
NOBLE INVESTMENTS (UK) PLC

Annual Report

for the year ended 31 August 2005

Registered number: 4075304

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DIRECTORS AND ADVISERS

Directors

N Bonham	Non-Executive Chairman (appointed 6 September 2004)
I G Goldbart	Managing Director
D G Loulakakis	Executive Director
S J Mollekin	Finance Director (appointed 12 September 2005)
J H J Allen	Non-Executive Director
R K McDonald	Non-Executive Director

Secretary

S J Mollekin

Registered number

4075304

Registered office

Barton Hall
Hardy Street
Eccles
Manchester
M30 7WJ

Broker

KBC Peel Hunt Ltd
111 Old Broad Street
London
EC2N 1PH

Independent auditors

Carter Backer Winter
Enterprise House
21 Buckle Street
London
E1 8NN

Nominated Adviser

KBC Peel Hunt Ltd
111 Old Broad Street
London
EC2N 1PH

Principal bankers

Barclays Private Clients International Ltd
Barclays House
Victoria Street
Douglas
Isle of Man
IM99 1AJ

Registrar

Capita Registrars
Woodsome Park
Fenay Bridge
Huddersfield
HD8 0LA

CHAIRMAN'S STATEMENT

I am delighted to be making my second statement since my appointment in September last year.

The year was very satisfactory as a whole and Ian Goldbart comments on this in more detail in his Managing Directors review on the next page.

I would like to once again thank Jasper Allen for the support he has given me in his role as deputy Chairman and also the executive team in corporate development matters.

Acquisitions

It was announced today that the Company has entered into a conditional agreement to acquire the entire issued share capitals of A H Baldwin Limited and Baldwin's Auctions Limited. Further details of the acquisitions and equity fundraising by way of a Placing of the Company's shares are included in the Directors' report. A circular is being posted to the Company's shareholders later today containing further details of the acquisitions.

Board

Stuart Mollekin joined the board as Finance Director on 12 September 2005. His experience in financial control and business planning will be invaluable as the Company grows.

Prospects

The current year promises to be an exciting one and the Board is confident of continued development.

Nicholas Bonham

Non-executive Chairman

4 November 2005

MANAGING DIRECTOR'S REVIEW

I am pleased to be able to report to shareholders that further progress has been made since the interim announcement on 10 May 2005.

Financial Review

Turnover for the year increased to £1,845,000 from £937,000 last year and operating profits before exceptional costs increased to £119,000 from £65,000. The gross profit margin was similar to the previous year. The balance sheet remains strong with cash of over £700,000 and stock of £686,000.

Acquisitions

The most significant news for shareholders is today's announcement of the proposed acquisitions of both A H Baldwin & Sons Limited and Baldwin Auction's Limited. Details of the proposed acquisition, which will be put to the shareholders at the Extraordinary General Meeting to be held on 28 November 2005, are contained in the re-admission document enclosed with this Annual Report and Accounts. It will be the intention to maintain the Baldwin trading name and build upon its worldwide reputation.

A H Baldwin & Sons Limited can trace its roots back to 1872 and has remained an independent family business for three generations operating from a freehold property between The Strand and The Embankment.

The combination of numismatic experts within both Noble and Baldwin and their worldwide reputation establishes us as a key worldwide numismatic player.

Until now Noble has concentrated its trading activities in coins of Ancient Greece, Roman, Byzantine, English and European coins. Baldwin will increase the numismatic expertise to encompass coins of India, the Far East and Middle East.

Baldwin's Auction's Limited was established 12 years ago and operates numismatic auctions in London and in addition to this has joint ventures in the UK, United States of America, Hong Kong and Saudi Arabia.

With the help of our Chairman, Nicholas Bonham, it is our intention to build the auction business.

The integration of Baldwin companies will commence immediately following completion. We believe by combining the three businesses it will lead to an exciting asset backed, debt free company in a niche sector.

Appointments

The year was an important one for the Company and culminated with the change of advisers to KBC Peel Hunt in June 2005 and the appointments of both Stephen Hill and Paul Hill as Associate Directors. Their employment commenced on 1 September 2005 and we are delighted with their decision to leave Spink & Son Limited and join Noble.

With the additions of Steve and Paul your Company now has a team with in excess of 100 years' collective numismatic experience and a first class reputation throughout the world.

