AsiaSat

Asia Satellite Telecommunications Holdings Limited

Stock Code: 1135

2015 ANNUAL REPORT

Teamwork, together we reach new heights

ABOUT AsiaSat

Asia Satellite Telecommunications Holdings Limited (the "Company") indirectly owns Asia Satellite Telecommunications Company Limited ("AsiaSat") and other subsidiaries (collectively the "Group") and is listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange") (Stock Code 1135).

AsiaSat is Asia's premier provider of high quality satellite services to the broadcasting and telecommunications markets. The Group owns six satellites that are located in prime geostationary positions over the Asian landmass and provide access to two-thirds of the world's population.

OUR VISION

To be the foremost satellite solution provider in Asia and the instinctive and desired partner of choice.

www.asiasat.com

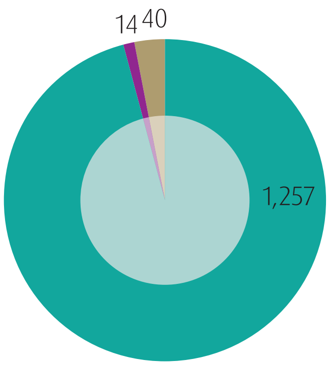
Contents

Financial Highlights

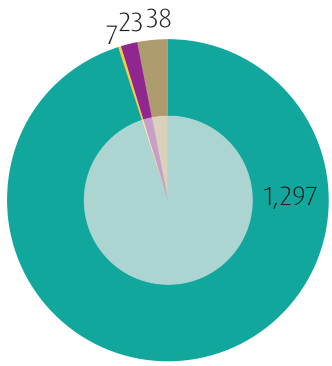
		2015	2014	Change
Revenue	HK$M	**1,311**	1,365	–4%
Profits attributable to owners of the Company	HK$M	**440**	559	–21%
Dividend	HK$M	**4,722**	223	+2,017%
Capital and reserves	HK$M	**2,674**	7,107	–62%
Earnings per share	HK cents	**112**	143	–21%
Dividend per share	HK cents	**1,207**	57	+2,017%
Dividend cover	Times	**0.1**	2.5	–96%
Return on equity	Percent	**16**	8	+100%
Net assets per share — book value	HK cents	**684**	1,817	–62%
Gearing ratio	Percent	**57**	N/A	N/A

ANALYSIS OF REVENUE BY NATURE (HK$M)

2015



2014



Income from provision of satellite transponder capacity

- Recurring
- Non-recurring
- Sales of satellite transponder capacity
- Other revenues

Corporate Information

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

JU Wei Min	*(re-designated from Deputy Chairman to Chairman on 1 January 2016)*
Sherwood P. DODGE	*(resigned on 19 May 2015)*

DEPUTY CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Gregory M. ZELUCK	*(appointed on 19 May 2015 and re-designated from Chairman to Deputy Chairman on 1 January 2016)*

EXECUTIVE DIRECTOR

William WADE	*(President and Chief Executive Officer)*

NON-EXECUTIVE DIRECTORS

LUO Ning	
Peter JACKSON	
Julius M. GENACHOWSKI	*(appointed on 19 May 2015)*
Alex S. YING	*(appointed on 19 May 2015)*
John F. CONNELLY	*(resigned on 19 May 2015)*
Nancy KU	*(resigned on 19 May 2015)*

ALTERNATE DIRECTOR

CHONG Chi Yeung	*(alternate director to LUO Ning)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Stephen LEE Hoi Yin
Kenneth McKELVIE
James WATKINS
Maura WONG Hung Hung

AUDIT COMMITTEE

Kenneth McKELVIE	*(Chairman)*
Stephen LEE Hoi Yin	
James WATKINS	
Maura WONG Hung Hung	
JU Wei Min	*(Non-voting)*
Alex S. YING	*(Non-voting) (appointed on 19 May 2015)*
Nancy KU	*(Non-voting) (resigned on 19 May 2015)*

COMPLIANCE COMMITTEE

James WATKINS	*(Chairman)*
Julius M. GENACHOWSKI	*(appointed on 19 May 2015)*
Peter JACKSON	
William WADE	
Stephen LEE Hoi Yin	
Kenneth McKELVIE	
Sherwood P. DODGE	*(resigned on 19 May 2015)*

NOMINATION COMMITTEE

Maura WONG Hung Hung	*(Chairman)*
JU Wei Min	
Alex S. YING	*(appointed on 19 May 2015)*
Stephen LEE Hoi Yin	
James WATKINS	
Sherwood P. DODGE	*(resigned on 19 May 2015)*

REMUNERATION COMMITTEE

Stephen LEE Hoi Yin	*(Chairman)*
Peter JACKSON	
Gregory M. ZELUCK	*(appointed on 19 May 2015)*
Kenneth McKELVIE	
Maura WONG Hung Hung	
John F. CONNELLY	*(resigned on 19 May 2015)*

COMPANY SECRETARY

Sue YEUNG

AUTHORISED REPRESENTATIVES

William WADE
Sue YEUNG

AUDITORS

PricewaterhouseCoopers

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited

OTHER BANKERS

China Construction Bank (Asia) Corporate Limited
DBS Bank Limited (Hong Kong Branch)

PRINCIPAL SOLICITORS

Mayer Brown JSM

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

HEAD OFFICE

12/F., Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Chairman's Statement

INTRODUCTION

AsiaSat had a transformative year in 2015, during which the Company prepared itself for the challenges and opportunities that lie ahead.

During the year, a subsidiary of The Carlyle Group L.P. ("Carlyle") acquired all the shares in the Company previously owned by General Electric Company ("GE"), one of our former major shareholders. The Company's capital structure was changed following the payment of a special dividend to all shareholders. Late in the year, we regained access to Chinese video market after an absence of nine years. Additionally, we undertook a major rebranding exercise and re-organised our sales teams to enhance further our proactive approach to customer service.

During the year, customers continued to trust us with providing excellent coverage of major news, sporting and political events across the region. These included the FA Cup, the Australian Open Tennis and the Southeast Asian Games in Singapore as well as the Asian African Conference in Indonesia and the 2015 APEC Economic Leaders' Meeting in the Philippines.

As we announced in November 2015 and anticipated in our 2014 annual and 2015 interim reports, the Company's financial results were affected in 2015 by a number of factors. During the year, we were faced with depreciation and interest expenses for our new AsiaSat 6 and AsiaSat 8 satellites, as well as the additional costs of financing the special dividend paid. As a result of delays in receiving required licences for new satellites to operate in certain key markets, these additional costs were not mitigated as the Company was unable to commence providing services to the expected new customers for our new satellites during the year.

Nevertheless, with the licence granted at the beginning of 2016, we secured a new customer to use AsiaSat 6 to provide video services in China. This new contract has begun to generate revenues for 2016. Additionally, with our first Ultra HD ("UHD") television channel launched on AsiaSat 4 in October 2015, we announced the launch of the second channel, which will help lay the groundwork for the future development of UHD in Asia and on AsiaSat 4.

Challenges for the Industry

In 2015, the environment for the satellite broadcasting industry was very competitive. Excess capacity in the region, slowing demand in some markets and increasing competition among global and regional operators exerted downward pressure on transponder pricing.

Some governments in developing countries continued the trend of launching satellites for their local markets, increasing supply and in some cases restricting market access for foreign satellite operators.

INTRODUCTION (CONTINUED)

Challenges for the Industry (continued)

We also began to see changes in the industry as customers in established markets began to explore the use of terrestrial networks for certain content and data delivery.

All of these trends will continue to have an impact on our business and the industry at large in 2016.

FINANCIAL PERFORMANCE

Revenue

Revenue for 2015 was HK$1,311 million (2014: HK$1,365 million), representing a decrease of 4% from the previous year. The decline was primarily attributable to non-renewals of contracts by several customers due to challenging conditions in their markets and downward pressure on transponder pricing.

Operating Expenses

Operating expenses in 2015, excluding depreciation, totalled HK$253 million (2014: HK$260 million), representing a decrease of 3% compared with the previous year. The decrease was mainly the result of lower legal and professional fees, recovery of certain impaired debts and lower satellite operating expenses. Nevertheless, the increased exchange loss due to the revaluation of the Renminbi offset the savings mentioned above.

Finance Expenses

Finance expenses in 2015 were HK$77 million, an increase of HK$74 million, compared to HK$3 million in the previous year. The finance expenses represented the interest associated with the Ex-Im loan and the dividend loan. The increase was in line with the increased level of borrowing during the year and included the effect of a lower interest expense being capitalised in the cost of AsiaSat 6 and AsiaSat 8, when compared to 2014.

Depreciation

Depreciation in 2015 was HK$469 million (2014: HK$467 million), remaining stable compared to the previous year. Despite AsiaSat 3S being fully depreciated in April 2015, the savings resulting from this were largely offset by the commencement of depreciation for AsiaSat 6 and AsiaSat 8 in the second half of the year.

FINANCIAL PERFORMANCE (CONTINUED)

Profit

Profit attributable to owners of the Company for 2015 was HK$440 million (2014: HK$559 million), a decrease of HK$119 million, or 21%. The decrease was due to lower revenue, increased interest expense and the lack of finance income generated in the prior year.

Cash Flow

The Group generated a net cash outflow, including the movement in short-term deposits with maturities over three months, of HK$3,101 million in 2015 (2014: inflow of HK$1,849 million). As of 31 December 2015, the Group had cash and bank balances of HK$238 million (31 December 2014: HK$3,346 million). The cash inflow mainly comprised the net cash from operations of HK$875 million (2014: HK$1,012 million) and the proceeds from the bank borrowings of HK$1,896 million (2014: HK$2,173 million). The cash outflow mainly comprised the payment of dividends of HK$4,874 million (2014: HK$969 million) including a special interim dividend of HK$4,651 million (2014: Nil), payment of capital expenditures of HK$692 million (2014: HK$1,024 million) and the repayment of bank borrowings of HK$328 million (2014: Nil).

Dividends

Having regard to the significant dividend already paid in 2015, the Board does not recommend a final dividend (2014: a final dividend of HK$0.39 per share). For the year ended 31 December 2015, a total dividend of HK$12.07 per share (2014: HK$0.57 per share) was paid, comprising the interim dividend of HK$0.18 per share (2014: HK$0.18 per share) and the special interim dividend of HK$11.89 per share (2014: Nil).

Core Business Performance

New contracts won during the year amounted to a total value of HK$533 million (2014: HK$357 million). Contracts with a single customer for the short-term use of AsiaSat 3S accounted for a majority of the increase and, excluding this, the value of new contracts showed only a modest increase reflecting the continued intense competition in the market. Renewed contracts were HK$777 million (2014: HK$575 million). The Group negotiated with certain key customers and succeeded in renewing their contracts in advance. Combined new and renewed contracts amounted to HK$1,310 million (2014: HK$932 million).

SALES AND MARKETING

A new brand and renewed energy for AsiaSat

During the year, AsiaSat underwent a comprehensive rebranding exercise, the first such exercise since the Company's establishment in 1988. Following a thorough evaluation of our market position, communications, core values and mission, we rolled out our refreshed brand in the first quarter of 2015.

This new brand is the foundation for all marketing and promotions materials and activities. So far, the feedback we have received from internal and external stakeholders has been very positive with the new website winning a W3 Silver Award (Home page category), judged by the Academy of Interactive and Visual Arts. As the rebranding is an ongoing exercise, we will continue to adjust and upgrade to maintain the momentum of improving ourselves to provide ever better services to our customers.

Sales Solutions Team

The rebranding exercise is more than just about the introduction of a new visual look for the Company but an entirely new way of anticipating and serving the needs of customers. To that end, we restructured our Sales team creating a Global Accounts group and a new Sales Solutions team. This restructuring better positions our sales team to focus on key international clients while playing an expanding role in supporting the requirements of customers.

SATELLITES

AsiaSat's fleet of six in-orbit satellites — now comprising AsiaSat 3S, AsiaSat 4, AsiaSat 5, AsiaSat 6, AsiaSat 7 and AsiaSat 8 — continued to perform well during the year.

AsiaSat 3S remains currently operational and is being leased to customers for short-term use before its retirement.

AsiaSat 4, at the orbital location of 122 degrees East provides leading-edge satellite solutions to clients for connectivity and broadband services across the Asia-Pacific. During the year, this satellite also became the platform for our new UHD channels, "4K-SAT" and "4K-SAT2", as well as for serving maritime, oil and gas, enterprise and media businesses of our telecom customers.

AsiaSat 5, in addition to being one of the key video distribution satellites in Asia, remained the occasional use (OU) platform of choice for international sporting events, such as the Australian Open Tennis, the Southeast Asian Games in Singapore, the ICC Cricket World Cup 2015 jointly hosted by Australia and New Zealand and the Chinese Football Association Super League. In 2016, we will be involved in the provision of broadcasting services in Asia for the Olympic Games in Rio de Janeiro.

SATELLITES (CONTINUED)

AsiaSat 6, launched on 7 September 2014, provides additional C-band capacity for exploiting new opportunities and serving existing growth markets. At the end of 2015, we received permission for AsiaSat 6 to carry out video services in China for Shanghai Interactive Television, Co., Ltd. (SiTV) via CITIC Networks Company Limited, Beijing Satellite Telecommunications Branch ("CITICSat", the branch established and run by CITIC Networks). The permit was awarded on 1 January 2016 and the contract with SiTV has been generating revenue since. This is a significant progress for AsiaSat as it allows us to re-enter video market where we had no access since 2007.

AsiaSat 7, the premier satellite for video services in Asia serving many of the world's top program providers, continued to deliver premium content across its Asia-wide footprint.

AsiaSat 8, launched on 5 August 2014, is collocated with AsiaSat 7 at 105.5 degrees East. This satellite provides incremental Ku-band capacity at that orbital slot and is designed to fill the demand for services such as DTH, in-flight internet connectivity, mobile broadband and maritime communications.

Since the beginning of 2015, we had expected to secure a key deal with a leading customer in the region that would have taken up nearly all of AsiaSat 8's capacity. However, due to certain regulatory issues, it did not proceed as originally planned by all parties involved in the deal. We are now in the process of actively seeking new customers for this satellite.

AsiaSat 9 is on track to complete its construction by late 2016 or early 2017 to replace AsiaSat 4 at 122 degrees East, where it will serve existing customers as well as new clients with additional Ku-band capacity and service beams. A major construction milestone was reached during the year with the installation of the bi-propellant tanks in September. This satellite's additional Ku-band transponders will open up new opportunities to serve markets in China and Australia as well as emerging markets such as Mongolia, Myanmar and Indonesia.

The total number of transponders leased or sold as of 31 December 2015 was 96, a slight decrease from 100 as of 31 December 2014. The overall utilisation rate for the year decreased to 72% as at 31 December 2015 (2014: 75%). The utilisation rate excludes AsiaSat 6 and AsiaSat 8, which, at the year-end, were not yet serving customers.

New Customers

For AsiaSat, 2015 was an encouraging year in terms of new customer acquisitions. Many of these new customers are leading broadcasters in the region, delivering news, entertainment and sports programming in a wide range of languages, VSAT service providers for land/sea/air communications, telecom companies and providers of in-flight entertainment and connectivity services for airlines.

We also continued to explore opportunities for providing DTH services, which continue to drive satellite market growth throughout the region.

MARKET REVIEW

Technology Leadership

As a pioneer in satellite broadcasting technology in Asia, we are among the leaders in advancing UHD in the region. We believe UHD is the future of television broadcasting as more and more consumers replace their existing television sets with UHD models and program providers produce more content in UHD format.

To bring this technology forward, we formed a business partnership with Germany's Rohde & Schwarz (R&S), one of the leading suppliers of digital TV transmission systems in the world.

Working with R&S enabled us to launch the first true 10 bit color depth UHD channel in Asia, "4K-SAT" on AsiaSat 4 in October 2015. This new UHD channel is available free-to-air (FTA) across more than 50 countries and regions, broadcasting full produced UHD videos featuring fashion, lifestyle and documentaries.

The partnership with R&S not only gives us the ability to evaluate the UHD technology but also the hands-on expertise that customers are looking for when launching their own UHD channels.

In March 2016, we launched the second UHD channel "4K-SAT2" on AsiaSat 4, offering NASA TV as well as a broad range of enriched and compelling content to Asian TV operators and home viewers.

With the launch of these new UHD channels, we now have a showcase for demonstrating the quality of this technology and our expertise.

Industry Events

During the year, we continued to play an active role in the industry by participating in conferences, through exhibitions and speaking engagements. These included major international and regional events in the Middle East, India, Singapore, China, Myanmar and Turkey, as well as taking key roles in CommunicAsia — Asia's leading ICT event held in Singapore, Asia Pacific Satellite Communications Council (APSCC) conference, the Asia-Pacific Broadcasting Union (ABU) General Assembly and CASBAA's Satellite Industry Forum and Annual Convention.

As noted in last year's annual report, we also played an important role at the World Radiocommunication Conference (WRC-15) in Geneva during November. Meeting every four years, this Conference is where policies on the allocation of frequencies used for television, satellite, Wi-Fi, mobile, aviation, maritime and other communications are determined.

At WRC-15, we helped lead the initiative to oppose changes in the allocation of existing C-band satellite frequencies for new applications such as Broadband Wireless Access and Mobile Telecommunications. As a result of industry efforts, many vital satellite communications services will be protected from interference, which is especially important for developing or sparsely populated countries that rely on C-band satellite services for their economic development.

OUTLOOK FOR 2016

The year ahead will be a very challenging one for AsiaSat and the satellite industry as a whole. Competition in our markets will continue to intensify, particularly from some of the global operators seeking new business as their key markets mature. In the meantime, other regional operators are actively looking for opportunities to expand in Asian markets as well.

Despite these challenges, new mobile applications such as broadband to automobiles, public transportation, maritime and aviation are growing. DTH services in the region continue to expand while broadcasters progress from Standard Definition (SD) to High Definition (HD) and UHD/4K. At the beginning of 2016, we began generating revenue from AsiaSat 6 for distributing video services in China. We also enjoy an excellent reputation in the industry for quality service and strong technical capabilities, highlighted by our growing expertise in UHD TV broadcasting.

Chairman's Statement

ACKNOWLEDGMENTS

As my predecessor mentioned in our 2015 interim report, this has been a transformative period for AsiaSat. Not only did we bring two new satellites into service, welcome new major shareholder and obtain approval to provide video services in China, we also refreshed our image and core values through the rebranding exercise and re-organised our sales teams. I would like to take this opportunity to thank our Board, management and staff for their hard work and support during this period.

I would also like to express my appreciation to our customers, partners, suppliers and shareholders for their confidence in us and continuous support for our business.

Lastly, I would like to thank my predecessor, Mr. Gregory M. Zeluck of Carlyle, who stepped in to complete Mr. Sherwood P. Dodge's tenure as Chairman, following the acquisition of GE's shareholding by Carlyle, according to a biannual rotation arrangement.

I am glad to serve AsiaSat as Chairman for the next two years and work closely with the management and Board to take the Company forward.

JU Wei Min
Chairman

Hong Kong, 16 March 2016

Operations Review

The year 2015 was one of transformational change for AsiaSat. Among the year's highlights was the acquisition by a subsidiary of Carlyle of the shares held by GE, becoming a new majority shareholder.

We also worked closely with our partner CITICSat to secure a deal for the provision of video services on AsiaSat 6 to Mainland China via SiTV. Completed on 1 January 2016, the successful outcome of this deal marked our return to China for the provision of video services.

In another noteworthy development for the Company, we carried out an extensive rebranding exercise that not only had a positive image for the Company but also signalled an even more customer-oriented direction for the Company.

PERFORMANCE REVIEW

AsiaSat remained a leading player in the industry during the year, although growing competition in the market and certain other factors hindered our performance.

The delay in securing new customers for our new satellites had a negative effect on revenue for the year, although our core business continued to perform reasonably well despite the challenging environment.

The new bank borrowings for the pay-out of a special interim dividend following the completion of the transaction by Carlyle led to increased interest expenses.

Revenue for 2015 reached HK$1,311 million, a drop from HK$1,365 million in 2014 owing to the non-renewal of contracts by several customers resulting from difficult economic conditions in their markets and downward pressure on transponder pricing.

