

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

ACQUISITION OF 45% OF THE EQUITY INTEREST IN CHINA SATELLITE MOBILE COMMUNICATIONS GROUP LIMITED BY ARMARDA GROUP LIMITED (THE “COMPANY”)

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, 28 February 2012, 21 March 2012, 18 May 2012, 2 November 2012, 27 May 2013 and 11 November 2013 (collectively the “**Announcements**”) and the circulars dated 5 December 2011 and 31 October 2012 (collectively the “**Circulars**”) relating to the acquisition of 45% of the equity interest in China Satellite Mobile Communications Group Limited (the “**CSMCG**”) by the Company.

The Board wishes to announce that the Company has on 6 December 2013 entered into a tenth supplemental agreement (the “**Tenth Supplemental Agreement**”) with Zhang Jian Hua, Sheng Da Wei, Andrew Chan, Florence Liu, Venus Lui, Tony Tse, Matthew Tong, Geng Qiu Sheng, Patrick Chong, Jin Da Gang and Liu Yong Ning (the “**Vendors**”) and Shing Man Lei (the “**New Vendor**”) 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, a fourth supplemental agreement, a fifth supplemental agreement, a sixth supplemental agreement, a seventh supplemental agreement, an eighth supplemental agreement and a ninth supplemental agreement dated 29 September 2011, 2 December 2011, 31 December 2011, 28 February 2012, 21 March 2012, 18 May 2012, 1 November 2012, 27 May 2013 and 11 November 2013 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 and the 2 December Announcement.

2. SALIENT TERMS OF THE TENTH SUPPLEMENTAL AGREEMENT

2.1 Pursuant to the Tenth Supplemental Agreement, the Parties have agreed to supplement, vary and amend the SPA with effect from the date of the Tenth Supplemental Agreement as follows:

(a) No reimbursement

The Parties have agreed that the Vendors shall not be entitled to reimbursement by the Company of any of their costs and expenses incurred in connection with the subject matter of the SPA and all other ancillary transactions and all stamp duty and other documentary taxes (if any) paid in connection with the transfer of the Sale Shares in the event that the Target Milestone have been fulfilled and the Company does not serve the 55% Call Option Notice on the Vendors within the stipulated period.

(b) Restriction on issue of Shares

The Parties have agreed that the Company shall not be subject to any restriction on the issue of Shares.

(c) Undertakings

The Parties have agreed that the Company and its subsidiaries shall not require the consent of any of the Vendors to carry on any of the following matters:

- (a) any acquisition or disposal of any businesses, assets, entities or undertakings of the Company and its subsidiaries (the "Group") where the size of any of the relative figures which are computed on the bases set out in Rule 1006 of Section B of the Listing Manual of the SGX-ST exceeds 5%;
- (b) the acquisition of any shares in any body corporate or participation in any partnership or joint venture or co-operation agreement;
- (c) provide any indemnity, guarantee, or any form of security, or otherwise encumber any of its assets in favour of any third party for the liabilities of any of the Company's subsidiaries;
- (d) any redemption, purchase or cancellation of any shares or other dilution of the interest of the shareholders of the Company (including but not limited to the increase or other alteration of the issued share capital of the Company, the issue or grant of any option over the unissued share capital of the Company, the issue of any new class of shares in the capital of the Company, or the issue of any instrument convertible into new shares in the capital of the Company), or variation of any rights attaching to any shares in the capital of the Company;
- (e) any winding up, dissolution or liquidation of any company in the Group unless it shall have become insolvent;
- (f) declare any dividend or make any other distributions to its shareholders; or
- (g) amend, modify, suspend, terminate, waive or assign any rights of any company in the Group, which may, directly or indirectly, individually or collectively, have a material adverse effect on the business, operations, assets or financial condition of the Group as a whole.

2.2 Pursuant to the Tenth Supplemental Agreement, the Parties have agreed to supplement, vary and amend the SPA with effect from the date of completion of the Proposed Share Transfers (as defined below) (the "**Effective Date**") as follows:

(a) Definitions

The reference to the Vendors as the "Vendors" shall be replaced by the reference to such persons as the "Original Vendors", and the definition of the term "Vendors" shall mean, on and after the Effective Date, the persons listed as "Vendors" in the table set out in paragraph 2.2(b) below.