The board will be further strengthened by the appointment of Edward Baldwin who will be appointed as Non-Executive Director following approval at the EGM.

Current Trading and Prospects

Trading since the start of the new financial year has continued to develop as a result of business created by the Company's existing client base and also the addition of new clients. Consequently, the Company's current financial performance is ahead of management's expectations. Looking to the medium and longer term, the Board remains excited about the prospects for our business and the markets in which we operate and are confident that we can continue to build on the significant progress we have made to date.

Ian Goldbart

Managing Director

4 November 2005

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2005

The Directors have pleasure in presenting their annual report and the audited financial statements of the Company and the Group for the year ended 31 August 2005.

Principal activities

The Group's principal activity is that of a trader and investor in rare coins and other collectibles.

Review of business and future developments

A review of the Group's trading during the year and of its prospects for the current financial year are contained in the Chairman's Statement on page 3 and Managing Director's Review on page 4.

Acquisitions

Today the Company entered into a conditional agreement to acquire the entire issued share capitals of A H Baldwin & Sons Limited and Baldwin's Auctions Limited, together known as "Baldwins" which is one of the last traditional coin dealers and auctioneers in London, for a consideration of £4,450,000 subject to the level of certain net assets at Completion.

Today the Company also announced its intention to raise £5,000,000, before expenses, by the issue of a total of 8,620,690 New Ordinary Shares pursuant to a Placing. The net proceeds of the Placing will be used to finance the consideration payable on the acquisition of Baldwins.

Results and dividends

The Group's profit for the financial year amounted to £89,000 (2004: loss £13,000), as set out in the consolidated profit and loss account on page 12.

The Directors are unable to recommend the payment of a dividend in respect of the year ended 31 August 2005 (2004: £nil).

Share capital

Details of the authorised and issued share capital of the Company are shown in note 15 to the financial statements.

Directors

The Board of Directors at the date of this report comprised the three executive Directors, Ian Goldbart, Dimitri Loulakakis and Stuart Mollekin, and the three Non-Executive Directors – Nicholas Bonham, Jasper Allen and Kean McDonald. Nicholas Bonham was appointed a director on 6 September 2004. Stuart Mollekin was appointed a director on 12 September 2005.

Brief biographical details of the Directors of the Group are as follows:

Ian Goldbart, aged 42. Managing Director. Ian Goldbart is Director – Institutional Sales of Insinger de Beaufort and was a partner of Townsley & Co. until it was acquired by the Insinger de Beaufort group in 1999. He has 17 years' experience advising clients on investing in shares of small to medium sized companies trading on the Official List and AIM. Ian has been a collector of English coins for over 25 years. [He will become full time Managing Director upon Completion of the acquisition of Baldwins and will manage its integration.]

Dimitri Loulakakis OSJ (Malta), aged 71. Executive Director. Dimitri Loulakakis has a wealth of experience in the numismatic field where he has built a worldwide network of professional contacts and relationships over the past 39 years. He is a consultant and buyer for the National Greek Numismatic Museum and also for the Greek Ministry of Culture.

Stuart Mollekin, aged 45. Finance Director. Stuart Mollekin has occupied senior financial positions in a number of private and public companies over the last twenty years, principally in the manufacturing sector. In addition to his role in Noble, he is also finance director of CBG Group plc and Penmc plc.

Nicholas Bonham, aged 57. Non-Executive Chairman. Nicholas Bonham was formerly managing director and deputy chairman of Bonhams, the 210 year-old firm of International fine art auctioneers. He is regarded as one of the most experienced auctioneers in the country as well as possessing a deep understanding of the Fine Art and Collectibles market.

Jasper Allen, aged 54. Non-Executive Director and Deputy Chairman. Formerly a member of the London Stock Exchange, he was a director of English Trust Group Limited, which was acquired by the Insinger de Beaufort group in May 2001. He is a director of Insinger de Beaufort, the former Nominated Adviser and Broker to the Company,, and holds a number of other non-executive directorships.

Kean McDonald, aged 42. Non-Executive Director. Kean McDonald is a director of Texas Holdings Limited, a private venture capital firm, and has a diversified business background including engineering and property through his involvement on the boards of public and private companies.

