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APT SATELLITE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1045)

DISCLOSEABLE TRANSACTION

SUPPLEMENTAL AGREEMENT REGARDING DISPOSAL OF 5% EQUITY INTEREST IN XINHUA TV ASIA-PACIFIC OPERATING CO. LIMITED

Reference is made to the Announcement in relation to, among other things, the entering into of the Agreement amongst APT TV, the Other Vendors and the Purchaser in respect of the Disposal.

The Board announces that on 10 October 2011, APT TV, the Other Vendors and the Purchaser entered into the Supplemental Agreement to amend certain terms of the Agreement. Details of major terms of the Supplemental Agreement which affect the Company are summarized in this announcement below.

Reference is made to the announcement of the Company dated 9 September 2011 (the “**Announcement**”) in relation to, among other things, the entering into of the Agreement amongst APT TV, the Other Vendors and the Purchaser in respect of the proposed disposal of 5% of the issued share capital of Xinhua by APT TV to the Purchaser. Terms used in this announcement shall have the same meaning as defined in the Announcement unless the context requires otherwise.

Major terms of the Supplemental Agreement

On 10 October 2011, APT TV, the Other Vendors and the Purchaser entered into a supplemental agreement to amend certain terms of the Agreement (the “**Supplemental Agreement**”). Details of major terms of the Supplemental Agreement which affect the Company are summarized in this announcement below.

Conditions Precedent

Under the Agreement, one of the conditions to Completion relates to the Purchaser and the Vendors being reasonably satisfied with the results of the due diligence review to be conducted on each other. Pursuant to the Supplemental Agreement, the parties agreed to remove the aforesaid condition precedent and add the following two conditions precedent to Completion:

- (a) the Purchaser and the Vendors being reasonably satisfied with the results of the due diligence review to be conducted by the Purchaser on Xinhua (including Xinhua TV HK and Xinhua TV Macau) and by the Vendors on the Purchaser respectively; and
- (b) 100% equity interest in Xinhua TV Macau becoming owned directly or indirectly by Xinhua.

Convertible Bonds

Under the Agreement, the parties originally agreed to the following limitations on conversion of the Convertible Bonds: (a) In the event that the conversion triggers a mandatory general offer obligation under the Takeovers Code, the relevant approval or waiver from the SFC shall be obtained prior to such conversion; and (b) no conversion rights will be exercised by any of the holders of the Convertible Bonds if upon such conversion and immediately following the issue of the relevant Conversion Shares, the public float of the Purchaser Shares will fall below 25% as required under the GEM Listing Rules.

Pursuant to the Supplemental Agreement, the parties agreed that the limitation on conversion set out in (a) above shall be replaced by a limitation to the effect that unless the approval or waiver from the SFC and the Stock Exchange has been obtained, no conversion rights will be exercised by any of the holders of the Convertible Bonds if upon such conversion and immediately following the issue of the relevant Conversion Shares, such holder and persons acting in concert (as defined in the Takeovers Code) with it would directly or indirectly control an aggregate of 30% (or such other percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the Purchaser Shares in issue or would otherwise be obligated to make a general offer for the Purchaser Shares in issue under Rule 26 of the Takeovers Code.

Save as disclosed above, all the other major terms of the Agreement which affected the Company as described in the Announcement remain unchanged.

By Order of the Board
APT Satellite Holdings Limited
Dr. Brian Lo
Company Secretary

Hong Kong, 12 October 2011

The Directors as at the date of this announcement are as follows:

Executive Directors:

Cheng Guangren (President) and Qi Liang (Vice President)

Non-executive Directors:

Lei Fanpei (Chairman), Lim Toon, Yin Yen-liang, Wu Zhen Mu, Yong Foo Chong, Zhuo Chao and Tseng Ta-mon (Alternate Director to Yin Yen-liang)

Independent Non-executive Directors:

Lui King Man, Lam Sek Kong and Cui Liguao