



中国移动卫星通信集团
CHINA MOBILE SATELLITE COMMUNICATIONS GROUP LIMITED

For Immediate Release

China Mobile Satellite Communications Group announces plans for the construction of a Gateway in China

- **As an interim step, a virtual gateway will immediately be built to allow satellite voice and data communications to be offered to PRC users**
- **A physical gateway will be built to allow direct links to Thuraya's satellite, the "Thuraya III", within a year**
- **Target to tap the vast satellite voice and data market in China**

Singapore and Hong Kong, 09 May 2011 – China Mobile Satellite Communications Group Limited ("CMSCG" or the "Group") today announces that, following a series of meetings and discussions with its UAE-based partner, Thuraya Communications Company ("Thuraya") in Dubai that the Group will immediately commence the construction of a Satellite Gateway (the "Gateway") in China.

The Gateway allows CMSCG to comply with the PRC government requirement that all satellite voice and data traffic stemming from China needs to be monitored. The Gateway will also serve as a conduit between the satellite and other land-based service providers such as mobile and fixed line networks in China. Thuraya will be providing extensive technological and implementation support to CMSCG in the construction process.

The construction of the Gateway will be carried out in two stages. The first stage is an interim solution which involves the building of a "Virtual Gateway". Expected to take about one month, the construction of a virtual gateway allows voice and data traffic to be monitored in accordance with Chinese regulatory requirements. This will allow CMSCG to immediately proliferate mobile satellite services ("MSS") offered by Thuraya in China. The second stage involves the construction of a "Physical Gateway" and is expected to be completed in approximately a year's time.

In year 2010, CMSCG obtained the approval from the MIIT of China to sell and distribute the satellite communication services and products of Thuraya in China using the “L-band” frequency. This is the first time that a MSS provider is permitted to legally offer mobile satellite voice and data communication services in the PRC.

“The mobile satellite voice and data communications market is at an infancy stage in China. Recent catastrophes, such as the Sichuan Earthquake and the tsunami in Japan, have made people acutely aware of the chronic needs for satellite voice and data communications when other communication means, such as mobile and fixed line networks, are disrupted and/or unavailable. Potential customers include government agencies, eg the emergency rescue departments, the forestry departments as well as other classic industrial users such as maritime, fisheries, mining, oil and gas exploration, etc. We are excited about our partnership with CMSCG to exploit this vast but virtually untapped market”, said **Mr Samer Halawi, CEO of Thuraya Telecommunications Company.**

“We are extremely pleased that we have secured Thuraya as our strategic partner. Thuraya is one of the world’s largest MSS providers. According to our preliminary survey, there are over 3 million potential satellite voice and data users in China. Obviously, full penetration will take over a few years. We are currently targeting 300,000 government and institutional users in our first three years of operations. We are also in advanced negotiations with one of the mobile telecom providers in China to market Thuraya’s dual mode (satellite and GSM/CDMA) phones to high end retail customers”, said **Mr Zhang Jianhua, Chairman & CEO of CMSCG.**

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Photograph of Thuraya, CMSCG and Armarda management

- Zhang Jianhua, Chairman & CEO of CMSCG (Centre)
- Samer Halawi, CEO of Thuraya (2nd to the left)
- Terence Luk, CEO of Armarda Group (1st to the right)
- Andrew Chan, COO of CMSCG (1st to the left)
- John Wang, Director of CMSCG (2nd to the right)

Photo taken in Thuraya Headquarter in Dubai on 4 May 2011

Glossary Terms

“Gateway”	In telecommunications, a Gateway refers to a network node equipped for interfacing with another network that uses different protocols in a communications network,.
“MIIT”	Ministry of Industry and Information Technology of the People Republic of China (PRC)
“Mobile Satellite Services (MSS)”	Refers to networks of communications satellites intended for use with mobile and portable wireless telephones. There are three major types: AMSS (Aeronautical Mobile Satellite Service), LMSS (Land Mobile Satellite Service), and MMSS (Maritime Mobile Satellite Service).

About China Mobile Satellite Communications Group Limited

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

CMSCG or the relevant holding company is in the midst of an acquisition offer by Singapore-listed Armarda Group Limited (the “Armarda”). The acquisition is subject to, inter-alia, shareholders’ approval. Armarda has been listed in the Catalist board of Singapore since 2004.

About Thuraya Telecommunications Company (www.thuraya.com)

Founded in January 1997, Thuraya is a mobile satellite telecommunications company based in Dubai, UAE. It is owned by a consortium of leading telecommunications operators and reputed investment firms in the region. Etisalat, the largest telecom operator in the Middle East and Africa, is one of its substantial shareholders.

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.

Issued for and on behalf of China Mobile Satellite Communications Group Limited

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