The Articles of Association require that all Directors whose appointments have not been approved by shareholders of the Company in general meeting must retire and, if eligible, offer themselves for reappointment. Accordingly, Stuart Mollekin will retire at the forthcoming Annual General Meeting (“AGM”) and, being eligible, offers himself for reappointment.

In accordance with the Articles of Association, at each AGM one third, or as nearly as possible, of the Directors retire by rotation and all Directors must be re-elected at intervals of not more than three years in accordance with the principles of the Combined Code of Corporate Governance. Accordingly, Ian Goldbart and Dimitri Loulakis retired at the AGM held on 16 December 2004 and, being eligible, offered themselves for reappointment and were duly re-elected.

Kean McDonald will retire at the forthcoming AGM and, being eligible, offers himself for reappointment.

Charitable and political donations

The Group made charitable donations during the year amounting to £nil (2004: £nil). The Group made no political donations (2004: £nil).

Substantial shareholders

As at 4 November 2005 the Company has been notified of the following interests in shares amounting to 3% or more of the issued ordinary share capital of the Company.

	Number of ordinary shares	Percentage of issued share capital
Mr. Ian Goldbart	935,869	16.38%
Mr. Kean McDonald	550,243	9.63%
Star Asset Management	267,391	4.68%
Mr. & Mrs. Leslie Goldbart	217,392	3.80%
J. P. D. Geertman	190,000	3.33%

Employees

The Group currently has three executive directors, two of whom are part time, and three full time employees. The Directors will implement appropriate policies when necessary as the Group develops.

Supplier payment policy

It is the Company’s policy that payments are normally made to suppliers in accordance with agreed terms, provided that the supplier provides the relevant goods or services in accordance with agreed terms and conditions. The average number of days purchases in trade creditors at 31 August 2005 for the Company was 38 days (2004: 27 days).

Health and safety

The directors are mindful of health, safety and environmental matters and will monitor such matters as the Group develops.

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Group for that year.

The Directors confirm that suitable accounting policies have been used and applied consistently as explained on page 15 under the heading 'Accounting Policies.' They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 August 2005 and that applicable accounting standards have been followed and that the financial statements have been prepared by the directors on a going concern basis.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate governance

The Group is not required to comply with the Combined Code on Corporate Governance although the Group does voluntarily comply with a number of the requirements.

The Board comprises three executive Directors, Ian Goldbart, Dimitri Loulakis and Stuart Mollekin (appointed 12 September 2005) and three independent non-executive Directors; Nicholas Bonham (appointed 6 September 2004), Jasper Allen and Kean McDonald. The Board usually meets at least every three months to closely monitor the progress of the Group towards the achievement of budgets and targets, and strategic objectives.

The Board also operates three committees – the Audit Committee, the Remuneration Committee and the Investment Review Committee.

The Audit Committee, chaired by Jasper Allen, also comprises the two other non-executive Directors, Nicholas Bonham and Kean McDonald. Its duties include a comprehensive review of the financial statements before they are presented to the Board for approval, reviews of the findings of the Company's auditors and reviews of the Group's key accounting policies and judgements. The Audit Committee generally meets twice a year and has unrestricted access to the Company's auditors.

The Remuneration Committee, chaired by Nicholas Bonham, also comprises the two other non-executive Directors, Jasper Allen and Kean McDonald. It meets at least once a year and is responsible for making recommendations to the Board on remuneration policy for Executive Directors and for setting salaries, incentive payments, and the grant of share options, and performance targets attaching to these options.

The Investment Review Committee, comprising Nicholas Bonham, Jasper Allen and Kean McDonald, has been established to approve acquisitions by the Company of individual rare coins of £20,000 or greater and related purchases of coins of £100,000 or greater in aggregate. The Committee also approves the sale of coins on the same criteria respectively (according to the value of the coins recorded in the Company's books).

The Board has overall responsibility for the Group's system of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide reasonable assurance that problems are identified on a timely basis and are dealt with appropriately.

The Group's internal financial control and monitoring procedures include:

- (i) clear responsibilities for the maintenance of good financial controls and the production of accurate and timely financial management information.
- (ii) the control of key financial risks through clearly laid down authorisation levels.
- (iii) detailed monthly budgeting and reporting of trading results, balance sheets and cash flows, with regular review by the Directors of variances from budgets.

