

致各股東：

本人謹此代表慕詩國際集團有限公司（「本公司」）董事會（「董事會」）欣然提呈本公司及其附屬公司（「本集團」）截至二零零六年三月三十一日止年度之業績。

業績

截至二零零六年三月三十一日止年度，本集團錄得營業額約312,000,000港元，而股東應佔年內溢利約為79,000,000港元。毛利率輕微下跌至75.8%，而去年則錄得76.1%。經營溢利率下跌至24.3%，而去年則為27.6%。

業務回顧

於二零零六年財政年度期間，本集團已進一步擴展於大中華市場之銷售網絡。為鞏固客戶群，年內進行多次市場推廣活動，以更新及提升品牌形象。本集團旨在透過本集團旗下不同品牌，於競爭激烈之市場達致協同效益。

自於去年首次推出 *mademoiselle* 後，本集團旗下三個品牌 *MOISELLE*、*mademoiselle* 及 *imaroon* 已於中國及香港市場建立銷售渠道。本集團於年內已就在中國大陸新推出之品牌 *mademoiselle* 及 *imaroon* 調配資源，以增加品牌於中國客戶之知名度。本集團於年內已重新裝璜店舖，藉此提升 *MOISELLE* 品牌之品牌形象。

本集團與海外品牌華特迪士尼之合作取得理想成績。新產品線於香港、中國及台灣廣受客戶歡迎。

Dear Fellow Shareholders,

On behalf of the board of directors (the "Board") of Moiselle International Holdings Limited (the "Company"), I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2006.

RESULTS

The Group recorded a turnover of approximately HK\$312 million and profit for the year attributable to the shareholders of approximately HK\$79 million for the year ended 31 March 2006. Gross margin slightly decreased to 75.8 percent, compared to 76.1 percent in last year and operating margin decreased to 24.3 percent, compared to 27.6 percent in last year.

BUSINESS REVIEW

During the fiscal year of 2006, the Group extended further its sales network in the Greater China market. To enhance customer loyalty, marketing activities were rolled out at more intervals during the year to refresh and increase brand image. The Group aims to leverage on the synergy effects by the different brands under the Group in the highly competitive market.

After *mademoiselle* was first launched last year, the three brands under the Group, *MOISELLE*, *mademoiselle* and *imaroon*, had all established their sales channels in both China and Hong Kong markets. Resources were allocated to the launch of the new brands, *mademoiselle* and *imaroon*, in mainland China during the year to bring brand awareness to China customers. The Group had undergone renovation of the stores during the year in order to upgrade the brand image of *MOISELLE* brand.

The Group has generated satisfactory performance on working with the overseas brand, Walt Disney. The new product line was well received by the customers in Hong Kong, China and Taiwan.

展望

本集團於過去數月於中國逐步開設新 *mademoiselle* 及 *imaroon* 店舖，並將於未來季度開設更多店舖。本集團繼續致力於市場上擴展穩定之銷售網絡。預期於未來數年將可抵銷品牌建立初期之投資。

於來年，本集團將進一步投資生產設施及增加產量，以應付客戶之需求及增加供應鏈之效能。為加強向客戶提供產品及服務過程中對市場之回應及營運效率，管理層將投放更多資源改善供應商關係管理、增加採購種類及提升供應鏈之品質標準。

中國市場於過去數年對本集團收益及溢利之重要性不斷增加，證明本集團選取了明智之業務發展策略方針。儘管如此，管理層於平衡市場風險及回報方面將繼續實施審慎措施。

本集團已就業務授權之經營方式不斷尋求商機，預期可開拓新業務方針及策略，從而加強本集團之品牌權益。

感謝

本人謹代表董事會對所有股東及業務夥伴、管理層及員工之努力及為本集團作出之貢獻致謝，最重要的，是感謝本集團之尊貴客戶於本年度內作出之支持。

主席

陳欽杰

香港，二零零六年七月十四日

OUTLOOK

New stores of *mademoiselle* and *imaroon* are gradually opened in China in the past few months and will be opened more in the coming seasons. The Group continues to cultivate on the extension of a stable sales network in the market. The investments in the initial stage of brand building are expected to pay off in the coming years.

In the coming year, the Group would further invest in the production facilities and increase the production volume to support the demand from customers and enhance supply chain efficiency. In order to facilitate responsiveness and efficiency in the process of providing products and services to our customers, the management will put more resources in improving suppliers relationship management, increasing variety of sourcing and enhancing quality standards in supply chain.

The increase in importance of the China market to the Group's revenue and profit across the past few years has proven that the Group has adopted the correct strategic direction in business development. Despite that, the management will keep implementing cautious measures in view of balancing the risks and return in the market.

The Group has continued to explore business opportunities in the regime of the licensing business and would expect to develop possible new business directions and strategies which would lead to strengthening of the brand equity of the Group.

APPRECIATION

On behalf of the Board, I take this opportunity to thank all our shareholders and our fellow business partners, our management and staff for their hard work and dedication to the Group, and most importantly our prestigious customers for their support during the year.

Chan Yum Kit

Chairman

Hong Kong, 14 July 2006