NOBLE JEWELRY HOLDINGS LIMITED
億鑽珠寶控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00475)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The board of directors (the "Board") of Noble Jewelry Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries ("Noble Jewelry" or the "Group") for the financial year ended 31 March 2008 together with the comparative figures for the financial year ended 31 March 2007 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March

	Notes	**2008** *HK$'000*	2007 *HK$'000*
Turnover	3	**761,976**	655,349
Cost of sales		**(564,973)**	(486,010)
Gross profit		**197,003**	169,339
Other revenue	3	**4,045**	4,298
Distribution costs		**(35,661)**	(28,290)
Administrative expenses		**(83,093)**	(67,977)
Other gains and losses		**434**	(365)
Operating profit	4	**82,728**	77,005
Finance costs		**(12,908)**	(14,196)
Share of profits of associates		**1,022**	1,173
Profit before taxation		**70,842**	63,982
Taxation	5	**(10,215)**	(7,688)
Profit for the year attributable to the equity holders of the Company		**60,627**	56,294
Earnings per share *(in Hong Kong dollars)* — basic	6	**0.23**	0.27
Dividends	7	**27,170**	54,302

CONSOLIDATED BALANCE SHEET

As at 31 March

	Notes	2008 HK$'000	2007 HK$'000
Non-current assets			
Property, plant and equipment		**34,524**	62,496
Associates		**16,435**	13,186
Goodwill		**—**	1,491
Other intangible assets		**2,697**	3,242
Deposit paid for acquisition of a property		**7,480**	—
Deferred tax assets		**1,824**	316
		62,960	80,731
Current assets			
Inventories		**306,325**	246,755
Accounts receivable	8	**136,437**	85,946
Other receivables, deposits and prepayments		**16,503**	18,853
Amounts due from related companies		**11,903**	23,169
Cash at banks and in hand		**34,157**	10,723
		505,325	385,446
Non-current assets classified as held for sale	9	**46,769**	—
		552,094	385,446
Current liabilities			
Bank borrowings		**155,077**	169,727
Accounts payable	10	**139,291**	102,284
Other payables and accrued charges		**33,490**	30,027
Obligation under finance leases		**119**	—
Derivative financial instruments		**5,697**	—
Tax payables		**3,936**	4,841
		337,610	306,879
Net current assets		**214,484**	78,567
Total assets less current liabilities		**277,444**	159,298

	2008	2007
	HK$'000	*HK$'000*
Non-current liabilities		
Bank borrowings	**8,186**	7,451
Obligation under finance leases	**159**	—
	8,345	7,451
Net assets	**269,099**	151,847
Equity		
Share capital	**2,717**	200
Reserves	**266,382**	151,647
Total equity	**269,099**	151,847

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") promulgated by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The financial statements have been prepared under the historical cost convention, except for the revaluation of leasehold land and buildings and certain financial instruments which are measured at fair value as appropriate.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all of the new and revised HKFRSs, which collectively includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA that are relevant to its operations and effective for the current accounting period of the Group and the Company. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies.

The impact of the adoption of HKFRS 7 "*Financial Instruments: Disclosures*" and HKAS 1 (Amendments): *Capital Disclosures* has been to expand the disclosures provided in these financial statements regarding the Group's financial instruments and management of capital.

At the date of authorisation of these financial statements, the following standards and interpretations were in issue but not yet effective:

		Effective for annual periods beginning on or after
HKAS 1 (Revised)	Presentation of financial statements	1 January 2009
HKAS 23 (Revised)	Borrowing costs	1 January 2009
HKAS 27 (Revised)	Consolidated and separate financial statements	1 July 2009
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation	1 January 2009
HKFRS 2 (Amendment)	Vesting conditions and cancellations	1 January 2009
HKFRS 3 (Revised)	Business combinations	1 July 2009
HKFRS 8	Operating segments	1 January 2009
HK(IFRIC)-Int 12	Service concession arrangements	1 January 2008
HK(IFRIC)-Int 13	Customer loyalty programmes	1 July 2008
HK(IFRIC)-Int 14	HKAS 19 — The limit on a defined benefit asset, minimum funding requirements and their interaction	1 January 2008

The adoption of HKFRS 3 (Revised) may affect the accounting of business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result a loss of control, which will be accounted for as equity transactions. The directors of the Company have considered these standards or interpretations and anticipate that these standards or interpretations have no material impact on the results of operations and financial position of the Group.