Profit attributable to owners of the Company for 2015 was HK$440 million (2014: HK$559 million), a decrease of HK$119 million.

MEETING THE CHALLENGES OF AN EVOLVING MARKET

The market environment for the satellite industry was highly competitive in 2015, with excess capacity in many regions, slowing demand for satellite services and intensifying competition for deals, all of which put pressure on satellite companies searching for new business. These factors will likely continue to have an impact on our business in 2016.

Nevertheless, we continued to invest in new technology during the year, such as UltraHD (UHD) TV broadcasting. We believe this is the future of television broadcasting, as the cost of 4K television sets continues to come down and consumers begin replacing their existing television sets.

MEETING THE CHALLENGES OF AN EVOLVING MARKET (CONTINUED)

To prepare for this future, we entered into a business partnership with Rohde & Schwarz, one of the leading suppliers of digital TV transmission systems in the world, to implement Asia's first free-to-air UHD channel, 4K-SAT. Transmission is via AsiaSat 4's high power C-band which covers a wide area ranging from New Zealand to Pakistan and part of the Middle East. Following the launch of this first true UHD channel in Asia in October 2015, we launched the second UHD channel in March 2016, bringing more compelling UHD content to Asian TV operators and viewers.

Although this investment will not produce an immediate contribution to revenue, we believe UHD is the future of television broadcasting and we have launched these channels to show the quality of the new format and to demonstrate our leadership in this technology.

We also announced the formation of a new solutions-driven sales team to support the Company's business development activities in Asia and heightened our visibility through increased participation in industry events throughout the year. Among these were the World Radiocommunication Conference (WRC-15) in Geneva, where we actively supported the industry's opposition to changes in the allocation of existing C-band satellite frequencies; the Myanmar Satellite Forum and Communicast Myanmar; various conventions for CASBAA; CommunicAsia exhibition and conference in Singapore; the ABU General Assembly held in Turkey; as well as various other industry gatherings around the world.

IN-ORBIT SATELLITES

Our in-orbit satellite fleet, which now stands at six satellites, provide reliable, uninterrupted services to customers across Asia Pacific during the year.

This fleet comprises AsiaSat 3S, AsiaSat 4, AsiaSat 5, AsiaSat 6, AsiaSat 7 and AsiaSat 8. All of these satellites are designed to provide a full range of cost-effective services to the approximately 4.6 billion people we serve across our global footprint.

AsiaSat 3S, still operational, continues to provide services and is leased to a customer for short-term use before its retirement.

AsiaSat 4, launched in 2003 and positioned at 122 degrees East, offers 28 C-band and 20 Ku-band transponders. This satellite's overall utilisation rate as of 31 December 2015 was 74% (2014: 76%).

IN-ORBIT SATELLITES (CONTINUED)

AsiaSat 5, launched in 2009, is positioned at 100.5 degrees East and carries 26 C-band and 14 Ku-band transponders. This satellite's overall utilisation rate as of 31 December 2015 was 74% (2014: 87%).

AsiaSat 6, launched in 2014 to an orbital location of 120 degrees East, carries 28 high-powered C-band transponders. It is 50% shared with Thaicom Public Company Limited of Thailand. The primary use of the remaining 14 C-band transponders will be to service the requirement of the China video market.

AsiaSat 7, launched in 2011 and at the orbital location of 105.5 degrees East, carries 28 C-band transponders, 17 Ku-band transponders and a small Ka-band payload. It offers a region-wide high-powered C-band beam covering Asia, the Middle East, Australasia and Central Asia, with Ku-band beams serving East and South Asia and a steerable beam addressing specific market demands. This satellite's overall utilisation rate as of 31 December 2015 was 69% (2014: 65%).

AsiaSat 8, launched in 2014, offers incremental Ku-band capacity at 105.5 degrees East and is collocated with AsiaSat 7. With 24 Ku-band transponders and a Ka-band beam, it provides high-powered capacity for services in China, India, the Middle East and Southeast Asia to meet the demand for DTH, in-flight internet connectivity, mobile broadband access, and maritime communications, among others.

AsiaSat 9, now under construction, will be placed at the 122 degrees East position now occupied by AsiaSat 4 after its planned launch by late 2016 or early 2017. The additional Ku-band transponders on this satellite will open up new market opportunities in China, Australia and emerging markets such as Mongolia, Myanmar and Indonesia.

The total number of transponders leased or sold as of 31 December 2015 decreased to 96 from 100 as of 31 December 2014. The overall utilisation rate for the year slightly decreased to 72% as of 31 December 2015 (2014: 75%). The utilisation rate excludes AsiaSat 6 and AsiaSat 8 which were not yet in full service in 2015.

NEW CUSTOMERS IN 2015

During the year we continued to attract new customers, who turned to AsiaSat for the advanced, reliable and cost-effective services we provide.

NEW CUSTOMERS IN 2015 (CONTINUED)

These customers looked to AsiaSat for reliable transmission of their programming and telecommunications offerings across our footprint, which ranges from the Middle East to Asia and Australia. Among these customers were providers of telecommunications services, DTH services, television programs and VSAT services.

As previously noted, we were particularly pleased to return to the Mainland China market for the provision of television services after many years.

CONTRACTS ON HAND

As of 31 December 2015, the Group carried a contract backlog of HK$3,517 million (2014: HK$3,514 million), remaining stable when compared to last year.

BROADCAST AND UPLINK SERVICES

AsiaSat continues to hold two licences issued by the Office of the Communications Authority of Hong Kong. These licences permit us to provide value-added services to our customers from our Tai Po Earth Station.

PROSPECTS

The year 2015 in many ways marked the beginning of a new era for AsiaSat.

During the year, we obtained a new shareholder and secured re-entry into the Mainland China market with video services. We also reorganised our sales team so that it is more proactive in meeting customer needs, played a leading role at the World Radiocommunication Conference (WRC-15) to preserve C-band satellite frequencies, and demonstrated our leadership in advanced UHD technology through the establishment of a new UHD platform on AsiaSat 4.

What's more, we introduced a fresh new image for our AsiaSat brand — our first since our establishment in 1988, which has re-energised and refocused our company while firmly establishing us as a leading industry player in the Asia-Pacific region.

PROSPECTS (CONTINUED)

In the year ahead, we expect to see new emerging trends in mobile applications such as broadband to automobiles, public transportation, maritime and aviation. DTH services in the region will continue to expand while platform operators convert from Standard Definition (SD) to High Definition (HD) and UHD/4K. With continued demand for satellite capacity we expect to secure new customers for the various satellites in our fleet. Furthermore, we are working to deliver AsiaSat 9 by late 2016 or early 2017 to provide customers with an even wider range of choices that meet their telecommunications and broadcasting requirements.

We also anticipate that the market will remain highly competitive. Yet with the new customers we have secured, the two new additions to our satellite fleet, our continuing technology leadership, and the re-energising effect of our dynamic new brand, we are confident that AsiaSat will remain the first choice of customers seeking premium satellite solutions in the region.

William WADE
President and Chief Executive Officer

Hong Kong, 16 March 2016

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

In the interest of the shareholders of the Company ("Shareholders", and each a "Shareholder"), the Company is committed to high standards of corporate governance and is devoted to identifying and formalising best practices. Throughout 2015, the Group complied with the requirements of local and relevant overseas regulators, and applied the principles and complied with the provisions of Corporate Governance Code and Corporate Governance Report ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange with certain deviations as outlined below:

Pursuant to Code Provision A.6.7 of the CG Code, all non-executive directors ("NEDS") and independent non-executive directors ("INEDS") should attend general meetings of the Company to develop a balanced understanding of the views of shareholders. Due to various business commitments, Mr. Luo Ning, being a NED of the Company, was unable to attend the annual general meeting of the Company held on 24 June 2015 ("2015 AGM") and the special general meeting of the company held on 14 October 2015 ("2015 SGM"). Mr. Chong Chi Yeung, alternate director to Mr. Luo, attended the 2015 AGM and 2015 SGM in his place.

Mr. Julius M. Genachowski, being a NED of the Company, Mr. James Watkins and Ms. Maura Wong Hung Hung, being INEDs of the Company, were unable to attend the 2015 SGM due to other business commitments on that date.

DIRECTORS' SECURITIES TRANSACTIONS: IN RESPECT OF MODEL CODE (APPENDIX 10)

The Company has adopted procedures governing Directors' securities transactions in compliance with the Model Code as set out in Appendix 10 to the Listing Rules. Following specific enquiry by the Company, all Directors have confirmed that they fully complied with the Model Code throughout 2015.

THE COMPANY

The Company is listed on the Stock Exchange and the majority of its shares are held by a private company, Bowenvale Limited ("Bowenvale"), incorporated in British Virgin Islands, with a 74.43% holding. Both CITIC Group Corporation ("CITIC") and Carlyle have equal voting rights in Bowenvale, and in turn, enjoy equal voting rights in the Company. Under the shareholders' agreement of Bowenvale, CITIC and Carlyle are each entitled to appoint, and remove, up to four Directors to, and from, the Board.

BOARD OF DIRECTORS

The Board is currently composed of 11 members: six appointed by the shareholders of Bowenvale, CITIC and Carlyle, as NEDs, namely Mr. Ju Wei Min *(Chairman)*, Mr. Gregory M. Zeluck *(Deputy Chairman*), Mr. Luo Ning, Mr. Peter Jackson, Mr. Julius Genachowski and Mr. Alex S. Ying; four INEDs, namely Mr. James Watkins, Mr. Stephen Lee Hoi Yin, Mr. Kenneth McKelvie and Ms. Maura Wong Hung Hung; and one Executive Director ("ED"), Mr. William Wade, who is also a President and Chief Executive Officer ("CEO") of the Company. The alternate Director of Mr. Luo Ning is Mr. Chong Chi Yeung.

Ordinarily, the Chairman and the Deputy Chairman of the Board are appointed in rotation for two years by CITIC and Carlyle from their nominated Directors.

Pursuant to the requirement in the Listing Rules, the Company has received a written confirmation from each INED of his/her independence. The Company considers all of the INEDs to be independent.

The Board is scheduled to meet on a quarterly basis and additional Board meetings are held when required. The Board also holds private sessions at least once per year without the presence of senior management members.

The Board deals with strategic and policy issues and approves corporate plans and budgets and monitors the performance of management. The day-to-day operations of the Company are delegated to its senior management. The Board has established a framework of corporate governance and is supported by four committees, a Remuneration Committee, a Nomination Committee, an Audit Committee, and a Compliance Committee, each of which has its own charter covering its authority and duties. The Chairmen of these committees report regularly to the Board on matters discussed. The Board has also established a Business Development Committee, which reviews strategic business initiatives.

The Chairman of the Board is responsible for the leadership and effective running of the Board, and ensuring that the Board discusses all key and appropriate issues in a timely and constructive manner. The CEO is delegated with the authority and responsibility of running the Group's business, and implementation of the Group's strategy in achieving its overall commercial objectives. The roles of the Chairman and the CEO are segregated and not assumed by the same individual. Currently, Mr. Ju Wei Min and Mr. Gregory M. Zeluck act as Chairman and Deputy Chairman respectively, while Mr. William Wade acts as CEO.

All the INEDs and NEDs are appointed for specific terms of three years each or, in the case of their initial appointment, for the period up to the Company's next annual general meeting ("AGM") following their appointment. They are all subject to retirement, rotation and re-election at the Company's AGM. Save as disclosed above in respect of the appointments of Directors by CITIC and Carlyle, all of the Board members have confirmed that they are totally unrelated to each other and to the senior management in every respect, including financial, business and family.

DIRECTORS' TRAINING

Pursuant to Code Provision A6.5 of the CG Code, all Directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Furthermore, the Company is responsible for arranging and funding training with an appropriate emphasis on Directors' roles, functions and duties.

During the year, the Company organised one briefing session conducted by a law firm for its Directors, covering regulatory updates that are relevant to the business of the Group. In addition, individual Directors also participated in the other external seminars or briefings relating to the roles, functions and duties of a listed company director and the latest developments in regulatory requirements.

The following table summarises the training received by each Director in the year 2015 based on the training records provided by the Directors:

Name	**External Seminars/ Briefing/Self Reading**
NEDs	
Ju Wei Min *(Chairman)*	✓
Gregory M. Zeluck *(Deputy Chairman)*	✓
Luo Ning	✓
Peter Jackson	✓
Julius M. Genachowski	✓
Alex S. Ying	✓
Chong, Chi Yeung *(alternate to Luo Ning)*	✓
Sherwood P. Dodge[1]	✓
John F. Connelly[1]	✓
Nancy Ku[1]	✓
INEDs	
Stephen Lee Hoi Yin	✓
Kenneth McKelvie	✓
James Watkins	✓
Maura Wong Hung Hung	✓
ED	
William Wade *(CEO)*	✓

[1] Resigned on 19 May 2015

BOARD COMMITTEES

The Board has established the Remuneration Committee ("RC"), the Nomination Committee ("NC"), the Audit Committee ("AC") and the Compliance Committee ("CC") in accordance with the CG Code.

REMUNERATION COMMITTEE

The objectives of the RC are as follows:

(i) formulates the remuneration policies and guidelines for the Board's approval;

(ii) ensures that the remuneration offered is appropriate and is in line with market practice;

(iii) considers and reviews:

  a. remuneration package of the Executive Director;

  b. remuneration and other conditions for senior management employees; and

  c. emoluments of the INEDs and NEDs prior to their approval by the Board each year.

The RC shall have the sole authority to:

(i) retain or terminate consultants to assist the RC in the evaluation of remuneration packages for Directors, CEO and senior management; and

(ii) determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the RC.

The following is a summary of the work performed by the RC in 2015:

(i) reviewed and recommended to the Board bonuses for 2015;

(ii) reviewed new remuneration policies and guiding principles;

(iii) implemented the staff recognition awards;

(iv) approved restricted share awards for eligible employees for 2015;

REMUNERATION COMMITTEE (CONTINUED)

(v) reviewed and recommended to the Board the 2016 annual salary increment; and

(vi) reviewed and recommended to the Board the Directors' emoluments for 2015.

The Group has established a performance-based appraisal system. The present remuneration packages consist of salaries, performance bonuses, share awards (applicable to certain grades of employees) and fringe benefits that are comparable with the market. The basis of determining the emoluments payable to the Executive Director and senior management were a recent market survey included in an independent consultant's report.

The remuneration paid to the members of senior management by bands in 2015 is set out below:

Emolument bands	**Number of Individuals**
HK$3,000,001–HK$4,000,000	1
HK$4,000,001–HK$5,000,000	1
HK$5,000,001–HK$6,000,000	1
HK$6,000,001–HK$7,000,000	2
HK$7,000,001–HK$8,000,000	1

Particulars of the Share Award Scheme are set out in note 18 to the consolidated financial statements.

Composition

The RC is composed of five members, of whom three are INEDs, namely Mr. Stephen Lee Hoi Yin, who is also the Chairman, Mr. Kenneth McKelvie and Ms. Maura Wong Hung Hung, whilst the other two members are NEDs, namely Mr. Peter Jackson and Mr. Gregory M. Zeluck.

NOMINATION COMMITTEE

The primary objectives of the NC are as follows:

(i) identifies individuals qualified to become Directors (consistent with criteria approved by the Board);

(ii) selects or recommends to the Board candidates for appointment as Directors;

(iii) oversees the evaluation of performance of the Board ; and

(iv) develops succession plans for the CEO and other members of senior management.

NOMINATION COMMITTEE (CONTINUED)

The NC has the sole authority to:

(i) retain and terminate consultancy firms for identifying Director candidates;

(ii) retain other professionals to assist it with background checks; and

(iii) approve the fees and engagement terms of the relevant consultancy firms and professionals.

The following is a summary of the work performed by the NC in 2015:

(i) recommended Directors for re-election at the AGM;

(ii) reviewed succession plans;

(iii) oversaw the self-assessment of the Board and its committees;

(iv) reviewed and approved the terms of reference; and

(v) recommended the rotation of Chairman and Deputy Chairman.

Composition

The NC is composed of five members, of whom three are INED's, namely Ms. Maura Wong Hung Hung, who is also the Chairman, Mr. James Watkins and Mr. Stephen Lee Hoi Yin, whilst the other two members are NEDs, namely Mr. Alex S. Ying and Mr. Ju Wei Min.

Summary of Board Diversity Policy

The Company recognises that board diversity is an important element in creating a fair and effective Board and that having a Board with a balance of skills, backgrounds, expertise and diversity of perspectives can be beneficial to the Company's business.

When determining the composition of the Board, the Company considers board diversity from a number of aspects, including but not limited to experience, leadership, cultural and educational background, qualification, professional ethics, expertise, skill, know-how, gender and age. All Board appointments are based on merit, and candidates are considered against objective selection criteria, having due regard to the benefits of diversity on the Board.

The NC will review this policy, as appropriate, to ensure its effective implementation. The NC will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and determination.

AUDIT COMMITTEE

The primary objective of the AC is to assist the Board in fulfilling its oversight responsibilities with respect to:

(i) the accounting and financial reporting processes of the Group, including the accuracy of the financial statements and other financial information provided by the Group to its Shareholders, the public and the Stock Exchange;

(ii) the Independent Auditor's ("IA") qualifications and independence;

(iii) the audit of the Group's financial statements and the effectiveness of internal control procedures over financial reporting processes; and

(iv) the performance of the Group's internal audit function and of the IA.

The members of the AC assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, and satisfying themselves as to the effectiveness of the internal control procedures of the Group and the adequacy of external and internal audits.

The AC has the sole authority and responsibility to:

(i) select, evaluate and, where appropriate, replace the IA (or to nominate the IA for Shareholders' approval);

(ii) approve all audit engagement fees and terms and all non-audit engagements with the IA; and

(iii) perform such other duties and responsibilities set forth in any applicable independence and regulatory requirements.

The AC may consult with management, including the CEO and the personnel responsible for the internal audit function, but shall not delegate these responsibilities.

The following is a summary of the work performed by the AC in 2015:

(i) reviewed the financial statements and reports for the year ended 31 December 2014 and for the six months ended 30 June 2015;

(ii) reviewed the IA's statutory audit plan and the management representation letters to the IA;

(iii) considered and approved the 2015 audit fees;

AUDIT COMMITTEE (CONTINUED)

(iv) considered and approved the non-audit services fees for the Group;

(v) reviewed the accounting principles and practices adopted by the Group and the consolidated financial statements for the year ended 31 December 2015 in conjunction with the IA;

(vi) reviewed the Group's internal control system, including financial, operational and compliance control, and risk management functions;

(vii) reviewed the "Continuing Connected Transactions" set forth on pages 57 and 58 prior to their review and confirmation by the Board ; and

(viii) conducted a private session with the IA.

Auditors' Remuneration

The fees incurred and described below for 2015 were as follows:

	2015	2014
	HK$'000	HK$'000
Audit Fees	**1,675**	1,545
Tax Fees	**1,261**	915
All Other Fees	**275**	80
	3,211	2,540

Audit Fees

The aggregate fees incurred by the Group for professional services rendered by the IA for the audit and review of the Group's financial statements.

Tax Fees

The aggregate fees incurred by the Group for professional services rendered by professional and other advisors for tax compliance, tax advice and tax planning.

All Other Fees

The aggregate fees incurred by the Group for products and services provided by professional and other advisors, other than for services described in the paragraphs above.

AUDIT COMMITTEE (CONTINUED)

Resources

The AC has the authority to retain independent legal, accounting and other consultants to advise the AC. The AC may request any officer or employee of the Company or the Company's outside counsel or the IA to attend a meeting of the AC or to meet with any members of, or consultants to, the AC.

Funding

The AC determines the extent of funding necessary for payment of:

(i) compensation to the IA engaged for the purpose of preparing or issuing an Audit Report or performing other audit, review or attestation services for the Company;

(ii) compensation to any independent legal, accounting and other consultants retained to advise the AC; and

(iii) ordinary administrative expenses of the AC that are necessary or appropriate in carrying out its duties.