Going concern

After making appropriate enquiries the directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future. As a result the directors consider it appropriate for the financial statements to be prepared on the going concern basis.

Annual General Meeting

The Notice of the AGM of Noble Investments (UK) plc to be held on 28 November 2005 and the resolutions to be proposed at the Meeting are set out on page 22 of this document.

Independent auditors

A resolution concerning the reappointment of Carter Backer Winter and authorising the directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board

Ian Goldbart

Director

4 November 2005

REMUNERATION REPORT FOR THE YEAR ENDED 31 AUGUST 2005

The Remuneration Committee (“the Committee”) is responsible for the determination of remuneration policy as applied to the Group’s Executive Directors and aspects of the granting of share options. The Committee is chaired by Nicholas Bonham and also comprises the other two non-executive Directors.

Executive remuneration

The Committee considers, *inter alia*, market rates and policies of other companies within the industry peer group in fixing the remuneration package of the Executive Directors. Their remuneration, which was reviewed each year to ensure it was supportive of the Group’s strategic business objectives and the creation of shareholder value, comprises three elements:

- (i) a basic salary;
- (ii) a bonus (in the case of one director only); and
- (iii) share options.

Stuart Mollekin’s remuneration as an Executive Director and Company Secretary, together with charges for clerical and accounting services, will be charged by a CBG Group plc company, a company of which Stuart Mollekin is a director.

Non-Executive Directors’ remuneration

Non-Executive Directors receive fees for their time in relation to Board and committee meetings and other ad hoc Company requirements. They are appointed for a fixed term of one year. The fees of the Non-Executive Directors are determined by the Board, having considered market rates and policies of other similar companies. The Non-Executive Directors do not take part in discussions on their remuneration. The Non-Executive Directors do not receive any pension or other benefits from the Group, with the exception of Nicholas Bonham who may receive additional remuneration in respect of profits realised on trades introduced by him to the Company. Any additional remuneration payable under this arrangement will be determined by the Executive Directors and will be performance related.

Directors’ remuneration

The remuneration of the Directors of the Company for the year ended 31 August 2005 is set out below:

	Salary/fees £’000	Bonus £’000	2005 Total £’000	2004 Total £’000
Executive Directors				
I G Goldbart	7	–	7	6
D G Loulakakis	75	38	113	52
Non-executive Directors				
N Bonham	10	–	10	–
J H Allen	–	–	–	–
R K McDonald	–	–	–	–
R Newton	–	–	–	4
Total	<u>92</u>	<u>38</u>	<u>130</u>	<u>62</u>

Pension provision

The Company does not provide any post-retirement benefits to any of the Directors.

Directors' interests in share capital

The Directors' interests in share capital were as follows:

	At 31 August 2005 and 4 November 2005	At 31 August 2004 or date of appointment if later
I G Goldbart	935,869	935,869
N Bonham	–	–
J H J Allen	159,096	159,096
R K McDonald	550,243	550,243
D G Loulakakis	62,500	62,500
S J Mollekin	2,850	2,850

The holding of J H J Allen includes shares held by his pension fund. The holding of R K McDonald includes 113,350 shares held by Texas Holdings Limited, shares of which are held by a trust of which he is a trustee.

None of the Directors had any interest in the shares of the subsidiary undertaking during the financial year.

Share incentives

The Committee is responsible for approving the grant of options under the Company's share option schemes. No options to subscribe for shares in the Company were granted under the Inland Revenue approved company share option plan ("Company Share Option Plan") or the unapproved discretionary share option scheme, during the year.

Interests in share options

	Options held at 1 September 2005	Options granted during year	Options held at 31 August 2005 and [28] October 2005	Date options granted	Exercise price	Earliest date for exercise	Expiry date
I G Goldbart	359,602	–	359,602	17/10/03	23.0p	17/10/05	17/10/08
D G Loulakakis	154,115	–	154,115	17/10/03	23.0p	17/10/05	17/10/08
S J Mollekin	–	25,000	25,000	05/11/04	44.5p	05/11/06	05/11/09
N Bonham	–	100,000	100,000	05/11/04	44.5p	05/11/06	05/11/09
J H J Allen	77,057	–	77,057	17/10/03	23.0p	17/10/05	17/10/08
	–	30,000	30,000	05/11/04	44.5p	05/11/06	05/11/09
	77,057	30,000	107,057				
R K McDonald	77,057	–	77,057	17/10/03	23.0p	17/10/05	17/10/08
	<u>667,831</u>	<u>155,000</u>	<u>822,831</u>				

The middle market price of ordinary shares in the Company at 31 August 2005 was 63.5p and the range in the year ended 31 August 2005 was 40.5p to 72.5p.

