ARMARDA GROUP LIMITED

(Incorporated in Bermuda on 13 August 2003)
(Registration No: 34050)

UPDATE ON 55% CALL OPTION

The board of directors ("**Board**") of Armarda Group Limited ("**Armarda**" or the "**Company**") refers to the announcements dated 29 March 2011, 29 September 2011, 2 December 2011, 3 January 2012, 28 February 2012, 21 March 2012 and 18 May 2012, 11 July 2012, 23 July 2012, 27 August 2012, 16 September 2012, 26 September 2012, 31 October 2012, 2 November 2012, 16 November 2012, 27 November 2012, 18 December 2012, 26 February 2013, 21 March 2013, 31 March 2013, 22 April 2013, 5 May 2013, 27 May 2013, 15 July 2013, 24 July 2013, 15 August 2013, 6 October 2013, 29 October 2013, 4 November 2013, 11 November 2013, 12 November 2013, 6 December 2013, 11 December 2013, 17 February 2014, 7 April 2014 and 15 April 2014 (collectively the "**Announcements**") and the circulars dated 5 December 2011 and 31 October 2012 (collectively the "**Circulars**") relating to the acquisition of 45% ("**Acquisition**") of the equity interest in China Satellite Mobile Communications Group Limited ("**CSMCG**") by the Company.

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 Circulars and the Announcements as the case may be.

The Board wishes to inform that the 55% Long Stop Date for the completion of the acquisition of the remaining 55% equity interest in CSMCG, being 31 January 2014, has since lapsed.

Notwithstanding the above, the Board is presently engaged in ongoing discussion with the Vendors on the possibility of acquiring the remaining 55% equity interest in CSMCG. In addition, the Board understands that the Vendors have been approached by other parties for the possible sale of the Vendors' 55% equity interest in CSMCG. In view of the protracted period of discussions and at the request of certain Vendors for continuing discussions and negotiations, the Company has extended a loan of approximately HK$24.7 million (the "**Loan**") to certain Vendors in February 2014 to demonstrate the Company's interest in such further discussions and negotiations on a good faith basis. In view of the confidentiality of the matter and the on-going discussions, the Company has only received concurrence from the Vendors for the release of this announcement recently. The said Loan will be inter-alia secured by CSMCG shares held by certain Vendors (representing approximately 24.34% of CSMCG's total issued share capital), interest-free and repayable on demand in the event the parties decide not to proceed with the acquisition of further equity interest in CSMCG. In the event that the acquisition of further interest in CSMCG proceeds, the Loan will be offset against the consideration. The Directors are satisfied, given the Company's and management's involvement in the business operations and activities of CSMCG as well as progress for the roll-out of CSMCG's activities and the purchase price for CSMCG shares pursuant to the 45% Acquisition, that Loan is adequately secured.

Save as disclosed herein, there are no other material terms and conditions attached to the Loan.

The Company will make further announcements, in compliance with requirements of Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited Section B: Rules of Catalist ("**Catalist Rules**") where applicable.

Shareholders are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the acquisition of further equity interest in CSMCG will materialize or whether the acquisition, if materialize, will result in CSMCG becoming the wholly-owned subsidiary of the Company. Shareholders should also note that the terms and conditions for the acquisition of further equity interest in CSMCG (including but not limited to pricing, number of CSMCG shares to be acquired,

and terms of payment) are being negotiated and that there are no certainty that parties to the transaction will agree on mutually acceptable terms and conditions and that the final terms and conditions to be agreed by all parties (where applicable) may be different from the terms and conditions under the 55% Call Option. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

Responsibility Statement

The Directors (including any Director who may have been delegated detailed supervision of the preparation of this announcement) have collectively and individually reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information contained in this announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

By Order of the Board of Armarda Group Limited

Luk Chung Po, Terence
Executive Director
29 May 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's 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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