

ARMARDA GROUP LIMITED

(Incorporated in Bermuda)

USE OF PLACEMENT PROCEEDS

The Board of Directors (the “Board”) of Armarda Group Limited (the “Company”) refers to the issue of 57,200,000 new ordinary shares of HK\$0.20 each (“New Shares”) in the capital of the Company pursuant to the placement exercise in April 2006.

Further to the Company’s announcement on 7 April 2006 in relation to the granting of approval in-principle for the listing and quotation of New Shares on the official list of the SGX-SESDAQ, the Board wishes to inform that approximately HK\$8.3 million (equivalent to approximately S\$1.63 million at the conversion rate of HK\$5.1 to S\$1.0), representing 60% of the net proceeds of approximately S\$2.7 million received for the placement of New Shares has been used by the Company for financing the investment in new joint venture with the Fesco Group in China.

The Company will continue to provide updates on the use of the balance of the placement proceeds.

By order of the Board
15 February 2007

Mak Tin Sang
Company Secretary
Armarda Group Limited