Composition

The AC is composed of six members, four of whom are INEDs, namely Mr. Kenneth McKelvie, Mr. James Watkins, Mr. Stephen Lee Hoi Yin and Ms. Maura Wong Hung Hung, who satisfy independence, financial literacy and experience requirements, whilst the other two members are NEDs, namely Mr. Ju Wei Min and Mr. Alex S. Ying, and have only observer status with no voting rights. The AC is chaired by an INED, namely Mr. Kenneth McKelvie, who possesses appropriate professional qualifications and experience in financial matters.

The AC is scheduled to meet at least twice a year. It also holds private sessions without the presence of the Company's officers and management.

COMPLIANCE COMMITTEE

The primary objective of the CC is to assist the Board in carrying out its corporate governance duties and its duties are:

(i) develops and reviews the Group's policies, procedures and practices on corporate governance and makes recommendations to the Board;

(ii) reviews and monitors the Group's policies and practices on compliance with legal and regulatory requirements;

(iii) monitors the investigation and resolution of any significant instances of non-compliance or potential non-compliance reported to it;

COMPLIANCE COMMITTEE (CONTINUED)

(iv) reviews and monitors the training and continuous professional development of Directors and senior management of the Company;

(v) reviews and monitors the code of conduct and compliance manual applicable to Directors and employees;

(vi) reviews the Company's compliance with the CG Code and disclosure in the Company's corporate governance report; and

(vii) monitors the Group's policies, procedures and practices in relation to disclosures of inside information and makes recommendations to the Board.

The CC has the sole authority to:

(i) retain legal and other external consultants to assist the CC; and

(ii) request any officer or employee of the Group or the Group's outside counsel or consultants to attend the meeting or to meet with any members of, or consultants to, the CC.

The following is a summary of the work performed by the CC in 2015:

(i) reviewed the corporate governance report included in the 2014 Annual Report and 2015 Interim Report;

(ii) reviewed the Group's compliance with various legal and regulatory requirements;

(iii) reviewed the compliance with the code of conduct and compliance manual applicable to the directors and employees; and

(iv) reviewed the Group's corporate governance guidelines.

Composition

The CC is currently composed of six members, of whom three are INEDs, namely Mr. James Watkins, who is also the Chairman, Mr. Stephen Lee Hoi Yin and Mr. Kenneth McKelvie, while two are NEDs, namely Mr. Julius M. Genachowski and Mr. Peter Jackson and one is the Executive Director, namely Mr. William Wade.

ATTENDANCE RECORD OF EACH DIRECTOR AT BOARD MEETINGS, BOARD COMMITTEES MEETINGS AND THE GENERAL MEETINGS

The following table summarises the attendance of each Director and each Board Committee member in 2015:

	Attendance/Number of Meetings held					
	Board	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**Compliance Committee**	**General Meeting**
NEDs						
Ju Wei Min[1] *(Chairman)*	7/7	2/2		2/2		2/2
Gregory M. Zeluck[2] *(Deputy Chairman)*	4/4		3/3			2/2
Luo Ning[1]	3/7*					0/2*
Peter Jackson[1]	6/7		4/4		2/2	2/2
Julius M. Genachowski[2]	4/4				1/1	1/2
Alex S. Ying[2]	4/4	1/1		1/1		2/2
Chong, Chi Yeung (alternate to Luo Ning)	7/7					2/2
Sherwood P. Dodge[3]	3/3			1/1	1/1	
John F. Connelly[3]	3/3		1/1			
Nancy Ku[3]	3/3	1/1				
INEDs						
Stephen Lee Hoi Yin	7/7	2/2	4/4	2/2	2/2	2/2
Kenneth McKelvie	7/7	2/2	4/4		2/2	2/2
James Watkins	7/7	2/2		2/2	2/2	1/2
Maura Wong Hung Hung	7/7	2/2	4/4	2/2		1/2
ED						
William Wade *(CEO)*	7/7				2/2	2/2

[1] CITIC appointed Directors

[2] Carlyle appointed Directors appointed on 19 May 2015

[3] GE appointed Directors resigned on 19 May 2015

* Due to prior business commitment, Mr. Luo Ning has arranged for his alternate to attend certain Board meetings, the 2015 SGM and the 2015 AGM. The alternate's attendance at which has not been counted in the above attendance record.

ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors of the Company acknowledge that they are responsible for overseeing the preparation of financial statements for each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements for the year ended 31 December 2015, the Directors have:

- selected suitable accounting policies and applied them consistently;
- appropriately adopted all applicable Hong Kong Financial Reporting Standards;
- made judgments and estimates that are prudent and reasonable; and
- have prepared the financial statements on the going concern basis.

The objective of the Group is to deliver sustainable returns with solid financial fundamentals, so as to enhance long-term total return for Shareholders. The discussion of the business strategy is set out in Chairman's Statement and Operations Review.

A statement by the IA, PricewaterhouseCoopers, in respect of their reporting responsibilities is set out on pages 125 to 126

The Group recognises that high quality corporate reporting is important in reinforcing the trust of the Shareholders of the Company and aims at presenting a balanced, clear and comprehensible assessment of the Company's performance, position and prospects in all corporate communications. The annual and interim results of the Group are announced in a timely manner within three and two months respectively after the end of the relevant periods in compliance with the requirements of the Listing Rules.

Internal control

System and procedures

The Board acknowledges its responsibility to ensure that a sound and effective internal control system is maintained, which includes a defined management structure with specified limits of authority to:

(i) achieve business objectives and safeguard assets against unauthorised use or disposition;

(ii) ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication; and

(iii) ensure compliance with the relevant legislation and regulations.

ACCOUNTABILITY AND AUDIT (CONTINUED)

Internal control (Continued)

System and procedures (Continued)

The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, manage rather than eliminate risks of failure in operational systems, and to ensure achievement of the Group's objectives.

Annual assessment

In 2015, the Board, through its AC, conducted a review of the Group's internal control system, including financial, operational and compliance control, and risk management functions. To formalise the annual review of the Company's internal control system, the AC made reference to the requirements of the relevant regulatory bodies. The Board is of the view that, in general, the Group has set up a sound internal control environment and implemented an effective system of internal control.

Internal Audit plan

The Internal Auditor follows a risk-and-control-based approach. A three-year internal audit plan is formulated in a risk-weighted manner so that priority and appropriate audit frequency is given to areas with higher risks. The Internal Auditor performs regular financial and operational reviews on the Group. The audit findings and control weaknesses, if any, are reported to the AC or CC. The Internal Auditor monitors the follow-up actions agreed upon in response to its recommendations.

Grievances and whistle-blowing policies

The Group has established defined procedures for handling employees' complaints, grievances and alerts of wrongdoings. Recommendations on improvements can be channelled to the respective department heads or escalated to the CEO. If the complaint is about the CEO or a Director, the employee can report directly to the Chairman of the AC or of the CC.

To encourage employees to raise concerns about internal malpractice without hesitation, the Group has also established a whistle-blowing policy, with embedded procedures for reporting such matters directly to the Chairman of the AC or of the CC, who will review the reported complaint and decide how the investigation should be conducted.

COMPANY SECRETARY

The Company Secretary is an employee of the Group and has confirmed that she has taken no less than 15 hours of the relevant professional training for the year ended 31 December 2015 in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

Convening of a special general meeting ("SGM") on Requisition by Shareholders

Article 70 of Company's Bye-laws sets out the position when a requisition is made by Shareholders. Article 70 provides that a SGM shall be convened on requisition, as provided by the Companies Act 1981 of Bermuda (as amended), or, in default, may be convened by the requisitionists.

Pursuant to section 74 of the Companies Act 1981 of Bermuda (as amended), a Shareholder or Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company may requisition the Directors to forthwith proceed duly to convene a SGM by depositing a written requisition at the registered office of the Company.

The written requisition must state the purposes of the meeting (including the resolutions to be considered at the meeting), signed by the requisitionists, deposited at the registered office of the Company at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and may consist of several documents in like form each signed by one or more requisitionists.

If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a SGM, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any SGM so convened shall not be held after the expiration of three months from the date of deposit of the requisition.

A SGM so convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

Procedures for making enquiry to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary at 12/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. The Company Secretary shall forward the Shareholders' enquiries and concern to the Board to answer the Shareholders' questions.

Procedures for putting forward proposals at general meetings

Any number of Shareholder(s) of the Company holding not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting of the Company or not less than 100 Shareholders of the Company can submit a written requisition to the Company requesting the Company:

(a) to give to the Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and/or

(b) to circulate to the Shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for putting forward proposals at general meetings (Continued)

A copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, must be deposited at the registered office of the Company (Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda):

(i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting; and

(ii) in the case of any other requisition, not less than one week before the meeting.

The requisitionist(s) must also deposit or tender with the requisition a sum reasonably sufficient to meet the Company's expense in serving the notice of resolution and/or circulation of statement to the Shareholders pursuant to the requisition.

Provided that if, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an AGM is called for a date six weeks or less after the copy has been deposited, the copy though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board recognises its accountability to Shareholders for the performance and activities of the Company and attaches considerable importance to the effectiveness of its communications with Shareholders. To this end, an Investor Relations section has been established as part of the Company's website, www.asiasat.com, to provide information to Shareholders about the Company. This is in addition to other corporate communications with Shareholders, such as circulars, notices, announcements, interim reports and annual reports, copies of which can be found in the Company's website.

The interim report and annual report contain a full Financial Review and an Operations Review together with sections on Corporate Governance, Environmental, Social and Governance Report and Management Discussion and Analysis.

The AGM is the principal forum for direct dialogue with shareholders at which Shareholders are invited to ask questions on the Company's operations or financial information.

At the AGM, Shareholders can vote on each proposed resolution and all issues to be considered by shareholders will be proposed at the general meeting as separate resolutions. Pursuant to the Listing Rules, voting by poll is now mandatory for all shareholders meetings.

CONSTITUTIONAL DOCUMENTS

During the year, there was no change in the Company's constitutional documents. A copy of the Company's Bye-laws is posted on the websites of the Company and the Stock Exchange.

GUIDELINES ON CONDUCT

The Company periodically issues notices to its Directors and employees reminding them that there is a general prohibition on dealing in the Company's listed securities during the blackout periods before the announcement of the interim and annual results.

The Company has a Code of Business Conduct and Ethics available on its website, www.asiasat.com.

Environmental, Social and Governance Report

At AsiaSat, we care about our environment and our community. We are committed to cultivating corporate citizenship and community cohesiveness through volunteerism, philanthropy and corporate donations. Management is also dedicated to maintaining a high standard of corporate governance within the Group.

AsiaSat strives to comply with all laws, rules, regulations and sanctions applicable to our business, whether through directly related companies or third parties. We also require our employees, agents, consultants, contractors, intermediaries, representatives, suppliers and business partners to observe the highest standards of integrity and honesty in conducting business with or on behalf of AsiaSat.

OPERATING CENTRES

AsiaSat is the leading satellite operator in Asia with its operating centres located at Tai Po and Stanley where it operates six in-orbit satellites. The Group is sensitive to the environmental, health and safety consequences of its operations and compliance with of relevant environmental laws.

To support environmental aids, the Group has been using the "reduce, reuse, repair and recycle" policy to maintain a clean and sustainable environment.

The Group uses resources responsibly, efficiently and effectively in order to contribute to a sustainable society and complies with international standards and regulations.

(a) CO_2 Emissions

GHG (Green House Gas) is one of the dominant contributions to global warming; it is divided into direct and indirect emissions. For the purpose of this report, AsiaSat is focusing on its two operating centres, where over 95% of the total CO_2 emissions is generated.

Over the years, AsiaSat has incorporated measures to reduce indirect emissions from its operating centres. These include but are not limited to:

(i) Air conditioning systems management through new operation strategies, timing and temperature control;

(ii) Improved thermal insulation and air flow within the operating centres;

(iii) Equipment operations: optimised use of equipment and consolidation of uplink traffic management; and

(iv) Use of Green technologies and equipment.

OPERATING CENTRES (CONTINUED)

(a) CO_2 Emissions (continued)

Through the use of the above measures, the indirect emissions are managed efficiently.

Indirect emissions generated through daily consumption of electricity via the operating centres totalled approximately 4,675 tons of CO_2 (99.998% of the total CO_2 emissions) in 2015, while direct emissions are produced by diesel generators which contributed about 0.1 tons (about 0.002% of the total CO_2 emission).

(b) Electromagnetic Emissions

On the consideration of electromagnetic emissions effect on human safety, AsiaSat performs regular electromagnetic radiation level measurements at 95 different locations spread out over the operating centres. Employee working areas are further equipped with radiation emission alarms to safeguard employees from accidental electromagnetic emission leaks. The average electromagnetic emission flux density measured over the year on 95 locations is $0.0007W/m^2$ with a maximum reading of $0.017W/m^2$ inside the shielded area at one of the 6.3m antennae. These levels are significantly lower than the recommendation from ITU-T K.100 (Dec 2014) of $10W/m^2$. The company confirms these levels are well within the safety requirements, which provide a healthy working environment for its employees. This is an order of magnitude better than the compliance required by the applicable laws and regulations relating to occupational health and safety hazards.

In addition, the electromagnetic power density at the operating centres' external surrounding area is less than 1/16 that in the area inside the operating centres, thus providing a safe environment for the community.

HUMAN RESOURCES

We are committed to nurturing an open and diverse working environment for our employees. We offer numerous growth and development opportunities with competitive rewards and benefits, allowing a balanced work-life in a safe and healthy workplace.

The employee turnover rate of the Group is about 9.77% for the year.

HUMAN RESOURCES (CONTINUED)

(a) Diversity of staff

(i) Number of employees by location as at 31 December 2015:

	No. of Employees
Hong Kong	127
China	13
Total	140

(ii) Number of employees by gender as at 31 December 2015:

	No. of Employees
Female	56
Male	84
Total	140

(iii) Number of Employees by employee category as at 31 December 2015:

	No. of Employees
Permanent	138
Temporary	2
Total	140

HUMAN RESOURCES (CONTINUED)

(a) Diversity of staff (continued)

(iv) Number of employees by age distribution as at 31 December 2015:

Age Group:	No. of Employees 40 and below	No. of Employees Above 40
Hong Kong	51	76
China	9	4
Total	60	80

(b) Employees Training

We provide a variety of training programs to our employees based on individual and business needs, including on the job training, in-house training, external training and education subsidies. Average training hours for each employee was about 26 hours in 2015.

ANTI CORRUPTION

AsiaSat is committed to preventing bribery and corruption and consistently applies the spirit of applicable laws in this regard. These include, without limitation, the Hong Kong Prevention of Bribery Ordinance (Cap. 201), the UK Bribery Act 2010, the US Foreign Corrupt Practices Act and China's anti-corruption laws.

AsiaSat has in place company policies and procedures designed to prevent, detect and report bribery and corruption. Our company policy prohibits any AsiaSat personnel from, directly or indirectly, offering, promising, soliciting or receiving any payment that is in the nature of a bribe, kickback, advantage or other inducement in any form.

We provide regular anti-bribery and corruption training for our employees and conduct internal audits to help reduce the risk of potential fraud and to monitor our anti-corruption commitments.

There is also a Whistle-blowing Policy which enables employees to raise concerns anonymously to designated officers, or if they wish, directly to the CEO, about any suspected fraudulent activity or potential violation of laws, rules, regulations and our policies or any other improper or illegal activities.

During the year, no legal cases regarding corrupt practices were brought against the Group or its employees.

CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The Group participates in various CSR activities such as volunteer work at the Crossroads Foundation, the Oxfam rice campaign and nursery school visits, and has helped sponsor charity walks organised by the Children's Heart Foundation.

We have established a long term partnership with the Crossroads Foundation and the Children's Heart Foundation. During the year, we have donated to various charity organisations such as Oxfam and the Children's Heart Foundation.

Management Discussion and Analysis

FINANCIAL REVIEW

Overall performance

Profit attributable to owners of the Company for 2015 was HK$440 million (2014: HK$559 million), a decrease of HK$119 million or 21% from the prior year. The decrease in profit was mainly attributable to a decrease in revenue and an increase in interest expenses. More details are set out below.

Revenue

Revenue in 2015 was HK$1,311 million (2014: HK$1,365 million), a decrease of HK$54 million, or 4% from the previous year. The decline was primarily attributable to non-renewals of contracts by several customers due to challenging conditions in their markets and downward pressure on transponder pricing.

Cost of services

Cost of services was HK$578 million (2014: HK$577 million), remaining reasonable to last year.

Other gains

A gain of HK$19 million (2014: HK$89 million) was realised, a decrease of HK$70 million from 2014. Last year's gain included finance income of HK$48 million as settlement for a share of the capacity of AsiaSat 6 by a satellite operator. In addition, less interest income was generated during the year due to substantially lower bank deposits after the payment of the special dividend.

Administrative expenses

Administrative expenses were HK$143 million (2014: HK$150 million), a decrease of HK$7 million or 5%. The decrease was mainly attributable to lower legal and professional fees, recovery of previously impaired debts during the year and lower marketing and promotional expenses. The exchange losses arising from the depreciation of Renminbi against Hong Kong Dollars and the increased staff costs greatly offset the above mentioned savings.

Finance expense

Finance expenses in 2015 were HK$77 million, an increase of HK$74 million, compared to HK$3 million in the previous year. The finance expenses represented the interest from the Ex-Im loan and the dividend loan. The increase was in line with increased level of borrowing during the year and included the effect of less interest being capitalised in the cost of AsiaSat 6 and AsiaSat 8, when compared to 2014.

Income tax expense

A significant portion of the Group's profit is treated as earned outside of Hong Kong and is not subject to Hong Kong profits tax. Hong Kong profits tax was calculated at 16.5% (2014: 16.5%) of the estimated assessable profit for the year.

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation, that range from 7% to 43.26% (2014: 7% to 43.26%), prevailing in the countries in which the profit is earned. The Group's effective tax rate for the year was approximately 17.3% (2014: 22.7%). Further details are set out in Note 10 to the consolidated financial statements.

FINANCIAL REVIEW (CONTINUED)

Financial Results Analysis

The financial results are highlighted below:

		2015	2014	Change
Revenue	HK$M	**1,311**	1,365	–4%
Profits attributable to owners of the Company	HK$M	**440**	559	–21%
Dividend	HK$M	**4,722**	223	+2,017%
Capital and reserves	HK$M	**2,674**	7,107	–62%
Earnings per share	HK cents	**112**	143	–21%
Dividend per share	HK cents	**1,207**	57	+2,017%
Dividend cover	Times	**0.1**	2.5	–96%
Return on equity	Percent	**16**	8	+100%
Net assets per share — book value	HK cents	**684**	1,817	–62%
Gearing ratio	Percent	**57**	N/A	N/A

LIQUIDITY AND FINANCIAL RESOURCES

During the year under review, the Group generated a net cash outflow, including the movement in short term deposits with maturities over three months, of HK$3,101 million (2014: inflow of HK$1,849 million). Cash inflow mainly comprised net cash from operations of HK$875 million (2014: HK$1,012 million) and bank borrowings of HK$1,896 million (2014: HK$2,173 million). Cash outflow mainly comprised the payment of dividends of HK$4,874 million (2014: HK$969 million), payment of capital expenditures of HK$692 million (2014: HK$1,024 million) and repayment of bank borrowings of HK$328 million (2014: Nil).

As at 31 December 2015, the Group had cash and bank balances of HK$238 million (31 December 2014: HK$3,346 million). The cash and bank balances are denominated in United States Dollars, Renminbi and Hong Kong Dollars.

Total bank borrowings as at 31 December 2015 were HK$3,748 million (31 December 2014: HK$2,183 million), all denominated in United States Dollars. Out of these bank borrowings, HK$2,087 million (31 December 2014: HK$2,183 million) was at fixed interest rates for the whole tenure and the remainder of HK$1,661 million (31 December 2014: Nil) was at a floating rate of LIBOR plus a margin. There was no seasonality effect on the Group's borrowing requirements. Bank borrowings were mainly used to finance the Group's capital expenditure and the payment of a special interim dividend. Details of the maturity profile of the total bank borrowings and undrawn bank facilities are set out in Note 20 to the consolidated financial statements. The Group had net debt of HK$3,510 million as at 31 December 2015 (31 December 2014: net cash of HK$1,163 million).

