

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

1. INTRODUCTION

The Board refers to the announcements dated 29 March 2011 (the “**March Announcement**”), 29 September 2011 and 2 December 2011 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 31 December 2011 entered into a third supplemental agreement with the Vendors (the “**Third Supplemental Agreement**”) to amend, vary and/or supplement the terms of the S&P Agreement as supplemented by a supplemental agreement and a second supplemental agreement dated 29 September 2011 and 2 December 2011 respectively. 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.

2. SALIENT TERMS OF THE THIRD SUPPLEMENTAL AGREEMENT

Amendment of Dates

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

- (i) the Long Stop Date be extended to 28 February 2012;
- (ii) the 55% Long Stop Date be extended to 31 July 2012;
- (iii) the latest date by which clearance of the SGX-ST has to be obtained (as set out in paragraph 5.2(c) of the March Announcement) be extended to 31 March 2012;
- (iv) the PRC Operator Agreement Long Stop Date be extended to 28 February 2012;
and
- (v) the Thuraya Supplemental Agreement Long Stop Date be extended to 28 February 2012.

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

3. 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 and Third 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.

4. 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 Third 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
3 January 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.

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