

**ARMARDA GROUP LIMITED**

(Incorporated in Bermuda on 13 August 2003)  
(Registration No.: 34050)

**CLARIFICATION ON DIFFERENCES BETWEEN AUDITED FINANCIAL RESULTS AND UNAUDITED FINANCIAL RESULTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2013**

Pursuant to Rule 704(5) of the Rules of Catalist, the Board refers to the announcement made by the Company on 30 May 2013 in relation to the unaudited financial statements (the “**Unaudited Financial Statements**”) of the Group and the audited financial statements (the “**Audited Financial Statements**”) for FY2013.

The Board would like to announce that the following material adjustments and reclassifications have been made following the finalisation of the audit.

**A. The adjustments to the Consolidated Income Statement for the FY2013 are as follow:**

	<b>Audited Financial Results</b>	<b>Unaudited Financial Results</b>	<b>Difference</b>	<b>Note</b>
	HK\$'000	HK\$'000	HK\$'000	
Other expenses	(29,539)	(30,524)	985	Note 1
Loss before tax	(38,273)	(39,258)	985	Note 1
Income tax expense	(3,079)	(729)	(2,350)	Note 2
Loss for the year	(41,352)	(39,987)	(1,365)	Note 1 and 2

**Notes:**

1. The decrease in other expenses of \$985,000 relates to directly attributable costs (professional fees) incurred, in relation to the acquisition of 45% equity interest in China Satellite Mobile Communication Group Limited and its subsidiaries (“China Satellite Group”), which are capitalised as part of the cost of investment in associate as at 31 March 2013.
2. The increase in income tax expense of HK\$2,350,000 relates to additional provision for enterprise income tax of a PRC subsidiary, in relation to a contra arrangement to offset RMB25 million (equivalent to HK\$30,427,500) of the advances receivable by a PRC subsidiary with loan notes of the equivalent value, payable to the vendors of China Satellite Group. The contra arrangement of RMB25 million is deemed as an income in PRC and hence subject to tax under the PRC tax laws at statutory tax rate of 25%.

The adjustments to the Statements of Financial Position as at FY2013 are as follow:

	<b>Audited Financial Results</b>	<b>Unaudited Financial Results</b>	<b>Difference</b>	<b>Note</b>
	HK\$'000	HK\$'000	HK\$'000	
Associates	185,748	184,763	985	Note 1
<b>Total assets</b>	<b>265,144</b>	<b>264,159</b>	<b>985</b>	
Income tax payable	2,843	472	2,373	Note 2 and 3
<b>Total liabilities</b>	<b>32,460</b>	<b>30,089</b>	<b>2,373</b>	
Translation reserve	31,975	31,998	23	Note 3

Note:

- The decrease in translation reserve of HK\$23,000 refers to the translation of the provision for income tax (Note 2), denominated in RMB, to the Group's presentation currency of HK\$.

**B. The adjustments to the Consolidated Statement of Cash Flow for FY2013 are as follow:**

	<b>Audited Financial Results</b>	<b>Unaudited Financial Results</b>	<b>Difference</b>	<b>Note</b>
	HK\$'000	HK\$'000	HK\$'000	
Trade and other receivables	10,266	2,303	7,963	4
<b>Cash flows from operating activities</b>	<b>(15,583)</b>	<b>(24,533)</b>	<b>8,950</b>	<b>1 and 4</b>
Prepayment for software development fee	(7,965)	-	(7,965)	4
<b>Cash flows from investing activities</b>	<b>(23,512)</b>	<b>(14,562)</b>	<b>8,950</b>	<b>1 and 4</b>

Note:

- This refers to a cash payment of HK\$7,965,000 for software development and is, therefore, reclassified to investing activities.

By Order of the Board of  
Armarda Group Limited

Luk Chung Po, Terence  
Executive Director

21 June 2013

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. Liao H. K.  
Telephone number: 6221 0271*