CAPITAL STRUCTURE

Funding and treasury policy

The Group adopts conservative treasury policies and exercises tight controls over its cash and risk management. Cash is generally placed in short-term deposits denominated in United States Dollars and Renminbi in order to meet its operating and capital expense requirements.

Hedging for Exchange rates and Financial instruments

The Group's revenue, capital expenditure, main operating expenditure and bank borrowings are denominated in United States Dollars, Hong Kong Dollars and Renminbi. The effect of exchange rate fluctuations in the United States Dollar is not material as the Hong Kong Dollars is pegged within a narrow band to the United States Dollars at the approximate exchange rate of HK$7.80 to US$1.00 and therefore no hedging for United States Dollars is conducted. The foreign exchange rate of the Renminbi has depreciated against the Hong Kong Dollars during the year ended 31 December 2015. The amount of Renminbi business is approximately 21% of total revenue. We did not hedge this currency risk.

The Group has bank borrowings around HK$2,087 million with a fixed interest rate for the loan period and there is no need to hedge interest rate risk. The remaining bank borrowings of HK$1,661 million are at a floating rate. The interest rate risk can be managed by an interest rate swap, if necessary. The Group regularly reviews the exposure arising from the movement of interest rates. During the year, the Group did not enter into any interest rate swap arrangements.

ORDER BOOK

As at 31 December 2015, the value of contracts on hand amounted to HK$3,517 million (2014: HK$3,514 million), the majority of which will be realised over the next few years. Almost all the contracts are denominated in United States Dollars.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During 2015, there were neither material acquisitions nor disposals of subsidiaries or associated companies.

SEGMENT INFORMATION

The revenue of the Group, analysed by operating segments, is disclosed in Note 5 to the consolidated financial statements.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2015, the Group had 138 permanent staff (2014: 133).

The Group considers its human resources as one of its most valuable assets. The talent pool that the Group draws from overlaps with the telecommunications, information technology and some high-tech equipment vendor industries.

The Group has established a performance-based appraisal system. The present remuneration packages consist of salaries, discretionary bonuses and fringe benefits that are comparable with the market.

A share award scheme (the "Share Award Scheme") was established on 22 August 2007; it is a long-term incentive plan designed to attract and retain the best senior staff for the development of the Company's business. Under the Share Award Scheme, shares of the Company (the "Award Shares") are granted to eligible employees of the Company or any of its subsidiaries. The Award Shares vest after a certain period or lapse under certain circumstances as set out in the Share Award Scheme rules. The Company has appointed Equity Trust (Jersey) Limited to be the trustee to purchase and hold the Award Shares upon trust to facilitate the servicing of the Share Award Scheme for the benefit of the eligible employees.

The Group does not operate an in-house regular training programme. However, the Group does provide ad hoc training on new developments or facilities and sponsors employees to attend external vocational training that is relevant to the discharge of their duties and their career progression.

CHARGES ON GROUP ASSETS

Save as disclosed in Note 20 to the consolidated financial statements, there was no charge over the Group's assets as at 31 December 2015.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group are set out in Note 26 to the consolidated financial statements.

As at 31 December 2015, the Group had total capital commitments of HK$619 million (2014: HK$1,280 million), all of which was contracted for but not provided in the financial statements.

GEARING RATIO

The Group's gearing ratio is calculated by dividing the net debts by the total capital. The net debts are the total interest bearing bank borrowings less total cash and bank balances. The total capital is the total equity attributable to owners of the Company plus the net debts. As at 31 December 2015, the Group's gearing ratio was as follows:

	31 December 2015 HK$ million	31 December 2014 HK$ million
Total bank borrowings	**3,748**	2,183
Less : Cash and bank balances	**(238)**	(3,346)
Net debt/(Net cash)	**3,510**	(1,163)
Total equity attributable to owners of the Company	**2,674**	7,106
Total capital	**6,184**	5,943
Gearing ratio	**57%**	N/A

CONTINGENT LIABILITIES

Particulars of the Group's contingent liabilities are set out in Note 25 to the consolidated financial statements.

Biographical Details of Directors and Senior Management

DIRECTORS

JU Wei Min, aged 52, was appointed a NED on 12 October 1998 and was re-designated as a Chairman of the Company on 1 January 2016. Mr. Ju is executive Vice President of China Investment Corporation. He was formerly Vice President and Chief Financial Officer of CITIC Limited, Chairman of CITIC Trust Co., Ltd. and CITIC Resources Holdings Limited, and a NED of CITIC Securities Company Limited. CITIC Limited, CITIC Resources Holdings Limited and CITIC Securities Company Limited are Hong Kong listed companies. He has over 20 years' experience in financial services industry and conglomerate management, especially in corporate finance, risk management and investment. He holds a Bachelor's Degree and Master's Degree in Economics.

Gregory M. ZELUCK, aged 54, was appointed a NED and Chairman on 19 May 2015 and was re-designated as a Deputy Chairman of the Company on 1 January 2016. Mr. Zeluck is a Managing Director of Carlyle and a Co-Head of Carlyle Asia Partners advising on Asian buyout opportunities. He joined Carlyle in 1998 and is based in Hong Kong. Prior to joining Carlyle, he spent one year at Merrill Lynch as part of the Asian High Yield team and 13 years at Lehman Brothers in its Corporate Finance and Merchant Banking groups, approximately four of which were spent in Asia. He received an A.B. from Princeton University, graduating Magna Cum Laude in East Asian studies. He was a director of Hyundai Communications & Network Co. Limited, a company listed on the Korea Exchange from 2006 to 2013. He was a board director of Natural Beauty Bio-Technology Limited, a Hong Kong listed company from 2014 to 2015. He is currently a board director of Ta Chong Bank Limited, a company listed in Taiwan.

William WADE, aged 59, was appointed as a President and CEO of the Company on 1 August 2010. Mr. Wade has served as an ED of the Company since May 1996. Since joining the Company in April 1994 and before his appointment as a CEO, he served as a Deputy CEO. Prior to joining AsiaSat, he held a number of senior management positions with various companies in Asia and the United States. He has over 30 years' experience in the satellite and cable television industry, working most of his career in Asia. He speaks Mandarin and holds a Bachelor of Arts (Honours) Degree in Communications from the University of Utah and a Master of International Management Degree from Thunderbird (the Global School of International Management).

DIRECTORS (CONTINUED)

LUO Ning, aged 57, was appointed a NED of the Company on 22 January 2010. Mr. Luo is an Assistant President of CITIC Group Corporation ("CITIC"), a Deputy Chairman of CITIC Guoan Group and a Chairman and a General Manager of CITIC Networks Co. Ltd. He joined CITIC in 2000 and also holds directorships in several other subsidiaries of CITIC. He is a Chairman of CITIC Guoan Information Industry Company Limited which is listed on the Shenzhen Stock Exchange in the People's Republic of China. He is also a Deputy Chairman and an ED of Frontier Services Group Limited, an ED of CITIC Telecom International Holdings Limited and a NED of Lajin Entertainment Network Group Limited. He was previously a Vice Chairman and an ED of CITIC 21CN Company Limited (now known as Alibaba Health Information Technology Limited). All of them are Hong Kong listed companies. He has over 20 years' experience in the telecommunication business and holds a Bachelor Degree in Communication Speciality from the Wuhan People's Liberation Army Institute of Communication Command.

Peter JACKSON, aged 67, was appointed as a NED of the Company on 9 January 2012. Mr. Jackson was the Company's previous Executive Chairman and retired on 31 July 2011. Prior to his retirement from the Company, he had served as an ED and a CEO of the Company since May 1996. Before the listing of the Company, he had already served in that position as the CEO of AsiaSat since July 1993. On 31 July 2010, he retired from his position as the CEO and was then appointed as the Executive Chairman of the Company for a period of 1 year from 1 August 2010 to 31 July 2011. He has over 39 years' experience in the telecommunications field. Prior to joining the Company, he was employed by Cable & Wireless plc where he held engineering, marketing and management positions. He is also a member of Advisory Board of Thuraya Telecommunications, a mobile satellite operator based in Dubai, United Arab Emirates. Currently, he is also a consultant to CITIC, substantial shareholder of the Company and a NED of SpeedCast International Limited which is listed on the Australian Stock Exchange. He is also working with several private equity firms in board or advisory positions.

Julius M. GENACHOWSKI, aged 53, was appointed as a NED of the Company on 19 May 2015. Mr. Genachowski is a Managing Director in Carlyle, focusing on acquisitions and growth investments in global technology, media and telecom, including Internet and mobile. He is based in Washington, DC. He returned to the private sector after serving as Chairman of the U.S. Federal Communications Commission (FCC) from 2009 to 2013. He presided at the FCC during a period of robust innovation and investment around communications technology and software, including wired and wireless broadband applications, devices and networks. Prior to his FCC appointment, he worked for more than a decade in the private sector. As a senior executive and member of the Office of the Chairman, he helped build InterActiveCorp, which owned and operated multiple Internet, media and digital commerce businesses. He has taught a joint class at Harvard's Business and Law Schools, and served as a Senior Fellow at the Aspen Institute and is currently a board member of MasterCard Inc., Sprint, Sonos, and Syniverse. He graduated with highest honors from Columbia College in 1985 and Harvard Law School in 1991.

Biographical Details of Directors and Senior Management

DIRECTORS (CONTINUED)

Alex S. YING, aged 47, was appointed as a NED of the Company on 19 May 2015. Mr. Ying is a Managing Director of Carlyle advising on Asian buyout opportunities, with a particular focus on the Technology, Media and Telecommunications sector. He joined Carlyle Asia Partners team in 2001 and is based in Hong Kong.

Prior to joining Carlyle Asia Partners, he was a member of Carlyle's U.S. Real Estate Group since 1997. Prior to joining Carlyle, he was an investment banker with CIBC Oppenheimer, where he focused on a variety of industries, including telecom and healthcare. Prior to that, he worked in both the Acquisition and Asset Management groups of Colony Capital, a global real estate private equity firm.

He received his M.B.A. from the Anderson School at the University of California, Los Angeles. He received a B.S. from the University of California, Los Angeles, and a master's degree in real estate development from the University of Southern California. He is currently a board director of Ta Chong Bank Limited, a company listed in Taiwan.

James WATKINS, aged 70, was appointed an INED of the Company on 30 June 2006. Mr. Watkins qualified as a solicitor in 1969 and was for 20 years a Partner in Linklaters, a leading international English law firm. From 1997 to 2003, he was a Director and the General Counsel of the Jardine Matheson Group in Hong Kong. He was an INED of Advanced Semiconductor Manufacturing Corporation Limited from 2005 to 2016. He is an INED of a number of Hong Kong and overseas listed companies, including Mandarin Oriental International Ltd., Hongkong Land Holdings Ltd., Jardine Cycle & Carriage Ltd. and Global Sources Ltd. He holds a Degree in Law from The University of Leeds, United Kingdom.

Stephen LEE Hoi Yin, aged 56, was appointed an INED of the Company on 6 March 2013. Mr. Lee has over 30 years' experience in accounting, auditing and financial management, at KPMG in London and Hong Kong. He was an audit partner of KPMG Hong Kong before becoming the partner-in-charge of the risk & compliance advisory practices of KPMG in respect of Hong Kong, the PRC and the Asia Pacific region. He retired from KPMG in 2011, and is currently serving as an Adjunct Associate Professor at The Chinese University of Hong Kong and as President of The Institute of Internal Auditors Hong Kong Limited. He was awarded a Bachelor of Arts (Hons) degree in Accountancy from City of London Polytechnic in 1981. He is an associate member of The Institute of Chartered Accountants in England and Wales and The Institute of Internal Auditors, and a fellow member of The Hong Kong Institute of Certified Public Accountants. He is a Member of the Board of the Hospital Authority Hong Kong and an INED of Chiyu Banking Corporation Limited and Prime Property Fund Asia GP Pte Limited.

DIRECTORS (CONTINUED)

Kenneth McKELVIE, aged 65, was appointed an INED of the Company on 6 March 2013. Mr. McKelvie is a fellow of the Institute of Chartered Accountants in England and Wales and of the Hong Kong Institute of Certified Public Accountants. He joined the London office of Deloitte Plender Griffiths & Co in 1969, and transferred to Hong Kong in 1977. He was a partner in the China member firm of Deloitte Touche Tohmatsu for 29 years, and retired in 2011. He was Chairman of Deloitte China and a member of the global board of Deloitte Touche Tohmatsu from 2002 to 2008.

Maura WONG Hung Hung, aged 50, was appointed an INED of the Company on 9 May 2013. Ms. Wong has over 20 years' experience in finance and private equity in Asia. She was a founder partner of JP Morgan Partners Asia (formerly Chase Capital Partners Asia), a pan-Asia private equity fund, where she ran the Greater China as well as Telecommunications, Media and Technology Practice. She was one of the pioneers of private equity in Asia as a founding member of Goldman Sachs' Principal Investment Area in Asia. She is currently Senior Adviser to Olympus Capital and Asian Environmental Partners. She graduated from Harvard Business School with an MBA and as Baker Scholar. Before that she received a Bachelor of Arts degree in International and Public Affairs from Princeton University where she graduated as Phi Beta Kappa and Magna Cum Laude (high honors).

CHONG Chi Yeung, aged 48, was appointed an alternate director to Mr. Luo Ning on 9 May 2013. Mr. Chong is an Assistant General Manager of CITIC United Asia Investments Limited ("CITIC United Asia"), a wholly-owned subsidiary of CITIC in Hong Kong. Prior to joining CITIC United Asia in 2005, he held various financial and managerial positions in both large scale China Stated-owned Enterprises and Hong Kong listed companies. He graduated from California State University, United States with a Bachelor's Degree and a Master Degree in Business Administration major in Finance in 1994. He has over 16 years of experience in merger and acquisition, corporate restructuring and financial management.

Biographical Details of Directors and Senior Management

SENIOR MANAGEMENT

Philip BALAAM, aged 51, is AsiaSat's Vice President, Sales and Business Development. Mr. Balaam has been in the satellite industry for over 25 years, in various management positions in engineering, sales, marketing and business development. Prior to joining AsiaSat, he was at Arianespace, where he served more than 13 years, most recently as a Sales and Marketing Director of Arianespace in Singapore. He previously worked with Matra Marconi Space (now Airbus Space and Defence) in Stevenage, Toulouse and Paris. He holds a Ph.D. in Aerospace Engineering from Pennsylvania State University, United States, an MBA from the Open University of United Kingdom and a B.Sc. in Aeronautics and Astronautics from the University of Southampton, England.

Catherine CHANG, aged 48, is AsiaSat's General Counsel. Ms. Chang joined AsiaSat in 1994 and established the legal department to manage the legal affairs of the Company. Prior to joining the Company, she was a solicitor at Ebsworth & Ebsworth (now HWL Ebsworth), an Australian law firm. She graduated from the University of New South Wales, Australia, with a Bachelor's Degree in Law and a Bachelor's Degree in Commerce, majoring in Accountancy.

Sabrina CUBBON, aged 54, is AsiaSat's Vice President, Marketing and Global Accounts, in which capacity Mrs. Cubbon is responsible for sales, and business development of AsiaSat's Global Accounts, and the Company's activities in marketing, corporate communications and market research. She has over 30 years of marketing experience in the telecommunications industry. Prior to joining AsiaSat in August 1992, she was employed by Case Communications between 1987 and 1992 as a Regional Manager Asia-Pacific responsible for the sales and marketing activities to multinational clients. She graduated from the University of Manchester, United Kingdom, with a Master's Degree in Electronic and Electrical Engineering, specialised in cryptography.

Roger TONG, aged 54, is AsiaSat's Vice President, Engineering and Operations. Dr. Tong has over 30 years' experience in the satellite and telecommunications industry and has worked in Canada, Mainland China and Hong Kong. He has held various senior management positions at COM DEV International, Allen Telecom Corporation and Mark IV Industries. Prior to joining AsiaSat in March 2008, he was the Technical Consultant to Telesat Canada where he was responsible for various satellite programmes. He holds a Bachelor's degree in Computer Engineering and a Master's degree in Engineering from the McMaster University, Canada, a MBA degree from the Wilfrid Laurier University in Canada and a Doctor of Business Administration from University of Newcastle in Australia.

SENIOR MANAGEMENT (CONTINUED)

Sue YEUNG, aged 52, is AsiaSat's Vice President, Finance and Chief Financial Officer, and Company Secretary. Ms. Yeung is a member of the Institute of Chartered Accountants in England and Wales. She has held various senior positions in both multinational companies and a Hong Kong listed company. Prior to joining AsiaSat in October 2006, she was a Regional Chief Financial Officer of Pearson Education Asia Limited with the overall responsibilities of its Asia Operations. She holds a Bachelor of Science Degree in Chemical Engineering from London University and is a fellow member of Hong Kong Institute of Certified Public Accountants.

ZHANG Hai Ming, aged 59, is AsiaSat's Vice President, China, in which he is responsible for the Company's marketing, operation and customer relations activities in the Mainland China market. Mr. Zhang has over 29 years' experience in the satellite industry in various management positions, covering areas in business development, sales, marketing and operations. Prior to joining AsiaSat in August 2008, he was a Deputy Managing Director of China Mobile Broadcasting Satellite Limited, Hong Kong. He graduated from Beijing Institute of Foreign Trade (now renamed Beijing University of International Business and Economics) and obtained a Master of International Management Degree from the American Graduate School of International Management.

Directors' Report

The Directors submit their report together with the audited consolidated financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES AND SEGMENT ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 15 to the consolidated financial statements.

An analysis of the Group's performance for the year by operating segment is set out in Note 5 to the consolidated financial statements.

BUSINESS REVIEW

Further discussion and analysis of the Group's activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the Chairman's Statement set out on pages 4 to 11, Operations Review set out on pages 12 to 16 and Management Discussion and Analysis set out on pages 38 to 42 of this Annual Report. This discussion forms part of this Directors' Report.

The environmental, employees, customers and suppliers matters and compliance with relevant laws and regulations that have a significant impact on the Group can be found in the Environmental, Social and Governance Report set out on pages 33 to 37 and Corporate Governance Report set out on pages 17 to 32 of this Annual Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of comprehensive income on page 63.

An interim dividend of HK$0.18 per share and a special interim dividend of HK$11.89 per share were paid during the year. The Board does not recommend a final dividend for the year ended 31 December 2015. The total dividends paid per share were HK$12.07.

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 66 and Note 28 to the consolidated financial statements.

DONATIONS

Charitable and other donations made by the Group during the year amounted to HK$30,000 (2014: HK$30,000).

BANK BORROWINGS

Particulars of bank borrowings of the Group as at 31 December 2015 are set out in Note 20 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company, calculated under Section 90 of the Companies Act 1981 of Bermuda, are set out in Note 18 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2015, the distributable reserves of the Company amounted to HK$429,401,000 (2014: HK$427,829,000), as calculated under the Companies Act 1981 of Bermuda.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 124.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year, the Trust, which was set up to administer the Company's Share Award Scheme, has purchased a total of 353,000 ordinary shares of HK$0.10 each of the Company at an average price of HK$27.66 per share on the Stock Exchange. The purchase involved a total cash outlay of HK$9,763,000. The aggregate price of the purchased shares was charged to equity as "Shares held under Share Award Scheme".

Save as disclosed above, neither the Company nor any of its subsidiary companies has purchased or sold any of the Company's shares during the year ended 31 December 2015 and the Company has not redeemed any of its shares during the year ended 31 December 2015.

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on 22 August 2007 ("Adoption Date"). Pursuant to the Share Award Scheme, award shares may be granted to eligible employees of the Company or its subsidiaries each year on the grant date until the tenth anniversary from the Adoption Date. The Company shall pay cash to the appointed trustee company for its acquisition and holding upon trust of the award shares for the benefit of eligible employees. The award shares will be transferred to the eligible employees upon vesting. The number of shares to be awarded under the Share Award Scheme throughout its duration shall not exceed 3% of the total issued shares of the Company as at the Adoption Date.

Details of the Share Award Scheme and the shares awarded thereunder are set out in Note 18 to the consolidated financial statements.

Apart from the Share Award Scheme, at no time during 2015 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any body corporate.