3. TURNOVER, OTHER REVENUE AND SEGMENT INFORMATION

(a) Turnover represents the invoiced value of goods sold less returns and discounts. Revenue recognised during the year are analysed as follows:

	2008	2007
	HK$'000	*HK$'000*
Turnover		
Sales	**761,976**	655,349
Other revenue		
Income from sale of raw materials	**1,806**	—
Bank interest income	**1,363**	81
Sundry income	**542**	735
Management fee income	**334**	578
Exchange gains, net	**—**	2,904
	4,045	4,298
Total revenue	**766,021**	659,647

(b) Business segments

No segment analysis by business segments is presented as the Group principally operates in one business segment, which is the design, manufacture and trading of fine jewelry products.

(c) Geographical segments

An analysis by geographical segments is as follows:

	2008	2007
	HK$'000	*HK$'000*
Turnover		
— Hong Kong	**41,200**	66,404
— The People's Republic of China ("PRC")	**51,782**	6,529
— Japan	**41,555**	41,048
— The United States of America ("US")	**161,827**	155,990
— Europe	**229,426**	171,401
— The Middle East	**190,060**	187,126
— Others	**46,126**	26,851
	761,976	655,349

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

	2008	2007
	HK$'000	*HK$'000*
Cost of goods sold	**564,973**	486,010
Depreciation of property, plant and equipment	**5,297**	6,623
Staff costs (including directors' remuneration)	**88,027**	74,727
Auditor's remuneration	**1,162**	732
Provision for/(reversal of provision for) bad and doubtful debts	**2,119**	(1,307)
Provision for obsolete inventories	**—**	500
Impairment of goodwill	**1,491**	209
Impairment of other intangible assets	**545**	—
Exchange losses/(gains), net	**2,128**	(2,904)

5. TAXATION

Taxation in the consolidated income statement represents:

	2008	2007
	HK$'000	*HK$'000*
Current tax — Hong Kong		
— for the current year	**6,772**	6,439
— under provision in prior years	**678**	—
Current tax — Overseas		
— for the current year	**2,758**	2,239
— under/(over) provision in prior years	**177**	(209)
	10,385	8,469
Deferred taxation		
— attributable to the origination and reversal of temporary differences	**(116)**	(781)
— resulting from a change in tax rate in Hong Kong	**(54)**	—
	10,215	7,688

(i) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit for the year.

With effect from the year of assessment 2008/09, Hong Kong profits tax rate has been reduced from 17.5% to 16.5%.

(ii) PRC enterprise income tax

廣州市億鑽珠寶有限公司 (Guangzhou Noble Jewelry Limited) is a wholly foreign-owned enterprise operated in the PRC with applicable tax rate at 24%. It is entitled to two years tax exemption for the years 2005 and 2006 and three years 50% tax relief for the years 2007 till 2009.

廣州億恒珠寶有限公司 (Guangzhou Sinoble Jewelry Limited) is a wholly foreign-owned enterprise operated in the PRC with applicable tax rate at 24%. It is entitled to two years tax exemption since its first making profit year and the following three years 50% tax relief for the years.

On 16 March 2007, the National People's Congress promulgated the PRC Enterprise Income Tax Law, which became effective from 1 January 2008. According to the new tax law, the standard enterprise tax rate for enterprises in the PRC will be reduced from 33% to 25%.