Nicholas Bonham

Chairman of the Remuneration Committee

4 November 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOBLE INVESTMENTS (UK) PLC

We have audited the financial statements which comprise the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement, the accounting policies and the related notes.

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or of information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Chairman's Statement and the Directors' Report. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company and the Group at 31 August 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Carter Backer Winter

Chartered Accountants and Registered Auditors, London

4 November 2005

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED 31 AUGUST 2005**

	Note	2005 £'000	2004 £'000
Turnover	1	1,845	937
Cost of sales		<u>(1,487)</u>	<u>(756)</u>
Gross profit		358	181
Administrative expenses		(281)	(201)
Operating profit before exceptional costs		119	65
Exceptional costs	3	(42)	(85)
Operating profit/(loss)	2	77	(20)
Net interest receivable	4	<u>23</u>	<u>21</u>
Profit on ordinary activities before taxation		100	1
Tax on profit on ordinary activities	6	<u>(11)</u>	<u>(14)</u>
Retained profit/(loss sustained) transferred to/(from) reserves	16	<u>89</u>	<u>(13)</u>
Earnings/(loss) per share:		Pence	Pence
Basic earnings/(loss) per share	8	<u>1.56</u>	<u>(0.28)</u>
Diluted earnings/(loss) per share	8	<u>1.46</u>	<u>(0.28)</u>
Adjusted earnings per share	8	2.04	1.23
Diluted adjusted earnings per share	8	<u>1.90</u>	<u>1.16</u>

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year ended 31 August 2005 and their historical cost equivalents.

The Group has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

The profit and loss account has been prepared on the basis that all operations are continuing operation.

BALANCE SHEETS AS AT 31 AUGUST 2005

	Note	Group		Company	
		2005 £'000	2004 £'000	2005 £'000	2004 £'000
Fixed assets					
Tangible assets	9	8	4	8	4
Current assets					
Stocks	11	686	537	686	537
Debtors	12	157	93	157	93
Cash at bank and in hand		703	778	703	778
		1,546	1,408	1,546	1,408
Creditors – amounts falling due within one year					
	13	(121)	(68)	(761)	(708)
Net current assets		1,425	1,340	785	700
Net assets		1,433	1,344	793	704
Capital and reserves					
Called up equity share capital	15	664	664	664	664
Share premium account	16	15,485	15,485	15,485	15,485
Capital redemption reserve	16	50	50	50	50
Profit and loss account	16	(14,766)	(14,855)	(15,406)	(15,495)
Equity shareholders' funds	16	1,433	1,344	793	704

The financial statements on pages 12 to 21 were approved by the board of directors on 4 November 2005 and were signed on its behalf by:

Stuart Mollekin
Director

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR
ENDED 31 AUGUST 2005**

	Note	2005 £'000	2004 £'000
Net cash outflow from operating activities	18	<u>(84)</u>	<u>(413)</u>
Returns on investment and servicing of finance			
Interest received		<u>25</u>	<u>19</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		<u>25</u>	<u>19</u>
Taxation			
UK corporation tax		<u>(10)</u>	<u>–</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		<u>(6)</u>	<u>(5)</u>
Net cash outflow from capital expenditure and financial investment		<u>(6)</u>	<u>(5)</u>
Net cash outflow before financing		<u>(75)</u>	<u>(399)</u>
Financing			
Proceeds from issue of shares (net of expenses)		<u>–</u>	<u>1,033</u>
Net cash inflow from financing		<u>–</u>	<u>1,033</u>
(Decrease)/increase in cash in the year	19	<u>(75)</u>	<u>634</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 AUGUST 2005**

1. Segmental information – turnover

	2005 £'000	2004 £'000
By market:		
Continuing:		
Trading in rare coins and other collectibles	1,845	937
	<u>1,845</u>	<u>937</u>
By geographic destination:	£'000	£'000
United Kingdom	1,306	782
Rest of Europe	224	24
North America	44	12
Rest of the World	271	119
	<u>1,845</u>	<u>937</u>

Turnover consists entirely of sales made from the United Kingdom. All of the profit on ordinary activities before taxation and all of the net assets are attributable to the Group's sole activity of trading in rare coins and other collectibles.

