

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



泰興光學集團有限公司*

Moulin Global Eyecare Holdings Limited

(Incorporated in Bermuda with limited liability)

(Provisional Liquidators Appointed)

(Stock code: 389)

UPDATE OF PROVISIONAL LIQUIDATION

The Company wishes to update stakeholders regarding the Company's provisional liquidation, the sale of the ECCA Investment and the resignation of Ms Kan as the company secretary of the Company. The sale of the ECCA Investment remains subject to customary conditions, including regulatory approvals and therefore may not complete.

The Provisional Liquidators anticipate that the publication of the 2004 and 2005 annual results will be delayed indefinitely pending the finalisation of further investigations into and the verification of the accounting treatment of numerous transactions involving the Group.

Trading in the Company's shares has been suspended at the request of the Company with effect from 9:30 a.m. on 18 April 2005 and will continue to be suspended until the Company is able to demonstrate its compliance with Rule 13.24 of the Listing Rules and all concerns of the Stock Exchange have been satisfactorily addressed.

PROVISIONAL LIQUIDATION

As previously announced, Roderick John Sutton and Desmond Chung Seng Chiong were appointed provisional liquidators of the Company in Hong Kong on 23 June 2005. As at the date of this announcement the Company remains in provisional liquidation. The next hearing of the Company's winding-up petition is scheduled to be heard before the High Court of Hong Kong on 5 June 2006 and the High Court of Bermuda on 16 June 2006.

Reference is made to the Prior Announcements in relation to the developments regarding the Group since the Provisional Liquidators' appointment. Subsequent to the Prior Announcements, Offer High has entered into arrangements to dispose of the ECCA Investment as more fully described below.

SALE OF ECCA INVESTMENT

The Company's announcement dated 6 October 2005 outlined the possibility of a sale of the ECCA Investment.

By an agreement and plan of merger dated 25 April 2006, it has been agreed that ECCA Holdings, which wholly owns ECCA, will be merged with Merger Sub, such that upon consummation of the Merger ECCA Holdings will be the surviving corporation and will become a wholly-owned subsidiary of HVHC. The existing shareholders of ECCA Holdings, including Offer High, are entitled to receive cash consideration for the cancellation of their shares in ECCA Holdings upon consummation of the Merger.

A large majority of the Group's financial creditors were supportive of the sale of the ECCA Investment by way of Merger.

The Merger remains subject to customary conditions, including regulatory approvals and therefore may not complete.

The pre-adjustment merger consideration payable for 100% of ECCA Holdings outstanding shares under the Merger is US\$305 million. This represents an increase of approximately US\$135 million (approximately 79%) in equity value since ECCA Holdings was acquired in March 2005.

Under arrangements entered into with ECCA management and Golden Gate Capital (the Group's joint venture partner with respect to the ECCA Investment), it is anticipated that the net proceeds generated for the ECCA Investment, and payable to Offer High, will be in the region of US\$135 — 150 million, depending on the costs and outcome of the DiChiara litigation. The anticipated range of return represents an increase of approximately 39% – 55% on the original cost of the ECCA Investment.

DICHIARA LITIGATION

DiChiara is suing Ample Faith, Offer High, ECCA Holdings and each of the directors of ECCA Holdings, including the Provisional Liquidators, in the United States District Court, Northern District of California, San Jose Division claiming, amongst other things, that he is the lawful owner of 3% of ECCA Holdings issued share capital.

It is the position of the Provisional Liquidators, Ample Faith and Offer High that DiChiara does not have a valid contract for transfer of any shares in ECCA Holdings to him and no shares in ECCA Holdings were ever transferred to DiChiara. On May 5, 2006, Ample Faith, Offer High and the Provisional Liquidators filed motions to dismiss DiChiara's lawsuit on various grounds. Due to the nature of the ongoing litigation the Provisional Liquidators are unable to provide further comment on the case.

By a summons issued by the Provisional Liquidators dated 20 April 2006 in the winding-up proceedings in the Hong Kong High Court, declarations are sought that the documents upon which DiChiara is maintaining his US lawsuit are either void or constitute unfair preferences pursuant to the Hong Kong Companies Ordinance.