The State Council of the PRC passed an implementation guidance note ("Implementation Guidance") on 26 December 2007, which sets out details of how existing preferential income tax rates will be adjusted to the standard rate of 25%. According to the Implementation Guidance, certain PRC enterprises of the Group which have not fully utilised its five-year tax holiday will be allowed to continue to receive benefits of the full exemption from a reduction in income tax until expiry of the tax holiday, after which the 25% standard rate will apply.

(iii) Overseas income tax

Taxation for overseas subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant countries.

6. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 March 2008 is based on the profit attributable to equity holders of the Company of HK$60,627,000 (2007: HK$56,294,000) and the weighted average of 268,659,563 (2007: 208,000,000) ordinary shares in issue during the year, calculated as follows:

	2008	2007
Issued ordinary share at beginning of year	**20,000,000**	—
Shares issued for the Group Reorganisation	**—**	20,000,000
Effect of capitalisation issue	**188,000,000**	188,000,000
Effect of placing and public offering	**49,726,776**	—
Effect of share issued upon the exercise of the over-allotment option	**10,932,787**	—
Weighted average number of ordinary shares at end of year	**268,659,563**	208,000,000

No diluted earnings per share for the year ended 31 March 2008 has been presented as the share options outstanding during the year had no dilutive effect on the basic earnings per share for the year. No dilutive earnings per share for the year ended 31 March 2007 had been calculated as no diluting events existed for that year.

7. DIVIDENDS

	2008	2007
	HK$'000	*HK$'000*
Dividend paid *(note a)*	**—**	38,000
Interim dividend declared and paid of HK$0.04 (2007: Nil) per ordinary share	**10,868**	—
Final dividend proposed after the balance sheet date of HK$0.06 (2007: HK$0.06) per ordinary share *(note b)*	**16,302**	16,302
	27,170	54,302

Notes:

(a) On 30 September 2006, a dividend of HK$38,000,000 was paid by the Company's subsidiary, Noble Jewelry Limited, to its then shareholders prior to the group reorganisation in preparation for the listing.

(b) At the meeting held on 16 July 2008, the directors proposed a final dividend of HK$0.06 per ordinary share. The dividend is not reflected as a dividend payable in these financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 March 2009. The proposed dividend will be payable to all shareholders whose names appear in the register of members of the Company on 15 August 2008.

8. ACCOUNTS RECEIVABLE

The Group normally allows a credit period ranging from 30 to 180 days to its customers.

All of the accounts receivable (net of allowance for bad and doubtful debts) are expected to be recovered within one year.

An ageing analysis of accounts receivable (net of allowance for bad and doubtful debts) is as follows:

	2008	2007
	HK$'000	*HK$'000*
Within 1 month	**44,486**	15,161
Over 1 month but within 3 months	**45,791**	41,406
Over 3 months but within 6 months	**34,585**	24,884
Over 6 months but within 1 year	**10,765**	4,495
Over 1 year	**810**	—
	136,437	85,946

9. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	2008	2007
	HK$'000	*HK$'000*
Leasehold land and buildings held for sale	**46,769**	—

On 15 February 2008, the Group entered into an agreement with an independent third party (the "Purchaser"), pursuant to which the Group agreed to dispose of certain leasehold land and buildings (the "Properties") to the Purchaser at a consideration of approximately HK$60.7 million. Accordingly, the Properties are reclassified as held for sale at 31 March 2008.

The Properties were previously used in the Group's administrative operations. No impairment loss was recognised on reclassification of the Properties as held for sale or at 31 March 2008.

10. ACCOUNTS PAYABLE

An ageing analysis of accounts payable of the Group is as follows:

	2008	2007
	HK$'000	*HK$'000*
Within 1 month	**43,015**	42,202
Over 1 month but within 3 months	**43,259**	29,329
Over 3 months but within 6 months	**52,913**	28,228
Over 6 months	**104**	2,525
	139,291	102,284

All of the accounts payable are expected to be settled within one year.