2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2005 £'000	2004 £'000
Depreciation of tangible fixed assets		
– owned assets	2	1
Exceptional administrative expenses (see note 3)	42	85
Auditors remuneration		
– audit services (Company – 2005: £7,000; 2004:£5,000)	7	5
– non audit services (Company – 2005: £2,000; 2004: £4,000)	2	4
	<u>2</u>	<u>4</u>

3. Exceptional items

	2005 £'000	2004 £'000
AIM Admission and change of business costs	–	71
Directors bonus and associated national insurance costs	42	14
	<u>42</u>	<u>85</u>

The Directors consider that the bonus and associated national insurance costs are exceptional as their payment is not related to performance and is non-recurring.

4. Net interest receivable

	2005 £'000	2004 £'000
Bank interest receivable	23	21
	<u>23</u>	<u>21</u>

5. Employee information

The average monthly number of persons, including Executive Directors, employed by the Group during the year was:

	2005 Number	2004 Number
Sales and administration	<u>3</u>	<u>2</u>

Staff costs for the above persons were:

	2005 £'000	2004 £'000
Wages and salaries	152	72
Social security costs	18	7
	<u>170</u>	<u>79</u>

Details of Directors' remuneration are given in the Remuneration Report on page 9, under the headings "Directors' Remuneration", "Pension provision", "Directors' interests in share capital" and "Interests in share options".

6. Tax on profit on ordinary activities

Corporation tax comprises:

	2005 £'000	2004 £'000
United Kingdom corporation tax at 19% (2004: 19%)		
Current	15	14
Adjustments in respect of prior year	(4)	–
Total current tax	<u>11</u>	<u>14</u>

The tax assessed for the year is higher (2004: higher) than the smaller companies rate of corporation tax in the UK. The differences are explained below:

	2005 £'000	2004 £'000
Profit on ordinary activities before taxation	<u>100</u>	<u>1</u>
At small companies rate of corporation tax of 19% (2004: 19%)	19	–
Effects of:		
Utilisation of non-trading losses brought forward	(4)	(4)
Expenses not deductible for tax purposes	–	18
Deferred tax asset not recognised	–	–
Deferred tax on losses not recognised	–	–
Adjustments in respect of previous year	(4)	–
	<u>11</u>	<u>14</u>

7. Profit for the financial year

The Company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The Company's profit for the financial year was £89,000 (2004: loss £13,000).

8. Earnings/(loss) per share

The calculation of basic earnings/(loss) per share for the year ended 31 August 2005 is based on the profit attributable to ordinary shareholders of £89,000 (2004: loss £13,000) divided by the average number of shares in issue of 5,714,234 (2004: 4,714,697).

The adjusted loss per share is based on the loss attributable to ordinary shareholders, after adding back exceptional costs, as follows:

	2005		2004	
	£'000	Pence	£'000	Pence
Profit retained/(loss sustained) for the year	89	1.56	(13)	(0.28)
Exceptional costs	42	0.74	85	1.80
Tax effect	(15)	(0.26)	(14)	(0.29)
Adjusted earnings per share	116	2.04	58	1.23
Diluted adjusted earnings per share	116	1.90	58	1.16

At 31 August 2005, there were 847,831 (2004: 667,831) share options in issue of which 401,666 (2004: 275,237) were dilutive potential ordinary shares on average during the year.

9. Tangible fixed assets

	Group Plant, Machinery & Equipment £'000	Company Plant, Machinery & Equipment £'000
Cost		
At 1 September 2004	5	5
Additions	6	6
At 31 August 2005	11	11
Depreciation		
At 1 September 2004	1	1
Charge for the year	2	2
At 31 August 2005	3	3
Net book amount		
At 31 August 2005	8	8
At 31 August 2004	4	4

10. Subsidiary undertakings

The Company's sole subsidiary undertaking at 31 August 2005, registered in England and Wales, is Saltmark Limited. Saltmark Limited is dormant.

