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 2010

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 year ended 31 March 2010 together with the comparative audited figures for the year ended 31 March 2009 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March

	Notes	**2010** **_HK$'000_**	2009 *HK$'000*
Turnover	3	**521,328**	631,947
Cost of sales		**(383,409)**	(484,346)
Gross profit		**137,919**	147,601
Other revenue	3	**2,454**	3,657
Distribution costs		**(35,942)**	(35,254)
Administrative expenses		**(90,603)**	(109,378)
Other gains and losses	4	**(200)**	15,429
Finance costs	6	**(5,371)**	(10,315)
Share of losses of associates, net		**(336)**	(6,141)
Profit before income tax	5	**7,921**	5,599
Income tax expense	7	**(4,870)**	(4,269)
Profit for the year		**3,051**	1,330
Other comprehensive income			
Exchange differences on translating foreign operations		**812**	1,307
Amounts reclassified to initial carrying amount of hedged items		**-**	4,327
Other comprehensive income for the year		**812**	5,634
Total comprehensive income for the year		**3,863**	6,964

	Notes	**2010** *HK$'000*	2009 *HK$'000*
Profit attributable to:			
- Owners of the Company		**3,140**	1,330
- Minority interests		**(89)**	-
		3,051	1,330
Total comprehensive income attributable to:			
- Owners of the Company		**3,952**	6,964
- Minority interests		**(89)**	-
		3,863	6,964
Earnings per share attributable to owners of the Company			
Basic and diluted (HK cents)	9	**1.16**	0.49

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March

	Notes	2010 HK$'000	2009 HK$'000
Assets and liabilities			
Non-current assets			
Property, plant and equipment		**51,240**	49,004
Associates		**63,510**	62,874
Deposits		**1,026**	1,257
Other assets		**2,110**	-
Deferred tax assets		**1,041**	1,105
		118,927	114,240
Current assets			
Inventories		**264,181**	250,615
Accounts receivable	10	**103,683**	107,255
Other receivables, deposits and prepayments		**28,803**	15,756
Amounts due from related parties		**20,747**	8,700
Cash at banks and in hand		**27,461**	14,344
		444,875	396,670
Current liabilities			
Bank borrowings		**129,761**	137,262
Accounts payable	11	**112,350**	47,461
Other payables and accrued charges		**45,636**	43,681
Amounts due to related parties		**1,066**	4,363
Obligations under finance leases		**40**	119
Derivative financial instruments		**120**	-
Tax payables		**1,331**	806
		290,304	233,692
Net current assets		**154,571**	162,978
Total assets less current liabilities		**273,498**	277,218
Non-current liabilities			
Bank borrowings		**14,408**	22,851
Obligations under finance leases		**-**	40
		14,408	22,891
Net assets		**259,090**	254,327
Equity			
Share capital		**2,717**	2,717
Reserves		**255,562**	251,610
Equity attributable to owners of the Company		**258,279**	254,327
Minority interests		**811**	-
Total equity		**259,090**	254,327

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability on 25 August 2006 under the Companies Law of the Cayman Islands and acts as an investment company. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its registered office is situate at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Group is principally engaged in the design, manufacturing and trading of fine jewelry products.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRSs") and the disclosure requirement of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

(a) Adoption of new and revised HKFRSs

The Group has adopted the following new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for the current accounting period.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39
HKAS 1 (Revised)	Presentation of financial statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Interpretation 9 and HKAS 39 (Amendments)	Embedded derivatives
HK(IFRIC) – Interpretation 13	Customer Loyalty Programmes
HK(IFRIC) – Interpretation 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Interpretation 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Interpretation 18	Transfers of Assets from Customers

The adoption of the above new/revised HKFRSs had no material effect on the reported results or financial position of the Group for both the current and prior reporting periods, except for the following changes:-

HKAS 1 (Revised) "Presentation of Financial Statements"

The revised standard affects certain disclosures of financial statements. Under the revised standard, the Income Statement, the Balance Sheet and the Cash Flow Statement are renamed as the Statement of Comprehensive Income, the Statement of Financial Position and the Statement of Cash Flows respectively. All income and expenses arising from transactions with non-owners are presented under the Statement of Comprehensive Income; while the owners' changes in equity are presented under the Statement of Changes in Equity.

