



Ma Bo Kee
Chairman

Ma Lit Kin, Cary
Chief Executive Officer

CHAIRMAN'S STATEMENT

Following the tenth anniversary of Moulin's listing on the Stock Exchange of Hong Kong, the company can look back with pride on the achievements of the past decade. By positioning itself strategically in the industry and tirelessly pursuing growth opportunities, Moulin has transformed itself from a mid-sized OEM/ODM frame manufacturer into one of the world's leading integrated eyewear companies. We have expanded and tailored our PRC manufacturing facilities to support a distribution network that now operates in over seventy countries around the world, and added a growing China retail business.

Throughout this period of impressive growth, Moulin's management team has been carefully fostering a culture which blends the pursuit of focused short-term practical goals with the development of a long-term vision. Maintaining a simple, conservative and results-oriented approach to business, the company has worked steadily to overcome legacy obstacles and to integrate the resources it has acquired within the Group's overall strategic plans. Management has also been dedicated to seeking out realistic growth opportunities that will capitalize on the company's position and momentum within the industry. Managing this balance has been a key to the company's success over the past ten years.

As part of the drive to expand its capabilities and consolidate its place as one of the world's leading eyewear companies, Moulin carried out two major fund-raising activities by way of share placement over the course of the year. These raised some HK\$431 million for the Group, funds earmarked for expanding the Group's activities in the United States and Europe and for increasing its global distribution exposure, with some reserved for general working capital.

One of our most important strategies for future international growth will involve a move downstream into the retail sector. To this end, Moulin recently tabled a bid to acquire the Cole National Corporation, the second largest optical retailer in the United States. By creating a niche for itself within the retail sector, the Group will be in a strong position to control and streamline the entire supply chain network and thus enhance its position in a US retailing marketplace which is currently undergoing rapid consolidation. We see this move as an important step in establishing Moulin as the world's leading fully integrated eyewear manufacturer, distributor and optical retailer.

Looking ahead, I am confident that the next ten years will open a new chapter of growth and success for the company. Moulin will of course continue to leverage its integrated resources to secure stable, long-term returns for its shareholders, while working to achieve an even greater level of leadership in the global eyewear industry.

On behalf of the Board of Directors, I would like to take this opportunity to thank our shareholders, the diverse team of management, employees and partners who have supported Moulin over recent years and who can justifiably take responsibility for its growth and success. Through dedication, resourcefulness and sheer hard work, these stakeholders have created an environment of strength and optimism that will continue to bolster our drive for growth and profitability in the coming years.

Ma Bo Kee

Chairman