



中国移动卫星通信集团

CHINA MOBILE SATELLITE COMMUNICATIONS GROUP LIMITED

Armarda's associate CMSCG and China Telecom Satellite launch "1349" commercial trial of Thuraya satellite mobile communication services to enterprise users in China

- **Partnership allows Group to tap into China Telecom's huge mobile phone enterprise customers base**
- **Demand of satellite mobile communication services in China expected to be vast and fast-growing**

Singapore and Hong Kong, 16 September 2012 – China Mobile Satellite Communications Group Limited ("CMSCG" or "the Group") today announced that it has commenced the commercial trial of Thuraya mobile satellite communication services to enterprise users in China via this close partnership with China Telecom Satellite Communications Co. Ltd. ("CTS"), being the wholly-owned subsidiary of China Telecommunications Corporation.

Under this partnership, CMSCG will work closely with CTS to distribute mobile satellite phones and air-time communication services obtained from Thuraya Telecommunications Company ("Thuraya"), a UAE-based leading global GEO satellite mobile telecommunications operator. This follows the Group's supplemental agreement with Thuraya signed in June 2012 that it had inked an agreement to distribute Thuraya's products and services in the People's Republic of China ("PRC") market. The Group is currently the only party to provide Thuraya mobile satellite communication services in China.

In addition, the partnership allows CMSCG to provide the users with the designated "1349" local mobile phone prefix which is an exclusive PRC prefix solely meant for the purpose of using mobile satellite communication services in China.

This trial is a significant milestone as it marks the Group's foray into China's untapped mobile satellite communication market. A study from The AC Nielson Company estimated that the market demand in PRC in 2011 for dual mode satellite phones is approximately 320,000 to 410,000 units and the market demand for dual mode satellite phones in 2 to 3 years is approximately 1,330,000 to 3,840,000 units.

Jimmy Zhang, Chief Executive Officer of CMSCG, commented on the significance of this announcement "We are excited to partner with CTS, currently the only licensed local mobile satellite communication service provider in China to penetrate the vast and fast-growing mobile satellite communication market in China. Together with CTS, we are confident that the Group will benefit from the huge potential in the mobile satellite products and services market in China."

CTS commented on the partnership, “The interest in satellite phones for business continuity and disaster recovery has increased greatly as a result of the occurrence of repeated massive natural disasters such as the Sichuan earthquake and the Yushu earthquake in China in recent years. We feel that the introduction of mobile satellite phones will respond to the increasing demand from our existing customers and further complement our existing terrestrial communication network.”

During this commercial trial period, the Group will be distributing 2,000 units of Thuraya’s mobile satellite phones and airtime plans to its enterprise users. The Group, together with CTS, is targeting 300,000 mobile satellite phone subscribers within the first three years’ operation of its service launch, including both enterprise and retail users.

- The End –

About China Mobile Satellite Communications Group Limited

China Mobile Satellite Communications Group Limited (“CMSCG”) was formed in 2010. In the same year, it obtained consent from MIIT of China to sell and distribute satellite communication services and products of Thuraya in China using the “L-Band” frequency. This is the first time a satellite service provider is permitted to legally offer mobile satellite voice communication services in the PRC. CMSCG will distribute mobile satellite communication hardware and provide voice and data services to the nascent Chinese market.

45% equity interests of China Satellite Mobile Communication Group Limited (“CSMCG”), the wholly owned parent company of CMSCG, has been acquired by Singapore-listed Armarda Group Limited (“Armarda”) on 21 March 2012. Armarda has been listed in the Catalist board of Singapore since 2004.

About Thuraya

Thuraya is a UAE-established private joint stock company, founded in January 1997 with an initial project cost of over US\$1 billion.

Thuraya provides cost-effective mobile satellite services in more than 140 countries in Asia, Africa, Europe, Australia and the Middle East. Services provided by Thuraya include broadband, maritime, mobile voice that support dual GSM and satellite mode, rural telephony, fleet management and other advanced applications that enable people and businesses everywhere under its coverage to enjoy constant access to communications and information. Thuraya enhances sectors such as oil and gas, mining, agriculture, NGOs and maritime services through its cutting edge technology.

The Company launched its third satellite in January 2008, which has brought countries of the Asia-Pacific region under its footprint and extended its coverage to nearly two thirds of the globe’s population.

Thuraya was founded in 1997 by a consortium of leading national telecommunications operators and reputed investment firms from the region.

For more information, please refer to www.thuraya.com

About China Telecommunications Corporation

China Telecommunications Corporation (China Telecom) is a mega-size State-owned telecom operator in China. China Telecom mainly provides the integrated information services including the fixed-line telephone, mobile service, Internet connection and applications services. By the end of 2009, China Telecom owns 194 million fixed-line telephone subscribers, 62.36 million mobile (CDMA) subscribers, and 61.75 million broadband customers.

China Telecom has subsidiary companies in 31 provinces (municipal and autonomous regions) and branches in the Americas, Europe, Hong Kong and Marco, and its communications network covering the whole country of China and reaching every corner of the world. China Telecom built the world biggest CDMA 3G network, with its earliest commercial services in China, having many branded products such as "Tianyi", "My e Home", "BizNavigator", "Best Tone", being capable of providing all telecom services and multiple convergent services and sales channels.

China Telecom has two holding companies, "China Telecom Corporation Limited" and "China Communications Services Corporation Limited". Both of them were listed on the Hong Kong Stock Exchanges, New York Stock Exchanges in 2002 and in Hong Kong Stock Exchanges in 2006 respectively.

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