HKFRS 8 "Operating Segments"

HKFRS 8 replaces HKAS 14 "Segment Reporting", and requires operating segments to be identified on the basis of internal reports of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segments and to assess their performance. As the business segments reported by the Group in accordance with the requirements of HKAS 14 are the same as the operating segments provided to the chief operating decision-maker as required by HKFRS 8, there are no changes to the operating segments and the relevant segment information on the adoption of HKFRS 8.

HKFRS 7 (Amendments) "Improving Disclosures about Financial Instruments"

The amendments to HKFRS 7 expand the disclosure relating to fair value measurements for financial instruments that are measured at fair value and liquidity risk of financial liabilities. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision.

(b) Potential impact arising on HKFRSs not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's operations, have been issued but are not yet effective and have not been early adopted by the Group.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs [1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009 [2]
HKFRSs (Amendments)	Improvements to HKFRSs 2010 [3]
HKAS 24 (Revised)	Related Party Disclosures [6]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [1]
Amendments to HKFRS 2	Share-based Payment – Group Cash-settled Share-based Payment Transactions [4]
HKFRS 3 (Revised)	Business Combinations [1]
HKFRS 9	Financial Instruments [7]
HK(IFRIC) – Interpretation 17	Distributions of Non-cash Assets to Owners [1]
HK(IFRIC) – Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments [5]

[1] Effective for annual periods beginning on or after 1 July 2009
[2] Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate
[3] Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
[4] Effective for annual periods beginning on or after 1 January 2010
[5] Effective for annual periods beginning on or after 1 July 2010
[6] Effective for annual periods beginning on or after 1 January 2011
[7] Effective for annual periods beginning on or after 1 January 2013

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combinations for which the acquisition dates are on or after 1 April 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. Changes in the Group's ownership interest that do not result in loss of control of the subsidiary will be accounted for as equity transactions.

The Group is in the process of making an assessment of the potential impact of other new/revised HKFRSs and the directors so far concluded that the application of the other new/revised HKFRSs will have no material impact on the results and the 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:

	2010	2009
	HK$'000	*HK$'000*
Turnover		
Sales	**521,328**	631,947
Other revenue		
Sundry income	**1,980**	1,398
Management fee income	**333**	537
Income from sale of raw materials	**77**	1,365
Bank interest income	**64**	357
	2,454	3,657
Total revenue	**523,782**	635,604

(b) Business segments

The Group principally operates in one business segment, which is the design, manufacturing and trading of fine jewelry products.

(c) Geographical information

An analysis of the Group's revenue from external customers and non-current assets are as follows:

		2010	2009
		HK$'000	*HK$'000*
(i)	Turnover		
	- Europe	**163,326**	173,598
	- The Middle East	**136,486**	207,971
	- America	**84,079**	104,057
	- Others	**58,902**	36,464
	- The People's Republic of China, other than Hong Kong ("PRC")	**41,083**	58,043
	- Japan	**27,047**	30,889
	- Hong Kong	**10,405**	20,925
		521,328	631,947
(ii)	Additions to property, plant and equipment		
	- PRC	**6,621**	21,923
	- America	**806**	120
	- Hong Kong	**336**	50
	- Others	**4**	-
		7,767	22,093

	2010	2009
	HK$'000	*HK$'000*
(iii) Segment assets		
- Hong Kong	**335,359**	301,754
- PRC	**127,553**	112,130
- America	**58,921**	63,417
- Europe	**35,172**	30,511
- Japan	**5,657**	1,919
- The Middle East	**99**	74
	562,761	509,805

(d) Information about major customers

In 2009 and 2010, none of the customers had entered into transactions exceeding 10% of the Group's revenues.