11. SUBSEQUENT EVENTS

(a) As disclosed in Note 9, on 15 February 2008, the Group disposed of the Properties to the Purchaser at a consideration of HK$60.7 million.

Following the completion of disposal of the Properties, the Group entered into a tenancy agreement with the Purchaser to lease back the Properties for a period of 2.5 years. The monthly rental payable by the Group is approximately HK$206,000 for the first 12 months and approximately HK$229,000 for the remaining tenancy term.

(b) On 18 April 2008, the Company's wholly-owned subsidiary, Guangzhou Sinoble Jewelry Limited, as the purchaser, entered conditionally into three separate agreements, whereby Guangzhou Sinoble Jewelry Limited agreed to purchase from two independent third parties and Mr. Zhao De Hua, an ex-independent non-executive director of the Company, the equity interests in 上海城隍第一購物中心有限公司 (Shanghai City Temple The First Shopping Center Limited) ("Chenghuang Jewellery") in aggregate of 20% at a total consideration of approximately Renminbi ("RMB") 44.3 million (equivalent to approximately HK$49.8 million), details of which were disclosed in the Company's announcement and circular dated 18 April 2008 and 9 May 2008 respectively. Up to the date of this announcement, the acquisition has not yet been completed.

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Results

Despite a challenging operating environment, the Group implemented a series of strategic business initiatives and was able to sustain its performance during the year ended 31 March 2008. To mitigate the impact from the US economic slowdown, Noble Jewelry has been diversifying its businesses to emerging markets with better growth potential. Consequently, the Group's turnover increased moderately by 16.3% to HK$762.0 million (2007: HK$655.3 million). To offset rising prices for raw materials and operating costs due to RMB appreciation, Noble Jewelry continued to implement tight budgeting control and lean manufacturing practices thereby enabling it to maintain gross profit margin at 25.9% (2007: 25.8%). Net profit attributable to shareholders of the Company rose 7.6% to HK$60.6 million (2007: HK$56.3 million). The different pace of net profit and turnover growth was attributable to added expenses for activities associated with the Group's in-house brands and retail business development strategies. Basic earnings per share was approximately HK$0.23 (2007: HK$0.27). The Board of Directors recommended the payment of a final dividend of HK$0.06 (2007: HK$0.06) per ordinary share for the year ended 31 March 2008.

Business Review

Sales Analysis by Geographical Market

For the year ended 31 March 2008, Noble Jewelry recorded higher sales growth from its European market, up 33.9% to HK$229.4 million, due to a stronger Euros, satisfactory organic growth, as well as the Group's successful penetration into new markets such as countries within the Russian Federation. Similarly, sales across Asian-Pacific countries rose measurably by 28.3% to HK$180.7 million as a result of the Group's efforts in further penetrating into the PRC market and aggressively reaching out to new markets including the Philippines and Indonesia. In China, the Group recorded sales of HK$51.8 million, representing a surge of 693.1%, benefiting from the country's rising GDP as well as the commencement of the Group's PRC business segment from late November 2006. In the Middle East market, keener competition among market players resulted in only a moderate increase in sales that totaled HK$190.1 million, up 1.6%. Lastly, in the United States, despite an economic slowdown brought about by the sub-prime mortgage crisis, the Group achieved a 3.7% increase in sales to HK$161.8 million.

Sales Analysis by Business

In the year under review, the Original Design Manufacturing ("ODM") which comprises generic, exclusive and tailor-made ODM continued to bring in significant sales at HK$543.4 million (2007: HK$443.3 million), accounting for 71.3% of the Group's total turnover. Revenue generated from exclusive and tailor-made ODM products increased significantly by 76.2% to HK$289.8 million (2007: HK$164.4 million), representing 38.0% of the Group's turnover, whereas sales from generic ODM products decreased slightly by 9.1% to HK$253.6 million (2007: HK$278.9 million), equivalent to 33.3% of total turnover.

