

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\$40,000,000, representing approximately 57.3% 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 settlement of the first two tranche payments of HK\$20,000,000 each for the acquisition of an additional 55% equity interests in Brilliant Time Limited in accordance with the terms and conditions of the sale and purchase agreement, the transaction of which was approved by the shareholders of the Company in a Special General Meeting held on 19 January 2008 in Singapore.

The Company will continue to provide updates on the use of the balance of the placement proceeds to the amount of HK\$29,832,000.

By order of the Board

February 25, 2008

Mak Tin Sang

Company Secretary

Armarda Group Limited