4. OTHER GAINS AND LOSSES

	2010	2009
	HK$'000	*HK$'000*
Net fair value losses on derivative financial instruments:- Forward foreign currency contracts and interest rate swap contract that do not qualify as hedges	**(120)**	-
Gain on settlement of forward foreign currency contracts upon maturity	**397**	575
Gain on disposal of leasehold land and buildings reclassified as held for sale	-	13,406
(Loss) / gain on disposal of property, plant and equipment	**(8)**	1,238
Write-off of amount due from related companies	**(548)**	-
Gain on disposal of a subsidiary	**-**	5
Others	**79**	205
	(200)	15,429

5. PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging / (crediting) the following:

	2010	2009
	HK$'000	*HK$'000*
Cost of inventories expensed	**383,409**	484,346
Depreciation of property, plant and equipment	**5,709**	5,309
Staff costs (including directors' remuneration)	**84,538**	108,793
Auditor's remuneration	**1,415**	1,201
Provision for bad and doubtful debts, net	**4,524**	2,094
Impairment of other intangible assets	**-**	2,697
Exchange (gains) / losses, net	**(756)**	8,782
Bad debts written off	**85**	4,491

6. FINANCE COSTS

	2010	2009
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within five years	**3,764**	7,402
Finance lease charges	**13**	13
Bank charges	**1,594**	2,900
	5,371	10,315

7. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of comprehensive income represents:

	2010	2009
	HK$'000	*HK$'000*
Current tax – Hong Kong profits tax		
- provision for the year	**2,955**	3,365
- under provision in respect of prior years	**283**	419
Current tax – overseas		
- provision for the year	**56**	216
- under provision in respect of prior years	**1,512**	468
	4,806	4,468
Deferred tax		
- attributable to the origination and reversal of temporary differences	**64**	(199)
	4,870	4,269

(i) Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% (2009: 16.5%) on the estimated assessable profits for the year.

(ii) PRC enterprise income tax

Guangzhou Sinoble Jewelry Limited is a wholly foreign-owned enterprise operated in the PRC with applicable tax rate at 25%. It is entitled to two-year tax exemption for 2009 and 2010 and three-year 50% tax relief for 2011 to 2013.

Guangzhou Noble Jewelry Limited and Shanghai Noble Concepts Jewelry Limited are wholly foreign-owned enterprises operated in the PRC with applicable tax rate at 25%.

(iii) Overseas income tax

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

(iv) Tax effect of share of losses of associates

The share of tax charge attributable to associates amounting to HK$1,165,000 (2009: HK$40,000) and is included in "Share of losses of associates, net" on the face of the consolidated statement of comprehensive income.

8. DIVIDENDS

(a) Dividends payable to owners of the Company attributable to the year:

	2010	2009
	HK$'000	*HK$'000*
Interim dividend declared and paid of HK$Nil (2009: HK$0.02) per ordinary share	**-**	5,434

The Board did not recommend the payment of a final dividend for the year ended 31 March 2010 and 2009.

(b) Dividends payable to owners of the Company attributable to the previous year, approved and paid during the year:

	2010	2009
	HK$'000	*HK$'000*
Final dividend in respect of the previous year, approved and paid during the year, of HK$Nil (2009: HK$0.06) per ordinary share	**-**	16,302

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following data:

	2010	2009
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share calculation	**HK$3,140,000**	HK$1,330,000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**271,700,000**	271,700,000

As the Company has no dilutive potential ordinary shares, the basic and diluted earnings per share for the respective years are equal.

