



MOULIN INTERNATIONAL HOLDINGS LIMITED

泰興光學集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 389)

CHANGE OF AUDITORS

The Board announces that E&Y have resigned as the auditors of the Company with effect from December 30, 2004. E&Y have confirmed that there were no circumstances connected with their resignation which they considered should be brought to the attention of the Shareholders or creditors of the Company.

The Board will propose to the Shareholders at an SGM to be convened the appointment of Deloitte Touche Tohmatsu as the new auditors of the Company to fill the vacancy arising from E&Y's resignation until the conclusion of the next annual general meeting of the Company.

A circular containing the notice of the SGM and details of E&Y's resignation and proposed appointment of Deloitte Touche Tohmatsu as the new auditors will be sent to the Shareholders as soon as reasonably practicable.

The Board of Directors (the "Board") of Moulin International Holdings Limited (the "Company") announces that Messrs. Ernst & Young ("E&Y") have resigned as the auditors of the Company with effect from December 30, 2004. The Board will propose to the shareholders of the Company (the "Shareholders") at a special general meeting of the Company to be convened (the "SGM") the appointment of Deloitte Touche Tohmatsu as the new auditors of the Company to fill the vacancy arising from E&Y's resignation until the conclusion of the next annual general meeting of the Company.

The Company had made progressive steps in the past few years to further its vertical integration strategy in view of developing a solid platform for long-term growth and leadership in the rapidly changing optical industry. The Board had considered the present scale and growth of the Company's business and during the process of reviewing the audit service of E&Y, the Board could not reach an agreement with them on the audit fees for the financial year ending December 31, 2004. Consequently, E&Y have resigned as auditors of the Company with effect from December 30, 2004. Prior to their resignation, E&Y had not engaged in any audit work in respect of the accounts of the Company and its subsidiaries for the financial year ending December 31, 2004.

E&Y have confirmed that there were no circumstances connected with their resignation which they considered should be brought to the attention of the Shareholders or creditors of the Company. The Board also confirms that there are no circumstances in respect of the proposed change of auditors which it considers should be brought to the attention of the Shareholders or creditors of the Company and, in connection with E&Y's resignation, there is or was no disagreement between the Board and E&Y. The Board expects that the proposed change of the Company's auditors will not affect the audit and the release of the annual results of the Company for the financial year ending December 31, 2004.

A circular containing the notice of the SGM and details of E&Y's resignation and the proposed appointment of Deloitte Touche Tohmatsu as the new auditors will be sent to the Shareholders as soon as reasonably practicable.

By Order of the Board
Ma Bo Kee
Chairman

Hong Kong, December 30, 2004

As at the date of this announcement, the executive directors of the Company are Mr. Ma Bo Kee, Mr. Ma Bo Fung, Mr. Ma Bo Lung, Mr. Ma Lit Kin, Cary, Mr. Ma Hon Kin, Dennis, Mr. Tong Ka Wai, Dicky and Mr. Joseph A. Barrett, and the independent non-executive directors of the Company are Mr. Ng Tai Chiu, David, Mr. Chan Wing Wah, Ivan and Mr. So Kwan Hon, Danny.

** For identification purposes only*

Please also refer to the published version of this announcement in The Standard.