DIRECTORS

The Directors who held office during the year and up to the date of this report were:

Chairman and Non-executive Director

JU Wei Min	*(re-designated from Deputy Chairman to Chairman on 1 January 2016)*
Sherwood P. DODGE	*(resigned on 19 May 2015)*

Deputy Chairman and Non-executive Director

Gregory M. ZELUCK	*(appointed on 19 May 2015 and re-designated from Chairman to Deputy Chairman on 1 January 2016)*

Executive Director

William WADE	*(President and Chief Executive Officer)*

Non-executive Directors

LUO Ning	
Peter JACKSON	
Julius M. GENACHOWSKI	*(appointed on 19 May 2015)*
Alex S. YING	*(appointed on 19 May 2015)*
John F. CONNELLY	*(resigned on 19 May 2015)*
Nancy KU	*(resigned on 19 May 2015)*

DIRECTORS (CONTINUED)

Alternate Director

CHONG Chi Yeung *(alternate director to LUO Ning)*

Independent Non-executive Directors

Stephen LEE Hoi Yin
Kenneth McKELVIE
James WATKINS
Maura WONG Hung Hung

Mr. Sherwood P. Dodge, Mr. John F. Connelly and Ms. Nancy Ku have resigned from the Board on 19 May 2015 due to the change in the major shareholder and they have confirmed that they had no disagreements with the Board.

In accordance with Bye-law 110(A) of the Company's Bye-laws, Mr. Luo Ning, Mr. Peter Jackson, Mr. Kenneth McKelvie and Ms. Maura Wong Hung Hung will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

All INEDs and NEDs are appointed for a specific terms of three years each or, in the case of initial appointment, for the period up to next re-election at the Company's AGM following their appointment. They are all subject to retirement, rotation and re-election at the Company's AGM in accordance with the Company's Bye-laws.

The Company has received a written annual confirmation from each INED of his/her independence in accordance with the Listing Rules. The Company considers all of the INEDs to be independent.

DIRECTORS' SERVICE CONTRACTS

Mr. William Wade has a service contract with the Company as the CEO of the Company with effect from 1 August 2010.

None of the Directors who are proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance in relation to the Group's business to which the Company, any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

UPDATE ON DIRECTORS' INFORMATION

The following are changes in the information of the directors since the date of the 2015 interim report of the Company required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

With effect from 23 November 2015, Mr. Luo Ning was appointed as a NED of Lajin Entertainment Network Group Limited.

With effect from 18 December 2015, Mr. Gregory M. Zeluck ceased to act as a NED of Natural Beauty Bio-Technology Limited.

With effect from 1 January 2016, Mr. Ju Wei Min has been re-designated from Deputy Chairman to Chairman of the Company and Mr. Gregory M. Zeluck has re-designated from Chairman to Deputy Chairman of the Company.

With effect from 1 March 2016, Mr. James Watkins ceased to act as an INED of Advanced Semiconductor Manufacturing Corporation Limited.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 43 to 48.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 December 2015, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO, were as follows:

Ordinary shares of HK$0.10 each in the Company at 31 December 2015

		Number of shares/underlying shares held							
	Long or short position	Personal interests	Family interests	Corporate interests	Trusts and similar interests	Persons acting in concert	Other interests	Total	% of the Issued Share Capital of the Company
Directors									
Peter JACKSON	Long position	800,264	–	–	–	–	–	800,264	0.20
	Short position	–	–	–	–	–	–	–	–
William WADE	Long position	794,515	–	–	–	–	–	794,515	0.20
	Short position	–	–	–	–	–	–	–	–
James WATKINS	Long position	50,000	–	–	–	–	–	50,000	0.01
	Short position	–	–	–	–	–	–	–	–

Apart from the Share Award Scheme, at no time during the year was the Company, its subsidiaries, its associated companies, its fellow subsidiaries or its parent company a party to any arrangement to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated companies.

SUBSTANTIAL SHAREHOLDER' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that, as at 31 December 2015, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and chief executive.

Ordinary shares of HK$0.10 each in the Company at 31 December 2015

Name	Capacity	Long or short position	No. of ordinary shares in the Company	% of the Issued Share Capital of the Company
Bowenvale Limited	Beneficial owner	Long position	291,174,695[1]	74.43
Able Star Associates Limited	Interest in controlled corporation	Long position	291,174,695[1]	74.43
CITIC Limited	Interest in controlled corporation	Long position	291,174,695[1]	74.43
CITIC Corporation Limited	Interest in controlled corporation	Long position	291,174,695[1]	74.43
CITIC Group Corporation	Interest in controlled corporation	Long position	291,174,695[1]	74.43
Jupiter Investment Holdings, L.L.C.	Interest in controlled corporation	Long position	291,174,695[2]	74.43
The Carlyle Group L.P.	Interest in controlled corporation	Long position	291,174,695[2]	74.43
Aberdeen Asset Management plc and its subsidiary	Investment manager	Long position	23,530,000	6.01

SUBSTANTIAL SHAREHOLDER' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY (CONTINUED)

Ordinary shares of HK$0.10 each in the Company at 31 December 2015 (continued)

Notes:

(1) Able Star Associates Limited ("Able Star") controls 50% of the voting rights of Bowenvale Limited ("Bowenvale"). Able Star is wholly-owned by CITIC Asia Satellite Holding Company Limited ("CITIC Asia") which in turn is wholly-owned by CITIC Projects Management (HK) Limited ("CITIC Projects"). CITIC Projects is a wholly-owned subsidiary of CITIC Corporation Limited, which in turn a wholly-owned subsidiary of CITIC Limited. CITIC Limited is a subsidiary of the CITIC Group Corporation ("CITIC"). Accordingly, Able Star, CITIC Asia, CITIC Projects, CITIC Corporation Limited, CITIC Limited and CITIC are deemed to be interested in the total of 291,174,695 shares in the Company held by Bowenvale.

(2) Jupiter Investment Holdings, L.L.C. ("Jupiter"), a subsidiary of The Carlyle Group L.P. ("Carlyle"), controls 50% of the voting rights of Bowenvale. Accordingly, Jupiter and Carlyle are deemed to be interested in the total of 291,174,695 shares of the Company held by Bowenvale.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR SUPPLIERS AND CUSTOMERS

For the year ended 31 December 2015, the total revenue from the Group's five largest customers represented 32% of the Group's consolidated revenue and the total revenue from the Group's largest customer represented 10% of the Group's consolidated revenue. The total amount of purchases attributable to the Group's five largest suppliers was 28% of the total purchases and the largest supplier represented 17% of the Group's total purchases.

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in these major suppliers or customers.

CONTINUING CONNECTED TRANSACTIONS

Certain related-party transactions as disclosed in Note 27 to the consolidated financial statements also constituted connected transactions under the Listing Rules, required to be disclosed in accordance with Chapter 14A of the Listing Rules. The following transactions between certain connected parties (as defined in the Listing Rules) and the Company have been entered into and are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with the requirements of the Listing Rules.

The Group has signed the transponder master agreement ("2012 Agreement") with CITIC Networks Company Limited ("CITIC Networks", a wholly-owned subsidiary of CITIC) and CITICSat, under which CITIC Networks and CITICSat granted a right to the Group to provide satellite transponder capacity for use by their customers. Furthermore, pursuant to this agreement, CITICSat is responsible for marketing activities in China on behalf of the Group. In return, the Group reimburses the expenditure CITICSat incurs plus a marketing fee, which is collectively known as the marketing expense.

2012 Agreement expired in October 2015 and the Group has renewed the transponder master agreement ("2015 Agreement") with CITIC Networks and CITICSat for the provision of satellite transponder capacity for use by their customers for 3 years.

Pursuant to 2015 Agreement, the Group will charge a utilisation fee to CITICSat based on the market comparable rate or at a rate similar to those the Group would have offered to independent third party customers in China with a discount of no more than 5%, to be determined with reference to the projected sales for the relevant year and the discount that the Group would have offered to other bulk purchaser(s) of its satellite transponder capacity in China. Furthermore, the Group will pay a marketing consulting fee to CITICSat for marketing activities in China but will not reimburse the expenditure of CITICSat incurred as stipulated in 2012 Agreement. The market consulting fee is a fixed fee of RMB1,000,000 plus a variable fee of 0.25% over any recognised sales by CITICSat of the satellite transponder capacity in excess of RMB200,000,000.

CONTINUING CONNECTED TRANSACTIONS (CONTINUED)

Pursuant to 2012 Agreement and 2015 Agreement, the total revenue generated in year 2015 amounted to HK$270,516,000 (2014: HK$261,070,000). The total marketing expenses and marketing consulting fee paid in year 2015 amounted to HK$11,701,000 (2014: HK$9,781,000)

The continuing connected transactions have been reviewed by INEDs of the Company. The INEDs confirmed that the connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions as disclosed by the Group above in accordance with paragraph 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The Group has also entered into certain continuing connected transactions with connected parties which are qualified as de minimis transactions in accordance with paragraph 14A.76(1) of Chapter 14A of the Listing Rules, and hence are exempted from reporting, annual review, announcement and independent shareholders' approval requirement.

LOAN AGREEMENT WITH THE COVENANTS RELATING TO SPECIFIC PERFORMANCE OBLIGATIONS OF THE CONTROLLING SHAREHOLDERS

The following disclosures are made in compliance with the disclosure requirements under rule 13.21 of the Listing Rules. On 24 June 2015, the Company, AsiaSat and AsiaSat BVI Limited (a direct wholly-owned subsidiary of the Company) entered into a facility agreement (the "Dividend Facility Agreement") with certain financing banks for a term loan and revolving credit facilities (the "Dividend Facility") in an aggregate amount of US$240 million. The Dividend Facility is for a term of 5 years from the initial drawdown date of the Dividend Facility.

Pursuant to the Dividend Facility Agreement, if, among other things, any person or group of persons acting in concert (other than, in each case, Bowenvale or any existing direct or indirect shareholder of Bowenvale as at the date of the Dividend Facility Agreement) gains direct or indirect control of the Company, then the Dividend Facility shall immediately be cancelled and all the outstanding amounts under the Dividend Facility shall become immediately due and payable. The amount of Facility is US$240 million and for 5 years commencing 27 July 2015 for a tenor of 5 years.

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the financial year. The Company has taken out Directors' and Officers' insurance to cover the liability incurred by directors and officers in the execution and discharge of their duties, or in relation thereto.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to, and within the knowledge of, the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares as at 16 March 2016.

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers, who retire and, being eligible, offer themselves for re-appointment.

By order of the Board

Sue YEUNG
Company Secretary

Hong Kong, 16 March 2016

Audit Committee Report

The AC has six members, four of whom are INEDs and two are NEDs with observer status and no voting rights.

The AC oversees the financial reporting process. In this process, management is responsible for the preparation of Group's financial statements including the selection of suitable accounting policies. The IA is responsible for auditing and attesting to the Group's financial statements and evaluating the Group's system of internal controls, including the effectiveness of internal control over financial reporting. The AC oversees the respective work of management and the IA to endorse the processes and safeguards employed by them. The AC reports to the Board on its findings after each AC meeting.

The AC reviewed and discussed with management and the IA the 2015 consolidated financial statements included in the 2015 Annual Report. In this regard, the AC had discussions with management with regard to new, or changes in, accounting policies as applied and significant judgments affecting the Group's financial statements. The AC also received reports and met with the IA to discuss the general scope of their audit work (including the impact of changes in accounting policies as applied), and their assessment of Group internal controls.

Based on these reviews and discussions and the report of the IA, the AC recommended to the Board approval of the consolidated financial statements for the year ended 31 December 2015, with the Independent Auditor's Report thereon.

The AC also reviewed and recommended to the Board approval of the unaudited condensed consolidated financial information for the first six months of 2015, prior to public announcement and filing.

The AC recommended to the Board that the shareholders be asked to re-appoint PricewaterhouseCoopers as the Group's IA for 2016.

MEMBERS OF THE AUDIT COMMITTEE

Kenneth McKelvie	*(Chairman)*
Stephen Lee Hoi Yin	
James Watkins	
Maura Wong Hung Hung	
Ju Wei Min	*(Non-voting)*
Alex S. Ying	*(Non-voting)*

Hong Kong, 16 March 2016

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Consolidated Statement of Comprehensive Income

	Note	Year ended 31 December 2015 HK$'000	2014 HK$'000
Revenue	5	**1,310,991**	1,364,958
Cost of services	7	**(578,226)**	(577,418)
Gross profit		**732,765**	787,540
Administrative expenses	7	**(143,329)**	(149,848)
Other gains — net	6	**19,256**	88,640
Operating profit		**608,692**	726,332
Finance expenses	9	**(76,695)**	(3,112)
Profit before income tax		**531,997**	723,220
Income tax expense	10	**(92,242)**	(164,200)
Profit and total comprehensive income for the year		**439,755**	559,020
Profit and total comprehensive income attributable to:			
Owners of the Company		**439,755**	559,139
Non-controlling interests		**—**	(119)
		439,755	559,020
Earnings per share attributable to the owners of the Company for the year (expressed in HK$ per share)			
Basic earnings per share	11	**1.12**	1.43
Diluted earnings per share	11	**1.12**	1.43

The notes on pages 68 to 123 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

	Note	As at 31 December 2015 HK$'000	2014 HK$'000
ASSETS			
Non-current assets			
Leasehold land and land use rights	13	**18,368**	18,951
Property, plant and equipment	14	**6,889,238**	6,710,503
Unbilled receivables		**12,041**	7,668
Deposit	16	**2,616**	2,616
Total non-current assets		**6,922,263**	6,739,738
Current assets			
Trade and other receivables	16	**359,596**	460,515
Cash and bank balances	17	**237,579**	3,345,672
Total current assets		**597,175**	3,806,187
Total assets		**7,519,438**	10,545,925
EQUITY			
Equity attributable to owners of the Company			
Share capital	18	**39,120**	39,120
Reserves	19		
— Retained earnings		**2,597,197**	7,036,123
— Other reserves		**37,191**	30,998
		2,673,508	7,106,241
Non-controlling interests		**782**	782
Total equity		**2,674,290**	7,107,023

Consolidated Statement of Financial Position

	Note	As at 31 December 2015 HK$'000	2014 HK$'000
LIABILITIES			
Non-current liabilities			
Bank borrowings	20	**3,252,379**	1,929,333
Deferred income tax liabilities	22	**426,884**	397,035
Deferred revenue	21	**80,314**	93,914
Other amounts received in advance		**1,377**	1,377
Total non-current liabilities		**3,760,954**	2,421,659
Current liabilities			
Bank borrowings	20	**495,740**	254,039
Construction payables		**51,397**	101,693
Other payables and accrued expenses		**103,928**	109,932
Deferred revenue	21	**162,343**	193,399
Current income tax liabilities		**270,786**	358,180
Total current liabilities		**1,084,194**	1,017,243
Total liabilities		**4,845,148**	3,438,902
Total equity and liabilities		**7,519,438**	10,545,925
Net (current liabilities)/current assets		**(487,019)**	2,788,944
Total assets less current liabilities		**6,435,244**	9,528,682

The notes on pages 68 to 123 are an integral part of these consolidated financial statements.

The financial statements on pages 63 to 123 were approved by the Board of Directors on 16 March 2016 and were signed on its behalf.

JU Wei Min
Director

William WADE
Director

Consolidated Statement of Changes in Equity

		Attributable to owners of the Company							
	Note	Share capital HK$'000	Share premium HK$'000	Shares held under Share Award Scheme HK$'000	Share-based payment reserve HK$'000	Retained earnings HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
Balance at 1 January 2014		39,120	17,866	(9,104)	16,297	7,456,691	7,520,870	901	7,521,771
Total comprehensive income for the year		—	—	—	—	559,139	559,139	(119)	559,020
Transactions with owners									
Employees share award scheme:									
— Shares held under Share Award Scheme		—	—	(16,169)	—	—	(16,169)	—	(16,169)
— Share-based payment		—	—	—	11,178	—	11,178	—	11,178
— Shares vested under Share Award Scheme		—	—	20,399	(20,399)	—	—	—	—
Transfer to share-based payment reserve		—	—	—	10,930	(10,930)	—	—	—
Final and special dividends relating to 2013	12	—	—	—	—	(899,750)	(899,750)	—	(899,750)
Interim dividend relating to 2014	12	—	—	—	—	(70,415)	(70,415)	—	(70,415)
Dividend for shares held by Share Award Trust		—	—	—	—	1,388	1,388	—	1,388
Total transactions with owners, recognised directly in equity		—	—	4,230	1,709	(979,707)	(973,768)	—	(973,768)
Balance at 31 December 2014		39,120	17,866	(4,874)	18,006	7,036,123	7,106,241	782	7,107,023
Balance at 1 January 2015		39,120	17,866	(4,874)	18,006	7,036,123	7,106,241	782	7,107,023
Total comprehensive income for the year		—	—	—	—	439,755	439,755	—	439,755
Transactions with owners									
Employees share award scheme:									
— Shares held under Share Award Scheme		—	—	(9,763)	—	—	(9,763)	—	(9,763)
— Share-based payment		—	—	—	11,134	—	11,134	—	11,134
— Shares vested under Share Award Scheme		—	—	14,494	(14,494)	—	—	—	—
Transfer to share-based payment reserve		—	—	—	4,822	(4,822)	—	—	—
Final dividend relating to 2014	12	—	—	—	—	(152,566)	(152,566)	—	(152,566)
Interim dividend relating to 2015	12	—	—	—	—	(70,415)	(70,415)	—	(70,415)
Special interim dividend relating to 2015	12	—	—	—	—	(4,651,314)	(4,651,314)	—	(4,651,314)
Dividend for shares held by Share Award Trust		—	—	—	—	436	436	—	436
Total transactions with owners, recognised directly in equity		—	—	4,731	1,462	(4,878,681)	(4,872,488)	—	(4,872,488)
Balance at 31 December 2015		39,120	17,866	(143)	19,468	2,597,197	2,673,508	782	2,674,290

The notes on pages 68 to 123 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Note	Year ended 31 December 2015 HK$'000	2014 HK$'000
Cash flows from operating activities			
Cash generated from operations	23	**1,068,928**	1,123,190
Interest paid		**(56,016)**	(28,112)
Hong Kong profits tax paid		**(80,018)**	(268)
Overseas tax paid		**(58,152)**	(82,925)
Net cash generated from operating activities		**874,742**	1,011,885
Cash flows from investing activities			
Purchases of property, plant and equipment		**(691,865)**	(1,024,390)
Proceeds from disposals of property, plant and equipment	23	**20,619**	325
Interest received		**25,530**	37,509
Decrease/(increase) in short-term bank deposits with maturities over three months		**2,173,783**	(1,247,818)
Proceeds from derecognition of property, plant and equipment held under lease arrangement		**—**	635,628
Net cash generated from/(used in) investing activities		**1,528,067**	(1,598,746)
Cash flows from financing activities			
Purchases of shares under Share Award Scheme		**(9,763)**	(16,169)
Proceeds from bank borrowings		**1,896,094**	2,172,884
Repayment of bank borrowings		**(327,598)**	—
Interest paid		**(15,259)**	—
Dividends paid	12	**(4,873,859)**	(968,777)
Net cash (used in)/generated from financing activities		**(3,330,385)**	1,187,938
Net (decrease)/increase in cash and cash equivalents		**(927,576)**	601,077
Cash and cash equivalents at beginning of the year		**1,165,155**	564,078
Cash and cash equivalents at end of the year	17	**237,579**	1,165,155

The notes on pages 68 to 123 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Asia Satellite Telecommunications Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are engaged in the provision of transponder capacity.

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda (as amended). The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of Hong Kong dollars, unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together, the "Group") have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.1 Going concern

As at 31 December 2015, the Group's current liabilities exceeded its current assets by approximately HK$487,019,000 (2014: net current assets of HK$2,788,944,000). Included in the current liabilities were deferred revenue of HK$162,343,000 which represents non-refundable customer prepayments and will gradually reduce over the next twelve months through provision of transponder capacity services. The Group's net current liabilities less deferred revenue was HK$324,676,000. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of resources generated from its operations, together with the available banking facilities. Based on these forecasts and projections, the directors have a reasonable expectation that the Group will have adequate resources to continue its operations and to meet its financial obligations as and when they fall due in the next twelve months from the date of these consolidated financial statements. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.1.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2015:

HKFRSs (Amendments)	Improvements to HKFRSs 2012
HKFRSs (Amendments)	Improvements to HKFRSs 2013
HKAS 19 (Amendment)	Defined Benefit Plans: Employee Contributions

The adoption of these new and amended standards did not result in substantial changes to the accounting policies and consolidated financial statements of the Group in the current year.