10. ACCOUNTS RECEIVABLE

The Group normally allows a credit period ranging from 15 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:

	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**32,678**	30,026
Over 1 month but within 3 months	**37,670**	25,209
Over 3 months but within 6 months	**21,856**	27,315
Over 6 months but within 1 year	**10,301**	23,331
Over 1 year	**1,178**	1,374
	103,683	107,255

11. ACCOUNTS PAYABLE

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

	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**35,654**	8,555
Over 1 month but within 3 months	**39,628**	3,896
Over 3 months but within 6 months	**34,300**	20,989
Over 6 months	**2,768**	14,021
	112,350	47,461

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

12. EVENTS AFTER THE REPORTING PERIOD

On 10 May 2010, the Company's wholly-owned subsidiary, Grandpower Holdings Limited, entered into a capital increase agreement with Glorious (China) Limited, the minority shareholder of N.A. Marketing Limited relating to which (i) the registered capital of N.A. Marketing Limited will be increased from US$5,000 to US$15,500; and (ii) the total investment amount of N.A. Marketing Limited will be increased from US$500,000 to US$1,550,000 (collectively known as "Capital Increase"). The Group will solely contribute the full amount of the Capital Increase, being US$1,050,000 in cash by 30 June 2010.

Upon completion of the Capital Increase, Grandpower Holdings Limited's equity interest in N.A. Marketing Limited will be increased from 70% to approximately 90.32%, and Glorious (China) Limited's equity interest in N.A. Marketing Limited will be diluted from 30% to approximately 9.68% accordingly.

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Results

Though effects of the financial crisis continued to linger, the Group experienced an upturn in performance toward the second half year, which can partly be attributed to better consumption sentiment resulting from a gradually improving world economy, as well as seasonally related spending. The Group took measures to expand its sales network and diversify into other key markets, as well as employ prudent business strategies and stringent cost control measures to better equip itself from the downturn and market adversities. Despite the turnover decreased to HK$521.3 million (2009: HK$631.9 million) against the previous fiscal year, the Group focused on improving its profit margins during the year under review and has succeeded in maintaining both gross profit and net profit attributable to shareholders at HK$137.9 million and HK$3.1 million respectively (2009: HK$147.6 million and HK$1.3 million respectively), resulting from business and market diversification, streamlined operations and effective control of costs. Basic earnings per share were 1.2 HK cents (2009: 0.5 HK cents).

Business Review

Sales Analysis by Geographical Market

For the year ended 31 March 2010, Europe reported total sales of HK$163.3 million, representing 31.3% of total turnover. The Group has extended its presence into the Russian Federation to mitigate the sales drop in the lackluster European market. The Middle East was the second largest market for the Group, representing 26.2% of total turnover, reporting sales of HK$136.5 million. Lying third was the Asia Pacific (excluding the PRC) which took in sales of HK$96.3 million and accounted for 18.5% of total turnover. The American and the PRC markets accounted for 16.1% and 7.9% of total turnover, registering sales of HK$84.1 and HK$41.1 million respectively.

Margin Analysis

The Group has striven to achieve the gross profit margin at 26.5% while net profit was increased slightly despite a rise in raw material costs such as gold and diamonds. The gain in net profit was achieved through effective cost control measures that included increasing use of subcontractors in production related processes as well as streamlining of operations and production; strategically moving some operations from Hong Kong to the Group's PRC logistics base all with a view to minimizing operating costs. In addition, lean manufacturing was employed while advanced techniques for crafting clustered diamonds and recycling of outmoded jewelry pieces were practiced as well.

Wholesale Business

The wholesale business encompasses Original Design Manufacturing (ODM) and Original Brand Manufacturing (OBM), with both activities generating combined total sales of HK$483.3 million for the reporting period, thus accounting for 92.7% of the Group's total turnover. Throughout the year, the management continued to diversify the business in terms of market and customer segment respectively. Focus was placed on selling to quality customers who possess solid growth potential and are able to place mass orders, as well as those capable of contributing steady and significant revenue and can bear price fluctuations. As well, the Group sought to rationalize its Customer Knowledge Management (CKM) system to better utilize the customer database for promoting business development and efficient use of resources. Furthermore, the provision of Original Strategy Management (OSM) support to customers helped equip customers with the necessary information for formulating business expansion and development strategies as well as enhancing management capability.

