

## ARMARDA GROUP LIMITED

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

### CLARIFICATION ON DIFFERENCES BETWEEN AUDITED FINANCIAL RESULTS AND UNAUDITED FINANCIAL RESULTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2012

Pursuant to Rule 704(5) of the Listing Manual: Section B Rules of Catalyst, the Board of Directors (the "Board") refers to the announcement made by the Company on 30 May 2012 in relation to the unaudited financial statements of the Group and the audited financial statements for the financial period 1 January 2011 to 31 March 2012 (the "Financial Period").

The Board would like to announce that the following adjustments and reclassifications have been made following the finalisation of the audit.

#### A. Adjustments to Consolidated Statement of Comprehensive Income for the Financial Period:

	Audited Results HK\$'000	Unaudited Results HK\$'000	Difference HK\$'000	Note
Other income	1,166	1,141	25	1
Other expenses	38,405	40,100	1,695	1
Operating loss	39,750	41,470	1,720	
Taxation credit (expense)	2,522	(115)	2,637	2
Loss after taxation	50,303	54,660	4,357	
Exchange differences on translation of foreign operations	3,823	4,827	1,004	3

#### **Notes:**

- The differences are due to the following:
  - Adjustment of translation differences arising from non-monetary balances of HK\$936,000 to other comprehensive income.
  - Reversal of foreign exchange loss arising from the issuance of shares amounting to HK\$784,000.
- The tax credit is due to the reversal of deferred tax liabilities brought forward from prior year of HK\$2,637,000, which was assessed to be not required for the current financial period.
- The decrease in translation differences on foreign operations was due to the corresponding effect of Notes 1(i), 4(ii) and reclassification of translation difference arising from investment property of HK\$25,000 to revaluation reserve.

**B. The adjustments to the Statements of Financial Position as at 31 March 2012 as follows:**

	<b>Audited Financial Results HK\$'000</b>	<b>Unaudited Financial Results HK\$'000</b>	<b>Difference  HK\$'000</b>	<b>Note</b>
<b>Capital and Reserves</b>				
<b>Reserves</b>	<b>43,960</b>	<b>41,417</b>	<b>2,543</b>	<b>4</b>
<b>Non Current Liabilities</b>				
<b>Deferred Tax Liabilities</b>	<b>1,291</b>	<b>3,835</b>	<b>(2,544)</b>	<b>4</b>

Note:

4. The difference was mainly due to:
- Deferred tax liabilities brought forward from prior year of HK\$2,637,000 (Note 2), and
  - Corresponding currency translation difference arising from the deferred tax liabilities of HK\$93,000.

**C. The adjustments to the Consolidated Statement of Cash Flow for the Financial Period as follows:**

	<b>Audited Financial Results HK\$'000</b>	<b>Unaudited Financial Results HK\$'000</b>	<b>Difference  HK\$'000</b>	<b>Note</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(23,283)</b>	<b>(28,621)</b>	<b>5,338</b>	<b>5</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(5,191)</b>	<b>(226)</b>	<b>(4,965)</b>	<b>5</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>28,397</b>	<b>28,770</b>	<b>(373)</b>	

Note:

5. The difference was mainly due to the reclassification from operating activities to investing activities to reflect the net cash outflow on acquisition of non-controlling interest of \$5,000,000, combined with the corresponding cash flow effects of Notes (1) to (4).

By Order of the Board of  
Armarda Group Limited

Luk Chung Po, Terence  
Executive Director

28 June 2012

*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 Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

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