(b) New Hong Kong Companies Ordinance (Cap. 622)

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) came into operation during the financial year. As a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policies and disclosures (continued)

(c) New standards and interpretations not yet adopted by the Group

The following standards and amendments to existing standards have been issued, but are not effective for the financial year beginning 1 January 2015 and have not been early adopted:

HKFRSs (Amendments)	Improvements to HKFRSs 2014[1]
HKAS 1 (Amendment)	Presentation of Financial Statements[1]
HKAS 16 and HKAS 38 (Amendment)	Classification of Acceptable Methods of Depreciation and Amortisation[1]
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants[1]
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements[1]
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities[1]
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations[1]
HKFRS14	Regulatory Deferral Accounts[1]
HKFRS15	Revenue from Contracts with Customers[2]
HKFRS 9	Financial Instruments[2]

1 Effective for the Group for annual periods beginning on or after 1 January 2016
2 Effective for the Group for annual periods beginning on or after 1 January 2018
3 Effective date to be determined

The Group is in the process of making an assessment of the impact of these new and amended standards upon initial application and is not yet in a position to state whether these new and amended standards will have any significant impact on the Group's result of operations and financial position.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls entities when the Group is exposed to, or has rights to, variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (continued)

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the President and Chief Executive Officer who makes strategic decisions.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Hong Kong dollars (HK$), which is the Company's functional and the Group's presentation currency.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income within 'Administrative expenses'.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Buildings in the course of development for production or administrative purposes are carried at cost, less any identified impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Satellites under construction includes the manufacturing costs, launch costs and any other relevant direct costs when billed or incurred and is carried at cost less any identified impairment loss. When the satellite is ready for its intended use, the expenditure is transferred to satellites in operation and depreciation will commence.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed in the consolidated statement of comprehensive income during the financial year in which they are incurred.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Assets held under finance lease are derecognised and finance lease receivables are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Property, plant and equipment (continued)

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, at the following rates per annum:

Satellites:	
— AsiaSat 3S	6.25%
— AsiaSat 4	6.67%
— AsiaSat 5	6.25%
— AsiaSat 6	6.25%
— AsiaSat 7	6.25%
— AsiaSat 8	6.25%
Buildings	4%
Tracking facilities	10%–20%
Furniture, fixtures and fittings	20%–33%
Office equipment	25%–33%
Motor vehicles	25%
Teleport equipment	30%
Plant and machinery	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised within 'Other gains — net' in the consolidated statement of comprehensive income.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position (Notes 2.9 and 2.10). Loans and receivables are recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(b) Impairment of financial assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets (continued)

(b) Impairment of financial assets carried at amortised cost (continued)

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that it would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

  (i) adverse changes in the payment status of borrowers in the portfolio; and

  (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets (continued)

(b) Impairment of financial assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2.9 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, short-term highly liquid investments with original maturities of three months or less.

2.11 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

2.12 Construction payables

Construction payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Construction payables are classified as current liabilities if payments are expected to due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs include interest expense, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on interest rates on similar borrowings in the entity’s functional currency.

When the construction of the qualifying assets takes more than one accounting period, the amount of foreign exchange differences eligible for capitalisation is determined for each annual period and are limited to the difference between the hypothetical interest amount for the functional currency borrowings and the actual interest incurred for foreign currency borrowings. Foreign exchange differences that did not meet the criteria for capitalisation in previous years should not be capitalised in subsequent years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Employee benefits

(a) Pension obligations

The Group participates in defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan namely a share award scheme under which the entity receives services from employees as consideration for equity instruments (award shares) of the Group. The Group grants shares of the Company to employees under the share award scheme. The award shares are purchased from the open market and the cost of shares purchased is recognised in equity as treasury stock called "shares held under share award scheme". The fair value of the employee services received in exchange for the grant of the award shares is recognised as an expense with a corresponding increase in share-based payment reserve. The total amount to be expensed is determined by reference to the fair value of the award shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of award shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of award shares that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Employee benefits (continued)

(b) Share-based compensation (continued)

The grant by the Company of award shares over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

(c) Performance-based bonus

The expected costs of performance-based bonuses are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for performance-based bonuses are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services supplied, stated net of discounts and value added taxes.

The Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities, as described below.

(a) Revenue from transponder utilisation is recognised on a straight-line basis over the period of the agreements when services are rendered. The excess of revenue recognised on a straight-line basis over the amount received and receivables from customers in accordance with the contract terms is shown as unbilled receivables.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

(b) Revenue from the sale of transponder capacity under transponder purchase agreements is recognised on a straight-line basis from the date of delivery of the transponder capacity until the end of the estimated useful life of the satellite.

Services under transponder utilisation agreements are generally billed quarterly in advance. Such amounts received in advance and amounts received from the sale of transponder capacity under transponder purchase agreements in excess of amounts recognised as revenue are recorded as deferred revenue. Deferred revenue which will be recognised in the following year is classified under current liabilities and amounts which will be recognised after one year are classified as non-current.

Deposits received in advance in connection with the provision of transponder capacity are deferred and included in other payables.

(c) Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, cashflow and fair value interest rate risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(a) Foreign exchange risk

During the year, almost all of the Group's revenues, premiums for satellite insurance coverage, interest expenses and substantially all capital expenditure were denominated in United States Dollars. The Group's remaining expenses were primarily denominated in Hong Kong Dollars and Renminbi. At 31 December 2015 and 2014, the majority of the Group's transponder utilisation agreements, transponder purchase agreements, obligations to purchase telemetry, tracking and control equipment and bank borrowings were denominated in United States Dollars and Renminbi. The Group has not hedged the foreign currency exposure in relation to Renminbi and United States Dollars.

At 31 December 2015, certain trade receivables and cash and bank balances were denominated in Renminbi ("RMB") and the foreign currency exposure is analysed as follows:

	2015	2014
	RMB'000	RMB'000
Trade receivables	**99,497**	160,969
Cash and bank balances	**50,253**	332,695

At 31 December 2015, it is estimated that a general increase/decrease of 500 basis points in the exchange rate of Renminbi against Hong Kong Dollars, with all other variables held constant, would increase/decrease the Group's profit for the year and retained earnings by approximately HK$8,082,000 (2014: HK$28,533,000).

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(a) Foreign exchange risk (continued)

At 31 December 2015, certain trade receivables and cash and bank balances and bank borrowings were denominated in United States Dollars ("US$") and the foreign currency exposure is analysed as follows:

	2015	2014
	US$'000	US$'000
Trade receivables	**9,437**	9,306
Cash and bank balances	**20,387**	372,004
Bank borrowings	**(483,635)**	(279,920)

At 31 December 2015, it is estimated that a general increase/decrease of 50 basis points in the exchange rate of United States Dollars against Hong Kong Dollars, with all other variables held constant, would decrease/increase the Group's profit for the year and retained earnings by approximately HK$16,134,000 (2014: increase/decrease the Group's profit for the year and retained earnings by approximately HK$3,628,000).

The sensitivity analysis above has been determined assuming that the change in foreign currency exchange rate had occurred at the reporting date and had been applied to the amount receivable in Renminbi and United States Dollars at that date. For Renminbi and United States Dollars, the 500 basis points and 50 basis points increase/decrease respectively represent management's assessment of a reasonably possible change in the foreign currency exchange rate over the period until the next annual reporting date. The analysis is presented on the same basis for 2014.

(b) Credit risk

The Group has no significant concentrations of credit risk. Credit risk of the Group arises from credit exposures to its customers and cash and bank balances.

The Group assesses the credit quality of its customers by taking account of their financial position, past experience and current collection trends that are expected to continue. The Group's evaluation also includes the length of time the receivables are past due and the general business environment. This credit risk is not considered significant because the Group does not normally provide credit terms to its trade customers. The Group usually bills its trade customers quarterly in advance in accordance with its agreements. The Group also requires bank guarantees and deposits from certain trade customers to manage the credit exposure. Moreover, the Group only places cash and deposits with reputable banks and financial institutions.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(c) Cash flow and fair value interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits and bank borrowings. Bank borrowings obtained at a fixed rate expose the Group to fair value interest rate risk (Note 20). Bank borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by short-term bank deposits placed with reputable banks and financial institutions at various maturities and interest rate terms.

The following table details the interest rate profiles of the Group's short-term deposits and variable rate bank borrowings:

	2015		2014	
	Effective interest rate %	**HK$'000**	Effective interest rate %	HK$'000
Short-term deposits	**3.8%**	**1,008**	1.6%	3,114,220
Bank borrowings	**3.4%**	**1,661,571**	N/A	N/A

At 31 December 2015, it is estimated that a general increase/decrease of 100 basis points in the interest rate, with all other variables held constant, would decrease/increase the Group's profit for the year and retained earnings by approximately HK$16,605,000.

At 31 December 2014, it is estimated that a general increase/decrease of 100 basis points in the interest rate, with all other variables held constant, would increase/decrease the Group's profit for the year and retained earnings by approximately HK$31,142,000.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the reporting date and had been applied to the interest-bearing short-term bank deposits and bank borrowings in existence at that date. The 100 basis points increase/decrease represents management's assessment of a reasonably possible change in interest rate over the period until the next annual reporting date. The analysis is performed on the same basis for 2014.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(d) Liquidity risk

The Group manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due. The Group closely monitors its exposure to liquidity risk by reviewing the cash position report on a quarterly basis. The Group invests surplus cash in interest bearing current accounts and time deposits with reputable financial institutions, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room to meet operation needs. The Group also reviews different funding options regularly in case needs arise.

As at 31 December 2015, the Group had available unutilised banking facilities of approximately HK$154,998,000 which are available for a term of 5 years from July 2015, the initial drawdown date of the facilities.

As at 31 December 2014, the Group had available unutilised banking facilities of approximately HK$437,898,000. Out of that amount, HK$195,894,000 banking facilities was subsequently drawn down and the remaining facilities were expired in February 2015.

The non-derivative financial liabilities of the Group as at 31 December are analysed into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date in the table below. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2015				2014			
	Within 1 year HK$'000	**More than 1 year but less than 5 years HK$'000**	**More than 5 years HK$'000**	**Total HK$'000**	Within 1 year HK$'000	More than 1 year but less than 5 years HK$'000	More than 5 years HK$'000	Total HK$'000
Bank borrowings	**619,481**	**2,927,113**	**750,191**	**4,296,785**	344,964	1,224,221	978,774	2,547,959
Construction payables	**51,397**	**—**	**—**	**51,397**	101,693	—	—	101,693
Other payables and accrued expenses	**103,928**	**—**	**—**	**103,928**	109,932	—	—	109,932
	774,806	**2,927,113**	**750,191**	**4,452,110**	556,589	1,224,221	978,774	2,759,584

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital management

The Group's objectives when managing capital, which comprises all capital and reserves attributable to the owners, are:

- To safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders;
- To support the business growth; and
- To maintain a strong credit rating.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

In December 2013, the Group entered a long-term loan agreement to finance the construction of the AsiaSat 6 and AsiaSat 8 satellites. In June 2015, the Group entered another loan agreement to finance the dividend payments and working capital of the Group. The Group is required to comply with certain financial covenants. If the Group were to breach the covenants, the loans would become payable on demand. The Group regularly monitors its compliance with these covenants. For the year ended 31 December 2015, the Group complied with all of the covenants on the above borrowing agreements.

In this regard, the Group monitors the capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest bearing bank borrowings (including 'current and non-current bank borrowings' as shown in the consolidated statement of financial position) less cash and bank balances. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital management (continued)

	2015	2014
	HK$'000	HK$'000
Total bank borrowings (Note 20)	**3,748,119**	2,183,372
Less : cash and bank balances (Note 17)	**(237,579)**	(3,345,672)
Net debt/(cash)	**3,510,540**	(1,162,300)
Total equity	**2,674,290**	7,107,023
Total capital	**6,184,830**	5,944,723
Gearing ratio	**57%**	N/A

The Group has adopted a dividend policy of providing shareholders with a dividend payout ratio between 30% to 50% of the profit for the year. Nevertheless, in order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3.3 Fair value estimation

Except for bank borrowings (Note 20), the carrying value of the Group's financial assets and financial liabilities is a reasonable approximation of their fair values due to the relatively short term nature of these financial instruments.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

4.1 Critical accounting estimates (continued)

(a) Useful lives of in-orbit satellites

The Group's operations are capital intensive and it has significant investments in satellites. The carrying value of the Group's in-orbit satellites that have been commissioned and brought into service and which are not fully depreciated (AsiaSat 4, AsiaSat 5, AsiaSat 6, AsiaSat 7 and AsiaSat 8) represented 69% of its total assets as of 31 December 2015 (2014: 31%). The Group estimates the useful lives of satellites in order to determine the amount of depreciation expense to be recorded during the reporting period. The useful lives are estimated at the time satellites are put into orbit and are based on historical experience with other satellites as well as the anticipated technological evolution or other environmental changes. If technological changes were to occur more rapidly than anticipated or in a different form than anticipated, the useful lives assigned to these satellites may need to be shortened, resulting in the recognition of increased depreciation in a future period. Similarly, if the actual lives of satellites are longer than the Group has estimated, the Group would have a smaller depreciation expense. As a result, if the Group's estimations of the useful lives of its satellites are not accurate or are required to be changed in the future, the Group's net income in future periods would be affected.

For the year ended 31 December 2015, it is estimated that a general increase/decrease of one year of useful life of the in-orbit satellites, with all other variables held constant, would decrease/increase the depreciation charge for the year by approximately HK$25,976,000 (2014: HK$26,120,000) and HK$29,542,000 (2014: HK$29,778,000) respectively.

4.2 Critical judgments in applying the entity's accounting policies

(a) Income taxes

The Group is subject to income taxes in a number of jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes and the deductibility of certain expenses items. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

4.2 Critical judgments in applying the entity's accounting policies (continued)

(b) Impairment of the carrying amounts of long-lived assets

The Group is required to evaluate at each reporting date whether there is any indication that the carrying amounts of long-lived assets (primarily its satellites) may be impaired. If any such indication exists, the Group should estimate the recoverable amount of the long-lived assets. An impairment loss is recognised for the excess of the carrying amount of such long-lived assets over their recoverable amounts. The recoverable amount is determined at the higher of fair value less costs to sell and value in use. The value in use is the discounted present value of the cash flows expected to arise from the continuing use of long-lived assets and cash arising from its disposal at the end of its useful life. The estimates of the cash flows are based on the terms and period of existing transponder utilisation agreements ("Existing Agreements") and the anticipated renewal of these Existing Agreements.

Modifications to the terms of the Existing Agreements that result in shorter utilisation periods than previously agreed and/or those that result in the reduction in agreed rates will result in a lower recoverable amount (if the discount rate used is not changed); which may, in turn, result in a situation wherein the recoverable amounts are less than the carrying amounts (therefore, an impairment loss would need to be recognised).

At 31 December 2015 and 2014, there had been no indication that the carrying amounts of long-lived assets of the Group may have become impaired.

5 REVENUE AND SEGMENT INFORMATION

(a) Revenue:

The Group's revenue is analysed as follows:

	2015 **HK$'000**	2014 HK$'000
Income from provision of satellite transponder capacity		
— recurring (Note)	**1,257,433**	1,297,323
— non-recurring	**—**	7,488
Sales of satellite transponder capacity	**13,585**	22,495
Other revenues	**39,973**	37,652
	1,310,991	1,364,958

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Revenue: (continued)

Note : For the year ended 31 December 2015, a total amount of HK$25,508,000 (2014: HK$55,018,000) was recorded as the additional revenue received or receivable from certain customers following the enactment of the Finance Act in India in 2012, which imposes tax on the Group for revenue that could be considered as Indian sourced subject to Indian Court's final decision. Further details were set out in Note 10 to these consolidated financial statements.

(b) Segment information:

The chief operating decision-maker has been identified as the President and Chief Executive Officer of the Group. The President and Chief Executive Officer considers the business from a product perspective which is the operation, maintenance and provision of satellite telecommunication systems for broadcasting and telecommunication. As the Group has only one operating segment that qualifies as reporting segment under HKFRS 8 and the information that is regularly reviewed by the President and Chief Executive Officer for the purposes of allocating resources and assessing performance of the operating segment is the consolidated financial statements of the Group, no separate segmental analysis is presented.

Revenue reported in Note 5(a) above represented transactions with third parties and are reported to the President and Chief Executive Officer in a manner consistent with that in the consolidated statement of comprehensive income.

The Group is domiciled in Hong Kong. The revenue from customers in Hong Kong and Greater China for the year ended 31 December 2015 are HK$200,684,000 (2014: HK$211,008,000) and HK$289,482,000 (2014: HK$290,352,000) respectively, and the total revenue from customers in other countries is HK$820,825,000 (2014: HK$863,598,000). For the purpose of classification, the geographical source of revenue is determined based on the place of incorporation of the customers instead of the footprint of the satellites of the Group which may involve transmission to multiple geographical areas under a single satellite transponder capacity arrangement.

For the year ended 31 December 2015, revenues of approximately HK$125,827,000 (2014: HK$123,626,000) are derived from a single external customer for the provision of satellite telecommunication systems for broadcasting and telecommunication.

The amounts provided to the President and Chief Executive Officer with respect to total assets and total liabilities are measured in a manner consistent with that in the consolidated statement of financial position. All assets and liabilities are related to the only operating segment of the Group whose operation is domiciled in Hong Kong.

6 OTHER GAINS — NET

	2015 HK$'000	2014 HK$'000
Interest income	**18,835**	39,879
Net gain on disposals of property, plant and equipment	**421**	325
Finance income on lease arrangement	**—**	48,436
	19,256	88,640

7 EXPENSES BY NATURE

Expenses included in cost of services and administrative expenses are analysed as follows:

	2015 HK$'000	2014 HK$'000
Auditor's remuneration		
— audit services	**1,675**	1,545
— non-audit services	**1,536**	995
(Write back)/provision for impairment of		
— trade receivables, net (Note 16)	**(1,317)**	(3,266)
— other receivables (Note 16)	**(4,403)**	4,403
Bad debts written off	**—**	1,182
Depreciation of property, plant and equipment (Note 14)	**469,135**	466,818
Employee benefit expense (Note 8)	**143,909**	139,138
Operating leases		
— Office premises	**8,852**	9,098
— Leasehold land and land use rights (Note 13)	**583**	583
Net exchange loss	**21,166**	8,494
Marketing and promotions expense	**5,167**	6,863
Satellite operations	**7,109**	10,099

8 EMPLOYEE BENEFIT EXPENSE

	2015	2014
	HK$'000	HK$'000
Salary and other benefits, including directors' remuneration	**123,027**	118,961
Share-based payment	**11,134**	11,178
Pension costs — defined contribution plans	**9,748**	8,999
Total staff costs	**143,909**	139,138

	2015	2014
Number of employees	**138**	133

(a) Pensions — defined contribution plans

Forfeited contributions totaling HK$44,000 (2014: HK$103,000) were fully utilised during the year, leaving no available balance at the year end to reduce future contributions.

