

ARMARDA GROUP LIMITED
(Incorporated in Bermuda)

**RESPONSE TO SGX QUERY ON THE COMPANY'S ANNOUNCEMENT
REGARDING FINANCIAL RESULTS RELEASED ON 14 NOVEMBER
2007.**

Question from the SGX:

We note that share of profits of associates (after tax) has increased 34.8% from HKD1,142,000 to HKD1,539,000. Please state the factors that caused the improvement in the performance of these associates and the outlook for these associates going forward.

Company's Response :

The profit improvement of these associates was mainly due to an increase in the revenue recognized in this quarter as compared to that of the last quarter. We expect these associates to continue to be profitable for the remaining quarter of FY2007 and onward going.