DELAY IN PUBLICATION OF ANNUAL RESULTS

The Provisional Liquidators anticipate that the publication of the 2004 and 2005 annual results will be delayed indefinitely pending the finalisation of further investigations into and the verification of the accounting treatment of numerous transactions involving the Group.

RESIGNATION OF COMPANY SECRETARY

Ms Kan resigned as company secretary of the Company, for personal reasons, with effect from 8 May 2006. The Company will make a further announcement if and when a suitable replacement to fill this vacancy is appointed.

PROSPECTS

The disposal of the ECCA Investment together with the disposals referred to in the Prior Announcements has meant that the vast majority of the Group's assets have now been realised. It is the Provisional Liquidators view that, given the Group's apparent accounting irregularities and the disposal of a number of the Group's assets, in the event that the Merger completes a resumption of trade of the Company's shares on the Stock Exchange is unlikely to occur. A further announcement in relation to the Group's operations and prospects will be made as and when there are further material developments.

As at the date of this announcement, the Chairman (Mr. Ma Bo Kee) and Chief Executive Officer (Mr. Ma Lit Kin, Cary) remain as Directors. The board of the Company comprises:

Executive Directors:

Mr. Ma Bo Kee

Mr. Ma Bo Fung

Mr. Ma Bo Lung

Mr. Ma Lit Kin, Cary

Although the board comprises the above individuals, effective management and control of the Company is now in the hands of the Provisional Liquidators pursuant to the court order of 23 June 2005.

Trading in the Company's shares has been suspended at the request of the Company with effect from 9:30 a.m. on 18 April 2005 and will continue to be suspended until the Company is able to demonstrate its compliance with Rule 13.24 of the Listing Rules and all concerns of the Stock Exchange have been satisfactorily addressed.

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Ample Faith”	means Ample Faith Investments Limited, an indirect wholly-owned subsidiary of the Company, incorporated in the British Virgin Islands;
“Company”	means Moulin Global Eyecare Holdings Limited (Provisional Liquidators Appointed), a company incorporated in Bermuda on 18 May 1993 with limited liability, the shares of which are listed on the Stock Exchange;

“DiChiara”	means Anthony DiChiara, the purported former general counsel and executive vice president of the Company;
“Directors”	means the directors of the Company;
“ECCA”	means Eye Care Centers of America, Inc., a San Antonio, Texas based optical retail chain owned by ECCA Holdings;
“ECCA Holdings”	means ECCA Holdings Corporation, a Delaware corporation and holding company of ECCA;
“ECCA Investment”	means the 56.5% shareholding interest in ECCA Holdings held by Offer High;
“Group”	means the Company and its subsidiaries;
“Highmark”	means Highmark Inc.;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HVHC”	means HVHC, Inc. a subsidiary of Highmark;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Merger”	means the proposed Merger of Merger Sub with and into ECCA Holdings pursuant to the Delaware General Corporation Law;
“Merger Sub”	means, Franklin Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of HVHC;
“Ms Kan”	means Kan Siu Yim, Katie, the company secretary of the Company;
“Offer High”	means Offer High Investments Limited, an indirect wholly-owned subsidiary of the Company, incorporated in the British Virgin Islands;
“Prior Announcements”	means the Company’s announcements dated 16 August 2005 and 22 December 2005 and includes the Circular to Shareholders dated 7 September 2005;

“Provisional Liquidators”	means, jointly and severally, Messrs Desmond Chung Seng Chiong and Roderick John Sutton in their capacity as joint and several provisional liquidators of the Company and the Seller pursuant to orders of the Deputy High Court Judge Poon dated 23 June 2005;
“Shareholders”	means the shareholders of the Company;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited; and
“US\$”	means United States dollars, the lawful currency of the United States of America.

For and on behalf of
Moulin Global Eyecare Holdings Limited
(Provisional Liquidators Appointed)
Roderick John Sutton
Desmond Chung Seng Chiong
Joint and Several Provisional Liquidators

Hong Kong, 12 May 2006

** For identification purpose only*

Please also refer to the published version of this announcement in the China Daily.