Retail and Brand Business

The retail and brand business recorded total sales of HK$14.8 million, accounting for 2.8% of the Group's total turnover for the year. The Group continued to focus on developing its retail business in the PRC market during the year. In addition to opening two directly operated stores (DOS), "珍诺尔", in Eastern China within the first half of the fiscal year, four more stores were established in Shanghai, Ningbo and Suzhou before the end of 2009. The Group has been exploring the possibility of distributing LAVITA and Chad Allison lines of products through DOS and its retail network in the PRC in order to enhance penetration of the said brands across the country. Apart from diamond jewelry, gold jewelry has also been included in the Group's product offerings to widen the range of selection for its customers in the PRC. As well, effort was made to rejuvenate the OriDiam brand which was distributed through our joint venture partner's sales network in Spain, achieving favorable reception from customers since completion of the re-branding campaign.

Sales Network Collaboration

The sales network development business reported turnover of HK$23.2 million, accounting for 4.5% of total turnover. In May 2009, the Group established a joint venture leading to the creation of a retail platform and roadshow business within Sam's Club, operated by Wal-Mart in the United States ("US"). Though the jewelry roadshow business is still under exploration stage and the operating result has yet to be seen, the Group has conducted over 110 jewelry roadshows, since August 2009, within the Sam's Club network.

The Group also established a joint venture company with a Shandong distributor in March 2009, thereby extending its coverage across the PRC. Leveraging the distributor's connection, the Group started to offer its products at their retail network during the year. In November 2009, another joint venture was formed with a wedding etiquette and ancillary services provider in a bid to extend the Group's products and sales channels to the wedding arena in PRC in the long run.

The Group's ties with Chenghuang Jewellery was reinforced with the operating of two retail counters within their headquarters, which is located in a prime, high-pedestrian traffic area of Shanghai.

Prospects

The management remains optimistic about the Group's business as signs of improvement have appeared since the second half of the fiscal year. The Group will therefore cautiously explore new business initiatives while concurrently strengthen its foundation in preparation for long-term and persistent growth. To control costs, measures such as subcontracting certain production processes will continue, as well as strategically moving some Hong Kong operations to the PRC logistics base.

Wholesale Business

To maintain progress in its wholesale business, the Group will continue with market and customer diversification, thereby also avoiding the risks associated with overdependence. Widening the product mix by leveraging the Group's product development process will be sought as well. For better management of resources and customer database, the CKM system will be intensively applied, while identifying potential customers and promoting their business growth will be achieved with the aid of the OSM model. Moreover, attracting and retaining substantial-order customers will be an ongoing focus as stable and healthy revenue sources is particularly important for this key business activity.

Retail and Brand Business

For the brand business, expanding the retail network will be the prime motivation for the Group in the coming year. Already, one more DOS has been opened in Hangzhou in May 2010. The management plans to open two to three more DOS "珍诺尔" in Eastern China in the fiscal year 2010/11. Furthermore, the Group will continue to utilize its retail network to promote LAVITA and Chad Allison branded products in the PRC market. It will also take steps to expand its brand distribution business in the PRC and overseas. As for the OriDiam brand, the management aims to bolster its image by employing marketing campaigns that take full advantage of the Group's distribution channels.

Sales Network Collaboration

For reaching strategic markets and to promote business-to-business-to-consumer (B2B2C) activity, the Group will continue collaborating with leading retail chain stores and sales network operators. It will continue to explore the Sam's Club roadshow business in the US while adhering to the principle of running a cost-effective operation. To reinforce ties with its Shandong distributor as well as promote collaboration with Chenghuang Jewellery, the Group will offer more variety of products while tapping their respective market preference.

Throughout the coming year, the management team will employ business collaboration strategies that allow the Group to maximize profit margins. In tandem, it will seek to boost product development, which is essential for preserving the appeal of products, thereby upholding the Group's reputation for style and innovation. Consolidation of business fundamentals will also be pursued with the objective of achieving future growth. Likewise, prudent strategies will be formulated to expand the Group's business, allowing for long-term healthy development.

