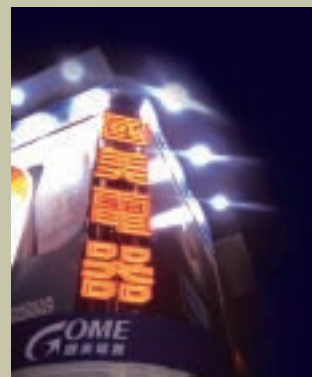


CORPORATE PROFILE

COMPANY BACKGROUND

The Group went through a corporate transformation in July 2004 following the acquisition of 65% equity interest in Gome Appliance (“GOME Group”) which is engaged in the retailing of electrical appliances and consumer electronics in the PRC under the brand name “GOME”. To reflect the new focus, the name of the Company was changed to GOME Electrical Appliances Holding Limited in August 2004. The information of GOME Group is set out as follows:



GOME Group has a long history of operations in China. In 1987, the Group’s first electrical appliance retail outlet was opened in Beijing and the brand name “GOME” was first adopted in 1993, which marked a significant milestone in the development of its chain store network. By 1999, the Group took the first step outside Beijing and established its first retail outlet in Tianjin. Since then, GOME has rapidly expanded into other major cities in China and gained widespread consumer awareness and acceptance. In July 2004, the Group obtained a listing status in Hong Kong through an asset injection of a 65% stake in GOME Appliance Co., Ltd into a Hong Kong listed company. In August 2004, the listed entity officially adopted the name “GOME Electrical Appliances Holding Limited”.

Since its establishment in 1987, GOME Group has persistently pursued the corporate philosophy of “Business Opportunities for Mutual Prosperity”. With aggressive development in the retail business of electrical appliances and consumer electronic products in mainland China, GOME Group has become the largest and most influential retail enterprise in the industry. In 2004, it was selected as one of the “Key and Strategically Important Enterprises” in China by the Ministry of Commerce.

Going forward, the Group will capitalize on its market leadership in the industry and further expand its sales networks, enhance its management team, empower its employees, improve its risk management policies, and strengthen its capital structure with the objective of serving its stakeholders and creating value for its shareholders.

CORPORATE PROFILE

MILESTONES OF GOME GROUP

1987

- On 1 January, 1987, GOME Group opened its first specialty retail shop of electrical appliances in Beijing



1993

- In 1993, the brand name “GOME” was first adopted at all its retail outlets in Beijing. This was the first version of the evolving retail chain model in China



1998

- In 1998, it summarized its decade-long experience in the sector by publishing the “GOME Operating and Management Handbook”

1999

- In July 1999, it established its first store outside Beijing in Tianjin, thus commencing its nationwide retail coverage strategy



2001

- In 2001, GOME Group was ranked eighth in the Hundred Giants of Retail Chain Stores in China and first in the home electrical appliance retail sector



2003

- In 2003, China State Economic and Trade Commission – Trade Market Bureau announced the 2002 ranking of chain enterprises. GOME Group was fourth overall but first in the home electrical appliance sector
- In September 2003, GOME Group was ranked as one of the “Top Ten National Cellular Phone Outlets” by Ministry of Information Industry



CORPORATE PROFILE

2004

- In 2004, State Ministry of Commerce announced the results of the top 30 chain store enterprises in China in 2003. GOME Group was ranked third but was first in the home electrical appliance sector as it continued to dominate the sector



- In 2004, GOME Group ranked second in chain store enterprises in China, and continued to dominate its trade by remaining first in the household electrical appliance retail sector