Turnover of Original Brand Manufacturing ("OBM") business recorded HK$218.6 million (2007: HK$212.0 million), representing a slight increase of 3.1% from previous year and accounted for 28.7% of the total turnover. The OBM business includes sales of customers' brands and the Group's in-house brands — Chad Allison and OriDiam. The overall composition of the Group's customer brand manufacturing business has continued to evolve as more customers have sought for tailor-made design manufacturing services instead of traditional generic ODM services. An important component of the Group's customer brand manufacturing business is the Original Strategy Management ("OSM") business model. The Group provides marketing and branding support to customers with great potential to accelerate the growth of their businesses. This has been one of Noble Jewelry's key strategies to induce long term business growth by assisting its customers to grow their businesses.

OriDiam and Chad Allison, which constitute the Group's in-house brand business, achieved diverse results during the year under review. While OriDiam performed strongly in Europe achieving sales increase of 16.4%, Chad Allison underwent a revitalization phase during which management and operational restructuring were carried out to cope with the volatile economic environment and to improve its sales performance. The management is of the opinion that the Group's in-house brands will continue to mature in their respective markets, allowing for further revenue growth and enhanced margin, and contributing to a larger portion of Noble Jewelry's total turnover in the coming years.

Margin Analysis

Although confronted with surging material costs and operating costs due to RMB appreciation, the Group was able to maintain its gross margin at 25.9% for the year under review (2007: 25.8%) by seeking to mitigate such price pressures through various cost control methods. While lean manufacturing for enhancing production efficiency has been an ongoing practice, the Group has been able to optimize the use of raw materials through complex designs and advanced crafting techniques associated with clustered diamonds. Most importantly, the Group has been successful and timely in transferring most of the material cost increases to customers.

On top of the aforesaid rising material and operating costs, the Group incurred additional expenses resulting from brand building and retail network establishment initiatives that include marketing and promotion activities, as well as investment in retail business. Furthermore, Noble Jewelry's commitment to expanding in the PRC also called for additional investment spending. Additional resources were also allocated towards the rationalization of Chad Allison with the goal of better aligning its brand position in the US market. All of the above impacted the Group's net profit margin for the year, resulting in a slight dip from 8.6% in 2007 to 8.0% in 2008.

Retail Network in Northern China

As a means to extending the Group's reach across the PRC, Noble Jewelry entered into a joint venture agreement with three independent Hong Kong jewelry exporters in August 2007, for the establishment of Trendy Jewelry Limited ("Trendy Jewelry"). With a 32.5% stake in Trendy Jewelry, the Group participated in a retail business joint venture targeting the Northern China market. After months of trial run in operating a retail jewelry outlet in Shengyang, PRC, the brand equity and its market positioning have been successfully established. Better prospects are expected as Trendy Jewelry continues to look for other potential locations across the regions for expansion.

Acquisition of Production Facilities

Consistent with the Group's plans for purchasing facilities to bolster production, the management had subsequently decided to acquire the facilities in Panyu, for which it had previously been renting, for RMB13 million. It is part of the Group's manufacturing rejuvenation plan and was entirely funded by net proceeds from the initial public offering in April 2007. By acquiring the production plant and terminating the pertaining leases, the Group would reduce rental costs and secure its main production base to maintain a sustainable competitive position in the market. As Noble Jewelry continues to expand its business presence across the globe, the management will continue to look out for suitable facilities in the Panyu area to further support growth of the Group's business.

Exhibitions Entered During the Year

Recognizing the significance of generating international exposure and reaching out to customers, the Group participated in 33 jewelry shows and exhibitions for enhancing communications with the customers and markets during the year (2007: 26). These included BASELWorld in Switzerland, VicenzaOro in Italy, the JCK Show — Las Vegas in the United States, and the Hong Kong Jewelry and Watch Fair 2007, etc. These exhibitions enable us to maintain contacts with our global customers and to showcase our newest collections.