There was no outstanding balance of contribution payable at both 31 December 2015 and 31 December 2014.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include one (2014: one) director whose emoluments are reflected in the analysis shown in Note 29. The emoluments payable to the remaining four (2014: four) individuals during the year are as follows:

	2015	2014
	HK$'000	HK$'000
Basic salaries, housing allowances, other allowances and benefits in kind	**16,463**	15,830
Employer's contribution to pension scheme	**2,084**	1,757
Performance related bonuses	**2,907**	2,776
Share-based payment	**4,039**	3,824
	25,493	24,187

8 EMPLOYEE BENEFIT EXPENSE (CONTINUED)

(b) Five highest paid individuals (continued)

The emoluments fell within the following bands:

	Number of individuals	
	2015	2014
Emolument bands		
HK$5,500,001—HK$6,000,000	**1**	1
HK$6,000,001—HK$6,500,000	**2**	2
HK$6,500,001—HK$7,000,000	**—**	1
HK$7,000,001—HK$7,500,000	**1**	—
	4	4

9 FINANCE EXPENSES

	2015	2014
	HK$'000	HK$'000
Interest expenses incurred on bank borrowings	**102,812**	49,667
Less : Interest capitalised on qualifying assets	**(26,117)**	(46,555)
Total	**76,695**	3,112

The interest rate applied in determining the amount of interest capitalised in 2015 was 3.52% (2014: 3.51%).

10 INCOME TAX EXPENSE

A significant portion of the Group's profit is treated as earned outside Hong Kong and is not subject to Hong Kong profits tax. Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation, that range from 7% to 43.26% (2014: 7% to 43.26%), prevailing in the countries in which the profit is earned.

10 INCOME TAX EXPENSE (CONTINUED)

	2015 **HK$'000**	2014 HK$'000
Current income tax		
— Hong Kong profits tax	**15,646**	48,975
— Overseas taxation (Note (b))	**46,747**	86,161
— Adjustments in respect of prior years (Note (a))	**—**	21,336
Total current tax	**62,393**	156,472
Deferred income tax (Note 22)	**29,849**	7,728
Income tax expense	**92,242**	164,200

Note:

(a) During the year ended 31 December 2014, the Group received assessment notices from a tax authority to disallow the deductibility of certain items in respect of previous assessment years and additional tax provision was made accordingly. During the year ended 31 December 2015, the Group has lodged an objection to such assessment notices and has yet to receive a revised notice from the tax authority. In view of the latest development of the case, the Group considered that it is appropriate to maintain the additional provision made with respect of the potential disallowed items for tax deduction for prior years and also for the current year.

(b) The Group has been in dispute with the Indian tax authority ("IR") in respect of revenues earned from provision of satellite transponder capacity. The Group has been assessed for tax by the IR on revenues received for the provision of satellite transponder capacity to certain customers for purposes of those customers carrying on business in India or earning income from any source in India. Details of the dispute were set out in Note 31 to the annual financial statements for the year ended 31 December 2011.

In May 2012, the Finance Bill was passed by the Indian Parliament and certain amendments were enacted with retrospective effect. Under the Indian Income Tax Act (as amended by the Finance Act), revenues received from the provision of satellite transponder capacity to customers which carry on business in India or earn income from any source in India ("Indian sourced") is chargeable to tax in India subject to the judicial interpretation of the amended provision by the Courts in India. As the Finance Act introduced certain amendments with retrospective effect, this may have significant unfavourable consequences to the Group's tax proceedings in the Indian Courts in respect of which orders in favour of the Group had been granted in the past. The amount of the Group's revenues that is deemed to be Indian sourced is yet to be decided by the Indian Courts and therefore the exact tax consequences are still uncertain.

Based on the latest advice received by the Group from the Group's advisers in India, the Group has recorded a provision of HK$28 million for the year ended 31 December 2015 (2014: HK$65 million) reflecting an appropriately conservative view based on the historical information currently available. Management intends to rigorously defend the Group's position in this regard in the ongoing tax proceedings in the Indian Courts.

10 INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the profits tax rate of Hong Kong where the Group principally operates, as follows:

	2015 HK$'000	2014 HK$'000
Profit before income tax	**531,997**	723,220
Tax calculated at tax rate of 16.5% (2014: 16.5%)	**87,779**	119,331
Tax effect of income not subject to income tax	**(108,051)**	(120,131)
Tax effect of expenses not deductible for tax purposes	**65,767**	57,503
Income tax in respect of overseas profits	**46,747**	86,161
Adjustment in respect of prior years	**—**	21,336
Tax charge	**92,242**	164,200

The effective tax rate of the Group was 17.3% (2014: 22.7%).

The higher effective tax rate for the year ended 31 December 2014 was mainly attributable to the additional provision made in respect of prior years as a result of a dispute with a tax authority.

11 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2015 HK$'000	2014 HK$'000
Profit attributable to owners of the Company	**439,755**	559,139

	2015	2014
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousands)	**390,978**	390,877
Basic earnings per share (HK$)	**1.12**	1.43

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held under the share award scheme.

11 EARNINGS PER SHARE (CONTINUED)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has restricted shares under the Share Award Scheme which would have a dilutive effect. The calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of outstanding restricted shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the restricted shares were fully vested.

	2015 **HK$'000**	2014 HK$'000
Profit attributable to owners of the Company	**439,755**	559,139

	2015	2014
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousands)	**390,978**	390,877
Effect of Award Shares (in thousands)	**894**	584
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share (in thousands)	**391,872**	391,461
Diluted earnings per share (HK$)	**1.12**	1.43

12 DIVIDENDS

The dividends paid in 2015 and 2014 were HK$4,873,859,000 (HK$12.46 per share) and HK$968,777,000 (HK$2.48 per share) respectively. The Board does not recommend a final dividend (2014: a final dividend of HK$0.39 per share).

	2015 **HK$'000**	2014 HK$'000
Interim dividend paid of HK$0.18 (2014: HK$0.18) per ordinary share	**70,415**	70,415
Special interim dividend paid of HK$11.89 (2014: HK$Nil) per ordinary share	**4,651,314**	—
Proposed final dividend of HK$Nil (2014: HK$0.39) per ordinary share	**—**	152,566
	4,721,729	222,981

13 LEASEHOLD LAND AND LAND USE RIGHTS

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

	2015 **HK$'000**	2014 HK$'000
In Hong Kong held on:		
Leases of between 10 to 50 years	**18,368**	18,951
At 1 January	**18,951**	19,534
Amortisation of prepaid operating lease payments (Note 7)	**(583)**	(583)
At 31 December	**18,368**	18,951

14 PROPERTY, PLANT AND EQUIPMENT

	Satellites and tracking facilities								
	In operation	Under Construction/ not ready for use	Buildings	Furniture, fixtures and fittings	Office equipment	Motor vehicles	Teleport equipment	Plant and equipment	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2014									
Cost	6,902,344	2,660,100	165,067	17,141	5,018	4,107	36,889	704	9,791,370
Accumulated depreciation	(3,102,605)	—	(51,280)	(5,781)	(3,178)	(2,087)	(21,080)	(704)	(3,186,715)
Net book amount	3,799,739	2,660,100	113,787	11,360	1,840	2,020	15,809	—	6,604,655
Year ended 31 December 2014									
Opening net book amount	3,799,739	2,660,100	113,787	11,360	1,840	2,020	15,809	—	6,604,655
Additions	12,602	1,140,304	3,291	125	2,402	1,134	—	—	1,159,858
Transfer between categories	22,308	(22,308)	—	—	—	—	—	—	—
Derecognition of assets held under lease arrangement	—	(587,192)	—	—	—	—	—	—	(587,192)
Depreciation	(444,556)	—	(6,849)	(3,107)	(840)	(926)	(10,540)	—	(466,818)
Closing net book amount	3,390,093	3,190,904	110,229	8,378	3,402	2,228	5,269	—	6,710,503
At 31 December 2014									
Cost	6,937,255	3,190,904	168,358	17,266	7,387	4,114	36,889	704	10,362,877
Accumulated depreciation	(3,547,162)	—	(58,129)	(8,888)	(3,985)	(1,886)	(31,620)	(704)	(3,652,374)
Net book amount	3,390,093	3,190,904	110,229	8,378	3,402	2,228	5,269	—	6,710,503
Year ended 31 December 2015									
Opening net book amount	3,390,093	3,190,904	110,229	8,378	3,402	2,228	5,269	—	6,710,503
Additions	11,025	654,514	—	159	1,170	1,200	—	—	668,068
Transfer between categories	2,371,269	(2,371,269)	—	—	—	—	—	—	—
Disposals (Note 23)	(20,198)	—	—	—	—	—	—	—	(20,198)
Depreciation	(451,550)	—	(6,735)	(3,077)	(1,551)	(953)	(5,269)	—	(469,135)
Closing net book amount	5,300,639	1,474,149	103,494	5,460	3,021	2,475	—	—	6,889,238
At 31 December 2015									
Cost	9,299,250	1,474,149	168,358	17,425	8,543	4,214	36,889	704	11,009,532
Accumulated depreciation	(3,998,611)	—	(64,864)	(11,965)	(5,522)	(1,739)	(36,889)	(704)	(4,120,294)
Net book amount	5,300,639	1,474,149	103,494	5,460	3,021	2,475	—	—	6,889,238

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense of HK$469,135,000 (2014: HK$466,818,000) has been charged in cost of services.

During the year ended 31 December 2015, the Group has capitalised borrowing costs amounting to HK$26,117,000 (2014: HK$46,555,000) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of 3.52% (2014: 3.51%).

15 SUBSIDIARIES

(a) Particulars of subsidiaries

The following is the list of the principal subsidiaries at 31 December 2015:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Particulars of issued share capital and debt securities	Interest held 2015	Interest held 2014
AsiaSat BVI Limited#	British Virgin Islands, limited liability company	Investment holding in Hong Kong	3,000 ordinary shares of US$1 each	**100%**	100%
Asia Satellite Telecommunications Company Limited	Hong Kong, limited liability company	Provision of satellite transponder capacity worldwide	30,000 ordinary shares and 20,000 non-voting deferred shares of HK$10 each	**100%**	100%

\# Shares held directly by the Company.

(b) Controlled special purpose entity

The Company has set up a trust, Asia Satellite Share Award Trust (the "Trust"), for the purpose of administering the Share Award Scheme established by the Company during 2007. In accordance with HK(SIC), Int 12, the Company is required to consolidate the Trust as the Company has the power to govern the financial and operating policies of the Trust and can derive benefits from the contributions of employees who have been awarded the Awarded Shares through their employment with the Group.

Special purpose entity	Place of incorporation	Principal activities
Asia Satellite Share Award Trust	Jersey, Channel Islands	Administering and holding the Company's shares for the Share Award Scheme for the benefit of eligible employees

16 TRADE AND OTHER RECEIVABLES

	2015 HK$'000	2014 HK$'000
Trade receivables	**238,711**	250,775
Trade receivables from related parties (Note 27(d))	**116,713**	204,944
Less: allowance for impairment of trade receivables	**(20,368)**	(22,924)
Trade receivables — net	**335,056**	432,795
Other receivables — net	**1,755**	6,401
Deposits and prepayments	**25,401**	23,935
	362,212	463,131
Less non-current portion: deposit	**(2,616)**	(2,616)
Current portion	**359,596**	460,515

All non-current receivables are due within five years from the end of the reporting period.

The carrying amounts of trade and other receivables approximate their fair values.

A majority of the trade and other receivables are denominated in Hong Kong dollars, United States Dollars and Renminbi and the foreign exchange risk thereon are discussed in Note 3.1(a).

The Group generally bills its trade customers quarterly in advance in accordance with its agreements. The ageing analysis of trade receivables according to the due date is stated as follows:

	2015 HK$'000	2014 HK$'000
Not yet due	**197,730**	207,276
1 to 30 days	**40,797**	34,935
31 to 60 days	**13,555**	32,905
61 to 90 days	**15,724**	38,767
91 to 180 days	**38,895**	83,199
181 days or above	**48,723**	58,637
	355,424	455,719

As at 31 December 2015, trade receivables of approximately HK$147,324,000 (2014: HK$155,546,000) are due from a single external customer. The remaining balances are relating to large number of customers that are internationally dispersed.

16 TRADE AND OTHER RECEIVABLES (CONTINUED)

As of 31 December 2015, trade receivables of HK$20,368,000 (2014: HK$22,924,000) were impaired and fully provided for. The impaired receivables mainly relate to customers' failure to make payment for more than six months. The ageing analysis of these receivables is as follows:

	2015 HK$'000	2014 HK$'000
Not yet due	**502**	—
1 to 30 days	**1,063**	3,241
31 to 60 days	**721**	3,324
61 to 90 days	**145**	439
91 to 180 days	**2,832**	2,963
181 days or above	**15,105**	12,957
	20,368	22,924

Movements on the allowance for impairment of trade receivables are as follows:

	2015 HK$'000	2014 HK$'000
At 1 January	**22,924**	30,022
Write back for impairment of receivables, net	**(1,317)**	(3,266)
Amounts written off	**(1,239)**	(3,832)
At 31 December	**20,368**	22,924

The creation and release of provision for impaired receivables have been included in administrative expenses in the consolidated statement of comprehensive income. Amounts charged to the allowance accounts are generally written off when they are proven to be irrecoverable.

16 TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	2015	2014
	HK$'000	HK$'000
Not yet due	**197,228**	207,276
1 to 30 days	**39,734**	31,694
31 to 60 days	**12,834**	29,581
61 to 90 days	**15,579**	38,328
91 to 180 days	**36,063**	80,236
181 days or above	**33,618**	45,680
	335,056	432,795

Trade receivables that were past due but not impaired relate to a number of independent customers for whom there is no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

17 CASH AND BANK BALANCES

	2015	2014
	HK$'000	HK$'000
Cash at bank and on hand	**236,571**	231,452
Short-term bank deposits		
— mature within 3 months	**1,008**	933,703
— mature more than 3 months and within one year	**—**	2,180,517
	237,579	3,345,672

The effective interest rate on short-term bank deposits was 3.8% (2014: 1.6%). These deposits have an average maturity of 49 days (2014: 99 days).

17 CASH AND BANK BALANCES (CONTINUED)

Cash and bank balances include the following for the purposes of the consolidated statement of cash flows:

	2015	2014
	HK$'000	HK$'000
Cash at bank and on hand	**236,571**	231,452
Short-term bank deposits		
— mature within 3 months	**1,008**	933,703
Cash and cash equivalents	**237,579**	1,165,155

18 SHARE CAPITAL

	2015		2014	
	Number of shares ('000)	**HK$'000**	Number of shares ('000)	HK$'000
Authorised:				
Ordinary shares at HK$0.10 each	**550,000**	**55,000**	550,000	55,000
Issued and fully paid:				
At 31 December	**391,196**	**39,120**	391,196	39,120

Share Award Scheme

Scheme adopted on 22 August 2007

On 22 August 2007, the Board approved the establishment of a Share Award Scheme ("Scheme") with the objective to enhance the competitiveness of the Group in attracting and retaining the best senior staff for the development of the Group's business. Under the Scheme, award shares of the Company ("Award Shares") are granted to eligible employees of the Company or any one of its subsidiaries.

Pursuant to the rules of the Scheme, the Company has set up the Trust for the purpose of administering the Scheme and holding the Award Shares before they vest (Note 15(b)). The Company pays cash to the Trust from time to time for the purchase of Award Shares.

Subject to the rules of the Scheme, the Board shall determine from time to time the dates on which the Award Shares for each grant are to vest to the relevant eligible employees, and initially the Board has determined that the Award Shares shall generally vest over a five year period in tranches of 25% each on every anniversary date of the grant date starting from the second anniversary date until the fifth anniversary date.

18 SHARE CAPITAL (CONTINUED)

Share Award Scheme (continued)

Scheme adopted on 22 August 2007 (continued)

During the year, a total of 1,372,457 shares (2014: 407,427 shares), including the additional shares of 778,008 granted to executive directors and employees as of result of the payment of a special interim dividend in 2015, have been awarded to executive directors and employees at no consideration. A total of 522,645 shares (2014: 661,132 shares) at a cost of HK$14,494,000 (2014: HK$20,399,000) were vested during the year. No shares was forfeited during 2015 and 2014.

The number of shares, awarded to and vested in the executive directors was 192,689 shares (2014: 52,137 shares) and 75,928 shares (2014: 86,009 shares) respectively for the year ended 31 December 2015.

Movement in the number of Award Shares and their related average fair value is as follows:

	2015		2014	
	Average fair value per share HK$	**Number of Award Shares**	Average fair value per share HK$	Number of Award Shares
At 1 January		**1,619,137**		1,872,842
Awarded	**17.82**	**1,372,457**	29.36	407,427
Vested	**27.73**	**(522,645)**	30.86	(661,132)
At 31 December		**2,468,949**		1,619,137

Movement in the number of shares held under Share Award Scheme is as follows:

	2015		2014	
	Value HK$'000	**Number of shares held**	Value HK$'000	Number of shares held
At 1 January	**4,874**	**178,060**	9,104	305,306
Purchase during the year	**9,763**	**353,000**	16,169	533,886
Shares vested during the year	**(14,494)**	**(522,645)**	(20,399)	(661,132)
At 31 December	**143**	**8,415**	4,874	178,060

The remaining vesting periods of the Award Shares outstanding as at 31 December 2015 are between 0.5 year to 4.5 years (2014: 0.5 year to 4.5 years).

19 RESERVES

	Share premium HK$'000	Shares held under Share Award Scheme HK$'000	Share-based payment reserve HK$'000	Retained earnings HK$'000	Total HK$'000
At 1 January 2014	17,866	(9,104)	16,297	7,456,691	7,481,750
Profit for the year	—	—	—	559,139	559,139
Purchase of shares under Share Award Scheme	—	(16,169)	—	—	(16,169)
Share-based payment	—	—	11,178	—	11,178
Shares vested under Share Award Scheme	—	20,399	(20,399)	—	—
Transfer to share-based payment reserve	—	—	10,930	(10,930)	—
Final and special dividend relating to 2013	—	—	—	(899,750)	(899,750)
Interim dividend relating to 2014	—	—	—	(70,415)	(70,415)
Dividend for shares held by Share Award Trust	—	—	—	1,388	1,388
At 31 December 2014	17,866	(4,874)	18,006	7,036,123	7,067,121
At 1 January 2015	**17,866**	**(4,874)**	**18,006**	**7,036,123**	**7,067,121**
Profit for the year	**—**	**—**	**—**	**439,755**	**439,755**
Purchase of shares under Share Award Scheme	**—**	**(9,763)**	**—**	**—**	**(9,763)**
Share-based payment	**—**	**—**	**11,134**	**—**	**11,134**
Shares vested under Share Award Scheme	**—**	**14,494**	**(14,494)**	**—**	**—**
Transfer to share-based payment reserve	**—**	**—**	**4,822**	**(4,822)**	**—**
Final dividend relating to 2014	**—**	**—**	**—**	**(152,566)**	**(152,566)**
Interim dividend relating to 2015	**—**	**—**	**—**	**(70,415)**	**(70,415)**
Special interim dividend relating to 2015	**—**	**—**	**—**	**(4,651,314)**	**(4,651,314)**
Dividend for shares held by Share Award Trust	**—**	**—**	**—**	**436**	**436**
At 31 December 2015	**17,866**	**(143)**	**19,468**	**2,597,197**	**2,634,388**

20 BANK BORROWINGS

	2015	2014
	HK$'000	HK$'000
Current	**495,740**	254,039
Non-current	**3,252,379**	1,929,333
	3,748,119	2,183,372

The Group utilised banking facilities of approximately HK$3,855,563,000 (2014: HK$2,257,192,000) as at 31 December 2015. The carrying amount of the bank borrowings was approximately HK$3,748,119,000 (2014: HK$2,183,372,000), after netting off transaction costs of approximately HK$107,444,000 (2014: HK$73,820,000).

Bank borrowings are all denominated in United States Dollars.

The bank borrowings amounting to HK$2,086,549,000 are secured by a charge on insurance claim proceeds relating to AsiaSat 6 and AsiaSat 8 satellites. They are repayable semi-annually commencing from February 2015 with the final repayment in April 2023 and carry coupons of 2.65% per annum (2014: 2.65% per annum). The effective interest rate on these bank borrowings was 3.52% (2014: 3.51%). The fair values of these bank borrowings are based on cash flows discounted using a rate based on the effective interest rate of 3.55% (2014: 3.48%) and are within level 2 of the fair value hierarchy.