(b) Transfer of certain of the 55% Call Option Shares

The Original Vendors have agreed to transfer certain of the 55% Call Option Shares to certain Original Vendors and the New Vendor in the manner as set out below (the "**Proposed Share Transfers**"):

Original Vendors	Number of 55% Call Option Shares held <u>before</u> Proposed Share Transfers	Vendors	Number of 55% Call Option Shares held <u>after</u> Proposed Share Transfers
Zhang Jian Hua	3,300	Zhang Jian Hua	1,810
Sheng Da Wei	1,650	-	-
Andrew Chan	550	Andrew Chan	743
Florence Liu	1,375	Florence Liu	914
Venus Lui	1,375	Venus Lui	914
Tse Chi Nang, Tony	220	Tse Chi Nang, Tony	220
Tong Chor Ho, Matthew	330	Tong Chor Ho, Matthew	1,100
Geng Qiu Sheng	605	Geng Qiu Sheng	1,045
Chong Choi Fu, Patrick	605	Chong Choi Fu, Patrick	1,320
Jin Da Gang	605	Jin Da Gang	1,316
Liu Yong Ning	385	Liu Yong Ning	256
-	-	Shing Man Lei	1,362
TOTAL	11,000	TOTAL	11,000

(c) Waiver of right of first refusal

The Company has agreed to waive its right of first refusal under clause 8(B) of the Shareholders' Agreement in respect of the Proposed Share Transfers.

(d) Satisfaction of the 55% Call Option Consideration

Following the Proposed Share Transfers, in the event that the Company exercises the 55% Call Option to purchase from the Vendors the 55% Call Option Shares, the 55% Call Option Consideration to be paid by the Company shall be satisfied by way of:

- (i) the issue and allotment by the Company of the 55% Call Option Consideration Shares, credited as fully paid, to the Vendors as follows:

Vendors	Number of 55% Call Option Consideration Shares to be issued and allotted
Zhang Jian Hua	210,618,180
Andrew Chan	86,458,180
Florence Liu	106,356,360
Venus Lui	106,356,360
Tse Chi Nang, Tony	25,600,000
Tong Chor Ho, Matthew	128,000,000
Chong Choi Fu, Patrick	153,600,000
Jin Da Gang	153,134,560
Geng Qiu Sheng	121,600,000
Liu Yong Ning	29,789,090
Shing Man Lei	158,487,270
TOTAL	1,280,000,000

(ii) the payment of the 55% Call Option Cash Consideration to the Vendors as follows:

Vendors	Amount of 55% Call Option Cash Consideration to be paid (HK\$)
Zhang Jian Hua	4,113,636
Andrew Chan	1,688,636
Florence Liu	2,077,273
Venus Lui	2,077,273
Tse Chi Nang, Tony	500,000
Tong Chor Ho, Matthew	2,500,000
Chong Choi Fu, Patrick	3,000,000
Jin Da Gang	2,990,909
Geng Qiu Sheng	2,375,000
Liu Yong Ning	581,818
Shing Man Lei	3,095,455
TOTAL	25,000,000

(iii) the issuance of the 55% Call Option Loan Notes to the Vendors as follows:

Vendors	Principal Amount of Loan Note (HK\$)
Zhang Jian Hua	4,936,364
Andrew Chan	2,026,364
Florence Liu	2,492,727
Venus Lui	2,492,727
Tse Chi Nang, Tony	600,000
Tong Chor Ho, Matthew	3,000,000
Chong Choi Fu, Patrick	3,600,000
Jin Da Gang	3,589,091
Geng Qiu Sheng	2,850,000
Liu Yong Ning	698,182
Shing Man Lei	3,714,545
TOTAL	30,000,000

(e) New Vendor

The New Vendor has undertaken to execute a deed of ratification and accession, which is supplemental to the Shareholders' Agreement, under which she shall agree to be bound by and be entitled to the benefit of the Shareholders' Agreement as if she was an original party thereto in place of the Original Vendor(s) whom she will receive the relevant 55% Call Option Shares from, and to waive any and all rights which she may have (whether by operation of law or otherwise) to challenge any of the foregoing.

Save as amended, varied and/or supplemented by the terms of the Tenth 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, the Third Supplemental Agreement, the Fourth Supplemental Agreement, the Fifth Supplemental Agreement, the Sixth Supplemental Agreement, the Seventh Supplemental Agreement, the Eighth Supplemental Agreement, the Ninth Supplemental Agreement and the Tenth 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 Tenth 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
6 December 2013

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 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.

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