Liquidity and Financial Resources

As at 31 March 2010, the Group's liquidity position was maintained, as a result of the stringent cost control, at a level to minimise the adverse impact of the financial downturn.

As at 31 March 2010, the Group's net current assets and current ratio stood at HK$154.6 million and 1.5 respectively (2009: HK$163.0 million and 1.7 respectively). Net gearing ratio (total interest bearing borrowings net of cash at banks and in hand as a percentage of total equity less other intangible assets) was 45.0% as at 31 March 2010 (2009: 57.3%). The decrease in net current assets for the year under review were mainly attributable to the significant increase in accounts payable and the decrease in net gearing ratio was due to the slightly decrease in bank borrowings and more cash at banks during the year.

The Group's total bank borrowings including bank overdrafts and bank loans as at 31 March 2010 were decreased by 9.9% over last year to HK$144.2 million (2009: HK$160.1 million), of which the total bank borrowings in US dollar amounted to US$ 1.1 million (2009: US$ 2.1 million).

The Group's banking facilities, comprising primarily bank overdrafts and bank loans, amounted to HK$315.4 million as at 31 March 2010, out of which approximately HK$171.2 million was unutilised.

As at 31 March 2010, the Group's cash at banks and in hand amounted to HK$27.5 million (2009: HK$14.3 million).

Charges on Group Assets

As at 31 March 2010, a banking facility was secured by the pledge of one of the Group's buildings with carrying amount of HK$11.0 million (2009: Nil).

Capital Structure

For the year ended 31 March 2010, the Group financed its liquidity requirements through a combination of cash flow as generated from operation and bank borrowings.

Capital Commitment and Contingent Liabilities

As of 31 March 2010, the Group has HK$2.4 million of capital commitments (2009: HK$2.9 million).

As at 31 March 2010, the Group did not have any significant contingent liabilities (2009: Nil).

Staff and Remuneration Policy

As at 31 March 2010, the Group had a total of 889 employees (2009: 1,080). Staff costs for the year ended 31 March 2010 was HK$84.5 million, representing a decrease of 22.3% as compared to 2009 of HK$108.8 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 contributions to the Group. An aggregate of 2,460,000 share options were outstanding as at 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, British Pounds, Euros, Japanese Yen and China Renminbi. 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 forward foreign currency contracts. The purpose is to manage the currency risks arising from the Group's highly probable foreign currency forecast sales.

At 31 March 2010, no forward foreign currency contracts are designated as hedges (2009: Nil).

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended 31 March 2010 (2009: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Wednesday, 25 August 2010 to Friday, 27 August 2010 (both dates inclusive), during which period no transfer of shares will be effected. In order to qualify 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 4:30 p.m. on 24 August 2010.

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 2010 except for the following deviation.

Under provision E.1.2 of the Code, the chairman of the Board (the "Chairman") should attend the Company's annual general meeting. Owing to another business engagement, Mr. Chan Yuen Hing, the Chairman, was unable to attend the Company's annual general meeting held on 28 August 2009. Mr. Tang Chee Kwong, chief executive officer of the Company who was present at the annual general meeting, chaired the meeting in accordance with the articles of association of the Company.

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 2010.

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 audit committee has reviewed the Group's annual results for the year ended 31 March 2010.

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 2010.

ANNUAL GENERAL MEETING AND DESPATCH OF 2010 ANNUAL REPORT

The annual general meeting (the ''AGM'') of the Company will be held on Friday, 27 August 2010 at 10:00 a.m. The annual report of the Company together with the notice of convening the AGM will be despatched 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, 23 July 2010

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, Mr. Chan Wing Nang, Mr. Lai Wang and Mr. Tsang Wing Ki, the independent non-executive directors are Mr. Chan Cheong Tat, Mr. Tang Chiu Ming Frank and Mr. Yu Ming Yang.