any relationships with any other Directors, senior management and substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Yong is not taken to be interested in shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

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.

**Dr. Lui King Man**, (“Dr. Lui”) aged 55, has been appointed as an independent non-executive Director of the Company since August 2004. Dr. Lui is the Chairman of the Audit Committee and the Remuneration Committee of the Company. He is also the member of the Nomination Committee of the Company. Dr. Lui has been a practising Certified Public Accountant in Hong Kong since 1989, and established his accounting firm K.M. Lui & Co in the same year. Before commencing his own practice, Dr. Lui had worked with an international accounting firm and a listed commercial bank. Dr. Lui received the accountancy education in United Kingdom in 1980 and attained professional accountant qualification in 1985. He is a Fellow of The Chartered Association of Certified Accountants and Associate member of The Hong Kong Institute of Certified Public Accountants. Dr. Lui obtained an MBA Degree from Heriot-Watt University in 1997 and received a Doctoral Degree in Business Administration from The University of Hull in 2004. Dr. Lui has over 27 years experience in accounting, finance, business acquisition and auditing fields. He has been a consultant of a number of commercial and non-commercial organizations. Save as disclosed above, Dr. Lui does not hold any directorship in any public listed companies in the last 3 years.

The Company does not have service contract with Dr. Lui. His only emolument is annual director’s fee of HK\$200,000. The emolument of Dr. Lui will be reviewed and determined annually according to the recommendation to the Board of Directors provided by the Company’s Remuneration Committee in accordance with its Terms of Reference. In addition, he is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the bye-laws of the Company. Other than the relationship arising from his being an independent non-executive Director of the Company and other appointment as disclosed above, Dr. Lui does not have any relationships with any other Directors, senior management and substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Lui is not taken to be interested in shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

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.

**Dr. Lam Sek Kong**, (“Dr. Lam”) aged 50, has been appointed as the independent non-executive Director of the Company since July 2007. Dr. Lam is also the Member of each of the Audit Committee and the Remuneration Committee of the Company. Dr. Lam was re-designated from acting as the Member of the Nomination Committee of the Company to act as the Chairman of the Nomination Committee commencing 1 January 2010. Dr. Lam graduated from the University of Hong Kong in 1984. He is a partner of Messrs. S.K. Lam, Alfred Chan & Co. He has been practicing law in Hong Kong since 1987. Dr. Lam is a member of the Hong Kong Society of Notary Public, a member of the China Appointed Attesting Officers Association in Hong Kong and a member of the Chartered Institute of Arbitrators (UK). Dr. Lam is also admitted as advocate and solicitor of the High Court of Singapore, barrister and solicitor of the Supreme Court of Australian Capital Territory, legal practitioner of the Supreme Court of New South Wales and barrister in Federal Court of Australia. Dr. Lam holds a bachelor degree and a master degree in laws from the University of Hong Kong, a master degree in laws from the University of Peking and a Ph.D. degree in laws from the Tsinghua University. Save as disclosed above, Dr. Lam does not hold any directorship in any public listed companies in the last 3 years.

The Company does not have service contract with Dr. Lam. His only emolument is annual director’s fee of HK\$200,000. The emolument of Dr. Lam will be reviewed and determined annually according to the recommendation to the Board of Directors provided by the Company’s Remuneration Committee in accordance with its Terms of Reference. In addition, he is subject to retirement by rotation and be eligible for re-election at the Annual General Meeting in accordance with the bye-laws of the Company. Other than the relationship arising from his being an independent non-executive Director of the Company and other appointment as disclosed above, Dr. Lam does not have any relationships with any other Directors, senior management and substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Lam is not taken to be interested in shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

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.

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## NOTICE OF ANNUAL GENERAL MEETING

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## APT SATELLITE HOLDINGS LIMITED

*(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, 25 May 2010 at 11:00 a.m. for the following purposes:

### **Ordinary Business**

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and of the auditors for the year ended 31 December 2009.
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 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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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.”

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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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
  - (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 at the date of this Resolution.”

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

Hong Kong, 20 April 2010

*Notes:*

- (a) The Register of Members of the Company will be closed from 19 May 2010, Wednesday to 25 May 2010, 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 the meeting or adjourned meeting (as the case may be).
- (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](http://www.hkexnews.hk)) and the Company ([www.apstar.com](http://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.