The remaining balances of bank borrowings, comprising a term loan and revolving credit facility, are secured by a charge on insurance claim proceeds relating to the certain satellites other than AsiaSat 6 and AsiaSat 8 satellites. Term loan is repayable annually commencing from July 2016 with the final repayment in July 2020. Each drawdown under the revolving credit facility can be rolled over at the end of respective terms until July 2020, on that date all the outstanding balances will be repaid in full. These bank borrowings carry a floating rates at London Interbank Offered Rate ("LIBOR") plus a margin and the exposure of these bank borrowings to interest rate changes and the contractual repricing dates are six months or less. The weighted effective interest rate on these bank borrowings was 3.35% (2014: Nil).

20 BANK BORROWINGS (CONTINUED)

At 31 December 2015, the Group's bank borrowings were repayable as follows:

	2015 **HK$'000**	2014 HK$'000
Within 1 year	**495,740**	254,039
Between 1 and 2 years	**342,090**	250,999
Between 2 and 5 years	**2,202,504**	764,116
Over 5 years	**707,785**	914,218
	3,748,119	2,183,372

The interest expense on bank borrowings for the year ended 31 December 2015 was HK$102,812,000 (2014: HK$49,667,000), and HK$26,117,000 (2014: HK$46,555,000) of the interest was capitalised as the costs of property, plant and equipment during the year.

As at 31 December 2015, the Group had available unutilised banking facilities of approximately HK$154,998,000 which are available for a term of 5 years from 27 July 2015, the initial drawdown date of the facilities.

At 31 December 2014, the Group had available unutilised banking facilities of approximately HK$437,898,000. Out of that amount, HK$195,894,000 was subsequently drawn down and the remaining facilities were expired in February 2015.

The carrying amounts and fair values of the bank borrowings are as follows:

	Carrying amount		**Fair Value**	
	2015 **HK$'000**	2014 HK$'000	**2015** **HK$'000**	2014 HK$'000
Current	**495,740**	254,039	**495,382**	254,564
Non-current	**3,252,379**	1,929,333	**3,250,354**	1,932,427
	3,748,119	2,183,372	**3,745,736**	2,186,991

21 DEFERRED REVENUE

	2015 HK$'000	2014 HK$'000
The maturity of deferred revenue is as follows:		
Within one year	**162,343**	193,399
More than one year	**80,314**	93,914
	242,657	287,313

22 DEFERRED INCOME TAX LIABILITIES

The gross movement on the deferred income tax liabilities is as follows:

	2015 HK$'000	2014 HK$'000
At 1 January	**397,035**	389,307
Recognised in the consolidated statement of comprehensive income (Note 10)	**29,849**	7,728
At 31 December	**426,884**	397,035

The movement in deferred tax liabilities/(assets) during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Accelerated tax depreciation HK$'000	Share-based payment reserve HK$'000	Total HK$'000
At 1 January 2014	390,652	(1,345)	389,307
Recognised in the consolidated statement of comprehensive income	7,868	(140)	7,728
At 31 December 2014	**398,520**	**(1,485)**	**397,035**
Recognised in the consolidated statement of comprehensive income	**29,970**	**(121)**	**29,849**
At 31 December 2015	**428,490**	**(1,606)**	**426,884**

Deferred income tax assets are recognised for tax credits carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has no significant unrecognised deferred income tax assets (2014: HK$Nil).

23 CASH GENERATED FROM OPERATIONS

The reconciliation of profit for the year to cash generated from operations is as follows:

	2015 HK$'000	2014 HK$'000
Profit for the year before income tax	**531,997**	723,220
Adjustments for:		
— Write back for impairment of trade receivables, net	**(1,317)**	(3,266)
— (Write back)/provision for impairment of other receivables	**(4,403)**	4,403
— Bad debts written off	**—**	1,182
— Share-based payment (Note 8)	**11,134**	11,178
— Amortisation of prepaid operating lease payments (Note 13)	**583**	583
— Depreciation (Note 14)	**469,135**	466,818
— Net gain on disposals of property, plant and equipment (see below)	**(421)**	(325)
— Interest income (Note 6)	**(18,835)**	(39,879)
— Finance income on lease arrangement (Note 6)	**—**	(48,436)
— Finance expenses	**76,695**	3,112
— Unrealised exchange (gain)/loss	**(16,267)**	415
Changes in working capital:		
— Unbilled receivables	**(4,373)**	(4,663)
— Trade and other receivables	**86,023**	(58,456)
— Other payables and accrued expenses	**(16,367)**	33,534
— Deferred revenue	**(44,656)**	33,770
Cash flows from operations	**1,068,928**	1,123,190

In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

	2015 HK$'000	2014 HK$'000
Net book amount of disposals (Note 14)	**20,198**	—
Net gain on disposals (Note 6)	**421**	325
Proceeds from disposals of property, plant and equipment	**20,619**	325

24 FINANCIAL INSTRUMENTS BY CATEGORY

	Loans and receivables	
	2015	2014
	HK$'000	HK$'000
Assets as per consolidated statement of financial position		
Trade and other receivables excluding prepayments	**343,580**	446,297
Cash and bank balances (Note 17)	**237,579**	3,345,672
Deposit — non-current	**2,616**	2,616
Total	**583,775**	3,794,585

	Financial liabilities at amortised cost	
	2015	2014
	HK$'000	HK$'000
Liabilities as per consolidated statement of financial position		
Bank borrowings	**3,748,119**	2,183,372
Construction payables	**51,397**	101,693
Other payables and accrued expenses	**103,928**	109,932
Total	**3,903,444**	2,394,997

25 CONTINGENCIES

Save as disclosed in other notes to the consolidated financial statements, there have been no significant contingencies to the consolidated financial statements.

26 COMMITMENTS

Capital commitments

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	2015 **HK$'000**	2014 HK$'000
AsiaSat 9		
Contracted but not provided for	**618,899**	1,279,106
Other assets		
Contracted but not provided for	**—**	889
	618,899	1,279,995

Operating lease commitments — Group company as lessee

The Group leases certain of its office premises under non-cancellable operating lease agreements. The lease terms are between 2 to 4 years, and the majority of lease arrangements are renewable at the end of the lease period at market rate. The lease expenditure charged to the consolidated statement of comprehensive income during the year is disclosed in Note 7.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2015 **HK$'000**	2014 HK$'000
No later than 1 year	**7,885**	7,979
Later than 1 year and no later than 5 years	**3,584**	11,508
	11,469	19,487

26 COMMITMENTS (CONTINUED)

Operating lease commitments — Group company as lessor

The Group leases its premises to certain customers under non-cancellable operating leases. The lease terms are between 2 to 6 years. The lease income recognised under 'other revenues' in the consolidated statement of comprehensive income during the year was HK$24,779,000 (2014: HK$23,574,000).

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2015 **HK$'000**	2014 HK$'000
No later than 1 year	**20,942**	4,229
Later than 1 year and no later than 5 years	**36,311**	3,901
	57,253	8,130

27 RELATED PARTY TRANSACTIONS

On 12 May 2015, The Carlyle Group L.P. ("Carlyle") (incorporated in the United States) completed its acquisition of all the interests held by General Electric Company ("GE") (incorporated in the United States), in Bowenvale Limited, the immediate holding company of the Company, and became one of the major shareholders of the Group.

At 31 December 2015, the Company was directly controlled by Bowenvale Limited (incorporated in the British Virgin Islands) with a shareholding of approximately 74%. Bowenvale Limited was indirectly owned by CITIC Group Corporation ("CITIC") (incorporated in China) and Carlyle, which have equal voting rights in the Company. The remaining 26% of the Company's shares were held by the public.

27 RELATED PARTY TRANSACTIONS (CONTINUED)

The following transactions were carried out with related parties:

(a) Income from provision of satellite transponder capacity

The Group has entered into a transponder master agreement with CITIC Networks Company Limited ("CITIC Networks", a wholly owned subsidiary of CITIC) and CITIC Networks Company Limited, Beijing Satellite Telecommunications Branch ("CITICSat", the branch established and run by CITIC Networks), under which CITIC Networks and CITICSat granted the exclusive right to the Group to provide satellite transponder capacity for use by their customers. These transactions are carried out at a rate mutually-agreed between the parties involved in the transactions. The terms of these transactions are no more favourable than those dealt with third parties.

During the year, the Group recognised income from the related parties as follows:

	2015	2014
	HK$'000	HK$'000
CITICSat	**270,516**	261,071

(b) Marketing expense

Pursuant to the transponder master agreement mentioned in (a) above, CITICSat conducts marketing activities in China on behalf of the Group. In return, the Group reimburses the expenditure that CITICSat incurs plus a marketing fee, which is collectively known as the marketing expense payable to CITICSat. These transactions are carried out at a rate mutually-agreed between the parties involved in the transactions. The terms of these transactions are no more favourable than those dealt with third parties.

	2015	2014
	HK$'000	HK$'000
CITICSat	**11,701**	9,781

(c) Key management compensation

	2015	2014
	HK$'000	HK$'000
Salaries and other short-term employee benefits	**37,278**	35,623
Share-based payment	**6,781**	6,536
	44,059	42,159

27 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management compensation (continued)

The Group made payments to a subsidiary of CITIC, a subsidiary of Carlyle and a subsidiary of GE for certain Non-executive Directors representing them.

	2015	2014
	HK$'000	HK$'000
A subsidiary of CITIC	**490**	469
A subsidiary of GE	**168**	417
A subsidiary of Carlyle	**268**	—
	926	886

(d) Year end balances arising from these transactions

	2015	2014
	HK$'000	HK$'000
Trade receivables from related parties (Note 16):		
CITICSat (Note)	**116,713**	204,944
Payables to related parties:		
CITICSat	**2,562**	3,221
Deferred revenue in relation to related parties:		
CITICSat	**134,220**	151,485

The receivables from and payables to related parties will be settled on a quarterly basis. The receivables and payables are unsecured in nature and bear no interest.

The above transactions were entered into on commercial terms determined and agreed by the Group and the relevant parties.

Note: Pursuant to the transponder master agreement as mentioned in Note (a) above in respect of the Group's provision of satellite transponder capacity for use by CITICSat's customers, the Group will bear any credit risk in connection with services provided to these customers. Accordingly, the Group will assess whether there is any objective evidence that the amounts ultimately due from these customers may be impaired at each year end. At 31 December 2015, a provision for impairment of HK$2,043,000 (2014: HK$4,000) was recorded and included within the provision as disclosed in Note 16.

28 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

Statement of financial position of the Company

	As at 31 December 2015 HK$'000	2014 HK$'000
ASSETS		
Non-current assets		
Investments in subsidiaries	**444,698**	456,931
Total non-current assets	**444,698**	456,931
Current assets		
Amount due from a subsidiary	**46,764**	32,201
Other receivables, deposits and prepayments	**433**	595
Total current assets	**47,197**	32,796
Total assets	**491,895**	489,727
EQUITY		
Equity attributable to owners of the Company		
Share capital	**39,120**	39,120
Reserves (Note (a))		
— Retained earnings	**19,878**	19,768
— Other reserves	**427,389**	425,927
Total equity	**486,387**	484,815
LIABILITIES		
Current liabilities		
Other payables and accrued expenses	**5,332**	4,911
Current income tax liabilities	**176**	1
Total liabilities	**5,508**	4,912
Total equity and liabilities	**491,895**	489,727

The statement of financial position of the Company was approved by the Board of Directors on 16 March 2016 and was signed on its behalf.

JU Wei Min
Director

William WADE
Director

28 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

(a) Reserve movement of the Company

	Share premium HK$'000	Share-based payment reserve HK$'000	Contributed surplus HK$'000	Retained earnings HK$'000	Total HK$'000
At 1 January 2014	17,866	16,297	390,055	19,292	443,510
Profit for the year	—	—	—	970,641	970,641
Employee share award scheme:					
— Share-based payment	—	11,178	—	—	11,178
— Shares vested under Share Award Scheme	—	(20,399)	—	—	(20,399)
— Adjustment for shares vested	—	10,930	—	—	10,930
Final and special dividends relating to 2013	—	—	—	(899,750)	(899,750)
Interim dividend relating to 2014	—	—	—	(70,415)	(70,415)
At 31 December 2014	17,866	18,006	390,055	19,768	445,695
At 1 January 2015	**17,866**	**18,006**	**390,055**	**19,768**	**445,695**
Profit for the year	**—**	**—**	**—**	**4,874,405**	**4,874,405**
Employee share award scheme:					
— Share-based payment	**—**	**11,134**	**—**	**—**	**11,134**
— Shares vested under Share Award Scheme	**—**	**(14,494)**	**—**	**—**	**(14,494)**
— Adjustment for shares vested	**—**	**4,822**	**—**	**—**	**4,822**
Final dividend relating to 2014	**—**	**—**	**—**	**(152,566)**	**(152,566)**
Interim dividend relating to 2015	**—**	**—**	**—**	**(70,415)**	**(70,415)**
Special interim dividend relating to 2015	**—**	**—**	**—**	**(4,651,314)**	**(4,651,314)**
At 31 December 2015	**17,866**	**19,468**	**390,055**	**19,878**	**447,267**

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries at the date at which they were acquired by the Company and the nominal amount of the Company's shares issued for the acquisition at the time of the Group reorganisation prior to the listing of the Company's shares in 1996.

28 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

(a) Reserve movement of the Company (continued)

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus if:

(i) It is, or would after the payment be, unable to pay its liabilities as they become due; or

(ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital.

In the opinion of the Directors, as at 31 December 2015, the Company's reserves available for distribution consisted of the share-based payment reserve of HK$19,468,000 (2014: HK$18,006,000), contributed surplus of HK$390,055,000 (2014: HK$390,055,000) and retained earnings of HK$19,878,000 (2014: HK$19,768,000).

29 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HONG KONG LISTING RULES)

Directors' emoluments

The remuneration of every director for the year ended 31 December 2015 is set out below:

Name of Director	Fees	Salary	Performance related bonuses	Other benefits (a)	Employer's contribution to a retirement benefit scheme	Share-based payment	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Ju Wei Min (b) & (h)	218	—	—	—	—	—	218
Luo Ning (b) & (h)	109	—	—	—	—	—	109
Peter Jackson (b) & (h)	163	—	—	—	—	—	163
Gregory M. Zeluck (d) & (e) & (h)	134	—	—	—	—	—	134
Julius M. Genachowski (d) & (e) & (h)	67	—	—	—	—	—	67
Alex S. Ying (d) & (e) & (h)	67	—	—	—	—	—	67
Sherwood P. Dodge (c) & (f) & (h)	84	—	—	—	—	—	84
John F. Connelly (c) & (f) & (h)	42	—	—	—	—	—	42
Nancy Ku (c) & (f) & (h)	42	—	—	—	—	—	42
James Watkins	499	—	—	—	—	—	499
Stephen Lee Hoi Yin	499	—	—	—	—	—	499
Kenneth McKelvie	529	—	—	—	—	—	529
Maura Wong Hung Hung	499	—	—	—	—	—	499
Chong Chi Yeung	—	—	—	—	—	—	—
William Wade (g)	—	6,339	1,585	375	951	1,564	10,814
Total	2,952	6,339	1,585	375	951	1,564	13,766

29 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HONG KONG LISTING RULES) (CONTINUED)

Directors' emoluments (continued)

The remuneration of every director for the year ended 31 December 2014 is set out below:

Name of Director	Fees HK$'000	Salary HK$'000	Performance related bonuses HK$'000	Other benefits (a) HK$'000	Employer's contribution to a retirement benefit scheme HK$'000	Share-based payment HK$'000	Total HK$'000
Ju Wei Min (b) & (h)	209	—	—	—	—	—	209
Luo Ning (b) & (h)	104	—	—	—	—	—	104
Peter Jackson (b) & (h)	156	—	—	—	—	—	156
Sherwood P. Dodge (c) & (f) & (h))	209	—	—	—	—	—	209
John F. Connelly (c) & (f) & (h)	104	—	—	—	—	—	104
Nancy Ku (c) & (f) & (h)	104	—	—	—	—	—	104
James Watkins	381	—	—	—	—	—	381
Stephen Lee Hoi Yin	381	—	—	—	—	—	381
Kenneth McKelvie	411	—	—	—	—	—	411
Maura Wong Hung Hung	381	—	—	—	—	—	381
Chong Chi Yeung	—	—	—	—	—	—	—
William Wade (g)	—	6,066	1,517	398	910	1,565	10,456
Total	2,440	6,066	1,517	398	910	1,565	12,896

Notes:

(a) Other benefits include car and insurance premium and are short-term in nature.
(b) Paid to a subsidiary of CITIC.
(c) Paid to a subsidiary of GE.
(d) Paid to a subsidiary of Carlyle
(e) Appointed on 19 May 2015
(f) Resigned on 19 May 2015
(g) Mr. Wade is also the President and Chief Executive Officer of the Group.
(h) In addition to the directors' emoluments disclosed above, these directors of the Company receive emoluments from the Company, part of which is in respect of their services to the Company and its subsidiaries. No apportionment has been made as these directors consider that it is impracticable to apportion this amount between their services to the Company and their services to the subsidiaries.

29 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HONG KONG LISTING RULES) (CONTINUED)

Directors' emoluments (continued)

During the year, no payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2014: Nil). No consideration was provided to or receivable by third parties for making available directors' services (2014: Nil). There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2014: Nil).

No director of the Company had a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Company's business to which the Company was or is a party that subsisted at the end of the year or at any time during the year (2014: None).

Financial Summary

	2011 HK$'000	2012 HK$'000	2013 HK$'000	2014 HK$'000	**2015 HK$'000**
Results					
Revenue					
From continuing operations	1,579,646	1,779,545	1,498,631	1,364,958	**1,310,991**
From discontinued operations	240,007	182,593	—	—	**—**
Elimination on consolidation	(101,402)	(77,234)	—	—	**—**
Consolidated total	1,718,251	1,884,904	1,498,631	1,364,958	**1,310,991**
Profit before taxation	932,424	1,345,603	897,747	723,220	**531,997**
Taxation	(109,856)	(431,231)	(150,227)	(164,200)	**(92,242)**
Profit after taxation	822,568	914,372	747,520	559,020	**439,755**
Loss attributable to non-controlling interests	117	119	120	119	**—**
Profits attributable to owners	822,685	914,491	747,640	559,139	**439,755**
Earnings per share:					
Basic	HK$2.11	HK$2.34	HK$1.91	HK$1.43	**HK$1.12**
Diluted	HK$2.10	HK$2.33	HK$1.91	HK$1.43	**HK$1.12**
Assets and liabilities					
Total assets	7,560,623	8,662,812	8,536,733	10,545,925	**7,519,438**
Total liabilities	(883,757)	(1,123,453)	(1,014,962)	(3,438,902)	**(4,845,148)**
Shareholders' equity	6,676,866	7,539,359	7,521,771	7,107,023	**2,674,290**

Independent Auditor's Report

pwc

羅兵咸永道

To the Shareholders Of
ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Asia Satellite Telecommunications Holdings Limited (the "Company") and its subsidiaries set out on pages 63 to 123, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

AUDITOR'S RESPONSIBILITY (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 December 2015, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 16 March 2016

Shareholder Information

EXPECTED TIMETABLE

Financial Year Ended 31 December 2015

Annual General Meeting	16 June 2016

Financial Year Ending 31 December 2016

Interim Results announcement	August 2016
Annual Results announcement	March 2017
Annual Report published	April 2017
Annual General Meeting	June 2017

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Any matter relating to your shareholding, such as transfer of shares, change of name or address and loss of share certificates should be addressed in writing to the Registrar as above.

Shareholder Information

LISTING

The shares of the Company are listed on the Stock Exchange.

WEBSITE

http://www.asiasat.com
Annual/Interim reports are available on line.

DIVIDEND

The Board does not recommend a final dividend for the year ended 31 December 2015.

ORDINARY SHARES

Shares outstanding as at 31 December 2015:
391,195,500 ordinary shares
Free float: 100,020,805 ordinary shares (25.57%)
Nominal value: HK$0.10 per share

STOCK CODE

The Stock Exchange of Hong Kong Limited	1135
Reuters	1135.HK

ANNUAL REPORT 2015

Copies of annual report can be obtained by writing to:
Manager, Marketing Communications
Asia Satellite Telecommunications Holdings Limited
12/F., Harbour Centre
25 Harbour Road
Wanchai
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COMPANY CONTACT

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