Prospects

To implement the Group's China business development strategies and plans, the Group has conditionally acquired 20% equity interests in Chenghuang Jewellery in April 2008 for a total consideration of RMB44.3 million. The strategic alliance, which encompasses a business cooperation agreement and trademark license agreement, will enable Noble Jewelry to tap the fast-growing and vast jewelry retail market in China. The acquisition of 20% equity interests in Chenghuang Jewellery also allows the Group to share profit contributions, which will be reflected in Noble Jewelry's financial results in the upcoming reporting period. In addition to benefiting from Chenghuang Jewellery's existing retail network, which includes a flagship mall in Shanghai and 11 specialty outlets across the country, the Group is looking into other potential business opportunities riding on the cooperative arrangement with this long-standing jewelry brand which Mainland Chinese are very familiar with.

Outside of the PRC, Noble Jewelry is equally committed to accessing new markets so as to capture the potential growth of different markets and better diversify the risks of economic uncertainties that may arise in a particular region. Accordingly, while Noble Jewelry has made significant inroads across the Russian Federation, the Group will continue to explore opportunities in such areas as Central and South America, Eastern Europe, Africa and Australia, etc.

Complementing our expansion drive will be the ongoing focus on bolstering the Group's business development of in-house brands. While the management is confident that OriDiam will maintain the growth momentum achieved last year, measures are being taken to enhance operations at Chad Allison which are expected to bring in better results for the coming financial year.

Leveraging on Noble Jewelry's financial establishment, the Group will continue to explore opportunities for mergers and acquisitions that could enhance the Group's business operation, such as strengthening production, product development and brand building capacity and expanding the brand and retail network in PRC. The management believes the Group's dedication in brand and retail network building, product development, quality management and market diversification, as well as its ongoing application of prudent investment principles will ensure Noble Jewelry to continue its growth in the years ahead.

Liquidity and Financial Resources

As at 31 March 2008, the Group's liquidity position has been strengthened after taking into account the net proceeds from its listing on the Stock Exchange on 17 April 2007 (the "Listing") totaling approximately HK$82.3 million.

As at 31 March 2008, the Group's net current assets and current ratio stood at HK$214.5 million and 1.64 respectively (2007: HK$78.6 million and 1.26 respectively). Net gearing ratio (total interest bearing borrowings net of cash at banks and in hand as a percentage of consolidated tangible net worth) was 48.5% as at 31 March 2008 (2007: 113.1%). The increase in net current assets and the decrease in net gearing ratio for the year under review were mainly attributable to the increases in inventories, accounts receivable, reclassification of the Properties as held for sale and the receipt of the net proceeds from the Listing.

The Group's total bank borrowings, including bank overdrafts and bank loans as at 31 March 2008 which decreased by 7.8% over last year to HK$163.3 million (2007: HK$177.2 million), was mainly due to repayment of certain bank loans out of the net proceeds as a result of the Listing.

The Group's banking facilities, comprising primarily bank overdrafts and bank loans, amounted to HK$258.0 million as at 31 March 2008, out of which approximately HK$94.7 million was unutilised.

As at 31 March 2008, the Group's cash and bank balances amounted to HK$34.2 million (2007: HK$10.7 million).

Charges on Group Assets

As at 31 March 2008, the Group's banking facilities were secured by the Group's land and buildings with carrying amounts of HK$19.5 million and bank fixed deposits of HK$1.1 million respectively (2007: HK$50.7 million and HK$1.1 million respectively).

Capital Structure

For the year ended 31 March 2008, the Group financed its liquidity requirements through a combination of cash flow as generated from operation, bank borrowings and proceeds from the Listing.

Capital Commitment and Contingent Liabilities

As of 31 March 2008, the Group has HK$3.2 million of capital commitments (2007: Nil).

