

**ACQUISITION OF 45% OF THE EQUITY INTEREST IN CHINA SATELLITE MOBILE COMMUNICATIONS GROUP LIMITED BY ARMARDA GROUP LIMITED**

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**1. INTRODUCTION**

The Board refers to the announcements dated 29 March 2011 (the “**March Announcement**”), 29 September 2011, 2 December 2011 (the “**2 December Announcement**”), 3 January 2012 and 28 February 2012 relating to the proposed acquisition of 45% of the equity interest in China Satellite Mobile Communications Group Limited by the Company.

The Board wishes to announce that the Company has on 21 March 2012:

- (a) entered into a fifth supplemental agreement with the Vendors (the “**Fifth Supplemental Agreement**”) to amend, vary and/or supplement the terms of the S&P Agreement as supplemented by a supplemental agreement, a second supplemental agreement, a third supplemental agreement and a fourth supplemental agreement dated 29 September 2011, 2 December 2011, 31 December 2011 and 28 February 2012 respectively; and thereafter
- (b) completed the Proposed Acquisition.

The S&P Agreement, as from time to time amended, supplemented or modified, is herein defined as the “**SPA**”.

*Unless otherwise specified herein or where the context otherwise requires, capitalised terms used in this Announcement shall have the same meaning as used in the March Announcement and the 2 December Announcement.*

**2. SALIENT TERMS OF THE FIFTH SUPPLEMENTAL AGREEMENT**

- (a) Amendment of Dates

Pursuant to the Fifth Supplemental Agreement, the Parties have agreed that:

- (i) the 55% Long Stop Date be extended to 31 October 2012;
- (ii) the PRC Operator Agreement Long Stop Date be extended to 18 May 2012;
- (iii) the Thuraya Supplemental Agreement Long Stop Date be extended to 18 May 2012; and
- (iv) the latest date by which the Company has to inform the Vendors of the occurrence of the Thuraya Buyback Option Event be extended to 8 June 2012.

Save as amended, varied and/or supplemented by the terms of the Fifth Supplemental Agreement, all the terms and conditions of the SPA shall continue to apply and remain in full force and effect.

### **3. COMPLETION**

Following Completion on 21 March 2012, the Company holds 45% of the equity interest in China Satellite Mobile Communications Group Limited.

### **4. ISSUANCE OF CONSIDERATION SHARES**

- (a) As stated in Section 2.7 of the Company's circular dated 5 December 2011, under the SPA, the Parties have agreed that the actual issuance of the Consideration Shares will be deferred until, *inter alia*, the fulfillment of the Interim Milestone Events.
- (b) The Interim Milestone Events relate to the execution and delivery of the PRC Operator Agreement and the Thuraya Supplemental Agreement, which are relevant for the business of the Target.
- (c) As at the date of Completion, the Interim Milestone Events have not been fulfilled. Accordingly, the Consideration Shares were not issued and allotted to the Vendors on Completion.
- (d) The Company will make further announcement in relation to the issuance and allotment of the Consideration Shares when appropriate.

### **5. DOCUMENTS FOR INSPECTION**

Whilst the registered office of the Company is in Bermuda, the principal office of the Company is in Hong Kong. Taking into account that Hong Kong is a more accessible location than Bermuda, a copy of the S&P Agreement, the First Supplemental Agreement, the Second Supplemental Agreement, the Third Supplemental Agreement, the Fourth Supplemental Agreement and the Fifth Supplemental Agreement will be made available for inspection during normal business hours at the principal office of the Company at Room 3501, 35/F, West Tower, Shun Tak Centre, 168-200 Connaught Road, Central, Hong Kong for a period of 3 months from the date of this Announcement.

### **6. RESPONSIBILITY STATEMENT**

This Announcement has been approved by all the Directors. The Directors (including any Director who may have delegated detailed supervision of the preparation of this Announcement) have collectively and individually accepted full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Fifth Supplemental Agreement, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where the information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from such sources and/or reproduced in this Announcement in its proper form and context.

## **BY ORDER OF THE BOARD**

Luk Chung Po, Terence  
Executive Director  
21 March 2012

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

*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.*

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