11. Stocks

	Group and Company	
	2005 £'000	2004 £'000
Rare coins and other collectibles	686	537

12. Debtors

	Group		Company	
	2005 £'000	2004 £'000	2005 £'000	2004 £'000
Amounts falling due within one year:				
Trade debtors	147	86	147	86
Prepayments and accrued income	8	7	8	7
Other debtors	2	–	2	–
	<u>157</u>	<u>93</u>	<u>157</u>	<u>93</u>

13. Creditors: amounts falling due within one year

	Group		Company	
	2005 £'000	2004 £'000	2005 £'000	2004 £'000
Trade creditors	67	25	67	25
Amounts owed to Group undertakings	–	–	640	640
Corporation tax	15	14	15	14
Other taxation and social security	24	19	24	19
Accruals and deferred income	15	10	15	10
	<u>121</u>	<u>68</u>	<u>761</u>	<u>708</u>

14. Financial instruments

The Group's financial instruments comprise cash and various items, such as debtors and creditors that arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The year end positions reflect this policy and there have been no changes in the policy or the associated risks since the year end.

The main financial risks arising from the Group's financial instruments include liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks. The Group currently has no exposure to currency risk.

The Group manages the risks arising from its financial instruments as follows:

Liquidity risk: through cash flow forecasting, the Group monitors working capital requirements.

Short-term debtors and creditors: these are excluded from all of the following disclosures.

Interest rate profile of financial assets

The interest rate profile of the Group's financial assets was:

	2005	2004
	Floating rate £'000	Floating rate £'000
Currency		
Sterling	<u>703</u>	<u>778</u>

The financial assets relate to cash at bank and bear interest at a floating rate based on LIBOR. The Group had no fixed rate financial assets at 31 August 2005 or 31 August 2004.

Fair value

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than by a forced or liquidation sale, and excludes accrued interest. The fair value of the Group's financial assets as at 31 August 2005 approximate materially to the book values at that date due to the short term maturity of cash deposits.

15. Share capital

	2005 £'000	2004 £'000
Authorised		
85,000,000 Ordinary shares of 1p each	850	850
Allotted, called up and fully paid		
5,714,234 Ordinary shares of 1p each	57	57
12,273 Deferred shares of £49.50 each	607	607
	<u>664</u>	<u>664</u>

Share options and warrants

There were no options granted under the unapproved scheme remaining outstanding at 31 August 2005 (2004: nil) entitling participants to acquire ordinary shares of 1p each.

There were no options granted under the approved company share option plan remaining outstanding at 31 August 2005 (2004: nil) entitling participants to acquire ordinary shares of 1p each.

On 1 March 2001 the Company granted to Seymour Pierce Limited, the Company's former broker, a warrant to subscribe for 536,963 ordinary shares at an exercise price of 25p per share and exercisable at any time up to the fifth anniversary of the grant. Following the reorganisation of the Company's share capital on 16 October 2003, the number of shares over which this warrant is exercisable and the exercise price were adjusted to 5,369 ordinary shares at £24.86 per share.

Share options granted which remain outstanding at 31 August 2005 totalled 847,831 (2004: 667,831) and entitled grantees to subscribe for ordinary shares of 1p each as set out in the Remuneration report on page 8 and 9. On 17 October 2003, 667,831 options were granted at 23p per share. On 9 November 2004, 180,000 options were granted at 44.5p per share. All options are exercisable between 2 and 5 years after the grant of the options.

16. Share premium account and reserves

	Group			Company		
	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000
At 1 September 2004	15,485	50	(14,855)	15,485	50	(15,495)
Profit retained for the year	–	–	89	–	–	89
At 31 August 2005	<u>15,485</u>	<u>50</u>	<u>(14,766)</u>	<u>15,485</u>	<u>50</u>	<u>(15,406)</u>

17. Reconciliation of movements in equity shareholders' funds

	Group		Company	
	2005 £'000	2004 £'000	2005 £'000	2004 £'000
Profit retained/(loss sustained) for the year	89	(13)	89	(13)
Issue of shares	–	1,231	–	1,231
Net addition to equity shareholders' funds	89	1,218	89	1,218
Equity shareholders' funds at start of year	1,344	126	704	(514)
Equity shareholders' funds at end of year	<u>1,433</u>	<u>1,344</u>	<u>793</u>	<u>704</u>

18. Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	2005 £'000	2004 £'000
Operating profit/(loss)	77	(20)
Depreciation	2	1
Increase in stock	(149)	(340)
Increase in debtors	(64)	(93)
Increase in creditors	50	39
Net cash outflow from operating activities	<u>(84)</u>	<u>(413)</u>

19. Reconciliation of net cash flow to movement in net debt

	2005 £'000	2004 £'000
(Decrease)/increase in cash in the period	(75)	634
Change in net debt resulting from cash flows	(75)	634
Movement in net debt in the year	(75)	634
Net funds at start of year	778	144
Net funds at end of year	<u>703</u>	<u>778</u>

20. Related party transactions

Material contracts entered into by, or ongoing between, members of the Group and related parties are as follows:

A transaction with the Company's former Nominated Adviser and Broker, Insinger de Beaufort, a company of which Jasper Allen, a Non-Executive Director of the Company, is a director:

A retainer fee of £5,667 (2004: £6,094) payable in respect of Insinger de Beaufort's appointment as the Company's Nominated Adviser until 13 June 2005. As at 31 August 2005, an amount was payable to Insinger de Beaufort of £nil (2004: £nil).

A number of transactions with Jasper Allen and Lingfawn Management Limited, a company of which Jasper Allen, a Non-Executive Director of the Company, is a director:

Sales of various coins, on arms length terms, to Jasper Allen or Lingfawn Management Ltd, amounting to £55,675 (excluding VAT). As at 31 August 2005, £1,850 (2004: £nil) was owing to the Company.

A number of transactions with Ian Goldbart, a Director of the Company, or his children:

Sales of various coins, on arms length terms, to Ian Goldbart or his children, amounting to £70,399 (excluding VAT). As at 31 August 2005, no amount was owing to the Company.

21. Post balance sheet events

Today the Company entered into a conditional agreement to acquire the entire issued share capitals of A H Baldwin & Sons Limited and Baldwin's Auctions Limited, together known as "Baldwins" which is one of the last traditional coin dealers and auctioneers in London, for a consideration of £4,450,000 subject to the level of certain net assets at Completion.

Today the Company also announced its intention to raise £5,000,000, before expenses, by the issue of a total of 8,620,690 New Ordinary Shares pursuant to a Placing. The net proceeds of the Placing will be used to finance the consideration payable on the acquisition of Baldwins.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the sixth Annual General Meeting of Noble Investments (UK) plc (the "Company") will be held at the offices of Memery Crystal, 44 Southampton Buildings, London WC2A 1AP at 10.30 am on 28 November 2005 for the following purposes:

ORDINARY BUSINESS

- (i) To receive and adopt the Directors' report and the audited financial statements for the year ended 31 August 2005.
- (ii) To re-elect R K McDonald who retires by rotation in accordance with Article 92 of the Articles of Association of the Company.
- (iii) To re-elect S J Mollekin who was appointed as a Director since the date of the last Annual General Meeting.
- (v) To reappoint Carter Backer Winter as auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

By order of the Board

S J Mollekin

Secretary

4 November 2005

Registered office:

Barton Hall
Hardy Street, Eccles
Manchester M30 7WJ

Note

1. A member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed and to be valid must be completed and received by the Company's Registrars, Capita Registrars, Northern House, Woodsome Park, Fenay Bridge, Huddersfield HD8 0JQ, not less than 48 hours before the time appointed for the holding of the meeting. Members who have lodged proxy form are not thereby precluded from attending the meeting and voting in person if they so wish.
2. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy but the vote of the first named on the Register of Members of the Company will be accepted to the exclusion of the other joint holders.
3. Copies of the register of Directors' interests kept in accordance with Section 325 of the Companies Act 1985 and copies of the service contracts of the Directors are available for inspection during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice and up to and including the date of the Annual General Meeting at the registered office of the Company.
4. The Company, pursuant to regulation 41 (1) of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company at 10.30 am on 26 November 2005 shall be entitled to attend or vote at the Annual General Meeting in respect of such number of shares registered in their name at that time. Changes to entries on the register of members after 10.30 am on 26 November 2005 shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.