As at 31 March 2008, the Group did not have any contingent liabilities while there were contingent liabilities in respect of an outstanding bank loan of HK$8.3 million granted to a related company of the Group for which an unlimited guarantee has been given by the Group to the bank as at 31 March 2007. The bank had released the above guarantee upon the Listing.

Staff and Remuneration Policy

As at 31 March 2008, the Group had a total of 1,695 employees (2007: 1,691). Staff costs for the year ended 31 March 2008 was approximately HK$88.0 million, representing an increase of 17.8% as compared to 2007 of HK$74.7 million. The Group remunerates its employees based on their performance and work experience and the prevailing market rates. Salaries of employees are maintained at competitive levels while bonuses are granted by reference to the performance of the Group and individual employees.

The Group has approved and adopted a share option scheme on 26 February 2007 for its employees and other eligible participants with a view to providing an incentive to or as a reward for their contribution to the Group. An aggregate of 3,360,000 share options were granted to eligible participants under the scheme up to the date of this announcement.

Foreign Exchange Fluctuation and Hedges

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars, Euros, British Pounds and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

During the year, the Group entered into certain forward currency contracts. The purpose is to manage the currency risks arising from the Group's highly probable foreign currency forecast sales.

Apart from the arrangement for reducing foreign currency risk with respect to RMB, Euros and British Pounds, the Group does not seek to hedge its exposure to foreign exchange risk profile, and will consider appropriate hedging measure in future as may be necessary.

FINAL DIVIDEND

The Board proposed a final dividend of HK$0.06 per ordinary share for the year ended 31 March 2008 (2007: HK$0.06) to be payable to shareholders whose names appear in the register of members of the Company on 15 August 2008. Subject to shareholders' approval at the forthcoming annual general meeting, such dividend will be payable on or about 26 August 2008. This together with the interim dividend of HK$0.04 (2007: Nil), per ordinary share paid in January 2008 will make a total dividend of HK$0.1 (2007: HK$0.06) per ordinary share for the year ended 31 March 2008.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Wednesday, 13 August 2008 to Friday, 15 August 2008 (both dates inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and to attend and vote at the forthcoming annual general meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 12 August 2008.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Listing Rules. The Company has applied the principles and compiled with all the applicable code provisions set out in the Code throughout the year ended 31 March 2008 since its Listing.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all directors of the Company, they confirmed that they have complied with the required standard set out in the Model Code during the year ended 31 March 2008 since its Listing.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the code provisions under the Code set out in Appendix 14 to the Listing Rules. The audit committee comprises three independent non-executive directors, namely Mr. Chan Cheong Tat, Mr. Tang Chiu Ming Frank and Mr. Yu Ming Yang. The Group's annual results for the year ended 31 March 2008 have been reviewed by the audit committee at an audit committee meeting held on 16 July 2008 with all committee members attended the meeting.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed shares during the year ended 31 March 2008.

ANNUAL GENERAL MEETING AND DESPATCH OF 2008 ANNUAL REPORT

The annual general meeting (the "AGM") of the Company will be held on Friday, 15 August 2008 at 10:00 a.m. The Annual Report of the Company together with the Notice of the AGM will be dispatched to shareholders of the Company and will also be published on the Company's website at www.noble.com.hk and The Stock Exchange's website at www.hkexnews.hk in due course.

By order of the Board
NOBLE JEWELRY HOLDINGS LIMITED
CHAN Yuen Hing
Chairman

Hong Kong, 16 July 2008

As at the date of this announcement, the executive directors of the Company are Mr. Chan Yuen Hing, Mr. Tang Chee Kwong, Ms. Chan Lai Yung and Mr. Yu Yip Cheong, the non-executive director is Mr. Yeung Kwok Keung, JP, the independent non-executive directors are Mr. Chan Cheong Tat, Mr. Tang Chiu Ming Frank and Mr. Yu Ming Yang.