



GAY GIANO INTERNATIONAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND RESIGNATION OF NON-EXECUTIVE DIRECTOR

Mr. Lo Wa Kei, Roy was appointed as independent non-executive director of the Company. Mr. Ip Yu Chak resigned as non-executive director of the Company. All the above changes were effective from May 21, 2004.

The directors (the "Directors") of Gay Giano International Group Limited (the "Company") wish to announce that Mr. Lo Wa Kei, Roy ("Mr. Lo") was appointed as independent non-executive director of the Company. Mr. Ip Yu Chak ("Mr. Ip") resigned as non-executive director of the Company. All the above changes were effective from May 21, 2004.

Mr. Lo, aged 33, is a practicing certified public accountant in Hong Kong. He is also a member of the Hong Kong Society of Accountants, a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Securities Institute.

Before joining the Company, Mr. Lo had worked in an international accounting firm and several international companies. He has over eight years of experience in auditing, accounting and finance. He is an advisor of the Continuing Education Division of the University of Oregon from the United States and is an advisor of Education and Training Division of the Institute of Commercial Management. Mr. Lo has experiences in designing, planning and lecturing professional examination courses in the University of Hong Kong, the Hong Kong Society of Accountants, the Hong Kong Polytechnic University and the Hong Kong Baptist University. He is currently the independent non-executive director of Sun Hing Vision Group Holdings Limited, a company listed on the Main Board of the Stock Exchange.

There is no service contract between the Company and Mr. Lo and his term of service as an independent non-executive director of the Company will be subject to the relevant provisions in the Articles of Association of the Company. Mr. Lo is entitled to an annual salary of HK\$40,000 as determined by the board of Directors and subject to the approval by the shareholders of the Company in general meeting. Mr. Lo is not connected with any Directors, senior management or substantial or controlling shareholders of the Company and he does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Mr. Ip resigned as non-executive director of the Company with effect from May 21, 2004 for personal reason. He has confirmed to the Company that there is no disagreement with the Company and there has not any matter which he needs to bring to the attention of the Stock Exchange and the shareholders of the Company in relation to his resignation.

The Directors would like to take this opportunity to thank Mr. Ip for his valuable contribution to the Company during his tenure of service and the Directors also would like to express their warm welcome to Mr. Lo for his appointment.

As at the date of this announcement, the directors of the Company is comprised of six directors, of which three are executive directors, namely Ms. Cheung Yin Sheung, Subraina, Mr. Tong Kwong Fat and Ms. Yung Wing Sze, Vivian and three are independent non-executive directors, namely Mr. Chan Ka Ling, Edmond, Mr. Tsang Wai Kit and Mr. Lo Wa Kei, Roy.

By Order of the Board
Cheung Yin Sheung, Subraina
Chairman

Hong Kong, May 21, 2004

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