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PROFIT WARNING

The announcement is made by APT Satellite Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rule”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong.

The Board of directors of the Company wishes to inform the shareholders of the Company and potential investors that based on the information currently available, the Group expects that the profit attributable to shareholder for the first half of the financial year ending June 30, 2020 will drop by approximately half from the same period last year. If the business environment remains unchanged, the Group expects that the profit attributable to shareholder for the whole financial year of 2020 will show a decline similar to that of the first half of financial year ended 30 June 2020 as compared with 2019.

The decline in profit attributable to shareholder in 2020 is mainly due to (i) an insurance compensation for Apstar-6 satellite was recognised in the first half of last year but this income is non-recurring income and no such income is recorded in 2020; (ii) the non-renewal of contract by a major customer in a region due to its own business re-alignment and (iii) certain impact of coronavirus epidemic on the market environment leading to the drop in the usage and price of transponder compared with same period of last year which caused the decline of operating income.

In spite of this, the Group will fully leverage its strengths of healthy financial position and sufficient capital to actively explore and increase investment in new satellite projects and emerging business areas, further enhance its competitiveness and service capabilities, expand its business areas and business scope, so as to maintain its stable and sustainable business development.

The information contained in this announcement is only based on the preliminary assessment made by the Company and has not been reviewed or audited by the auditors of the Company. The Group's actual results for the financial year of 2020 is subject to changes in market conditions and may differ from the information contained in this announcement. The Group's consolidated results for the first half of the financial year ending 30 June 2020 are expected to be published in August 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

* *For identification purpose only*

By Order of the Board
APT Satellite Holdings Limited
Lau Tsui Ling Shirley
Company Secretary

Hong Kong, 15 June, 2020

The directors of the Company as at the date of this announcement are as follows:

Executive Directors:

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

Non-Executive Directors:

Li Zhongbao (*Chairman*), Lim Toon, Yin Yen-liang, Fu Zhiheng, Lim Kian Soon, Ba Risi and Tseng Ta-mon (*Alternate Director to Yin Yen-liang*)

Independent Non-Executive Directors:

Lui King Man, Lam Sek Kong, Cui Ligu and Meng Xingguo