

# **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 43,750,000 new ordinary shares of HK\$0.20 each ("New Shares") in the capital of the Company pursuant to the placement exercise on 31 July 2007.

The Board wishes to inform shareholders that HK\$3,200,000, representing approximately 4.6% of the net proceeds of HK\$69,832,000 received for the placement of New Shares has been used by the Company for financing the Phase 3 and final phase investment in new joint venture with the Fesco Group in China in accordance with the terms and conditions of the joint venture agreement.

The Company will continue to provide updates on the use of the balance of the placement proceeds to the amount of HK\$26,632,000.

By order of the Board

April 1, 2008

Mak Tin Sang

Company Secretary

Armarda Group Limited