

Additional Information

DISCLOSURE OF INTERESTS

(A) DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2006, the Directors and the chief executive of the Company and their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein or were required, pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, to be notified to the Company and the Stock Exchange:

Long positions in the shares of the Company

Name of Directors	Number of ordinary shares held			Total	Approximate % of shareholding
	Personal interests	Interest of spouse	Corporate interests		
Wong Kwong Yu	900,087	280,000 <i>(note 2)</i>	1,563,766,947 <i>(note 1)</i>	1,564,947,034	68.26%
Du Juan	–	1,564,667,034 <i>(note 1)</i>	280,000 <i>(note 2)</i>	1,564,947,034	68.26%

Notes:

- (1) These shares are held as to 1,377,729,553 shares by Shinning Crown Holdings Inc. and as to 186,037,394 shares by Shine Group Limited. Both companies are 100% beneficially owned by Mr Wong Kwong Yu, the spouse of Ms Du Juan.
- (2) These shares are held by Smart Captain Holdings Limited which is 100% beneficially owner by Ms Du Juan, the spouse of Mr Wong Kwong Yu.

Save as disclosed above, as at 30 June 2006, none of the Company's directors, chief executives or their respective associates had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Additional Information

(B) PARTICULARS OF THE DIRECTORS' SERVICE CONTRACTS

As at 30 June 2006, none of the Directors had entered or was proposing to enter into a service contract with the Company or any member of the Group (excluding contracts expiring or determinable within one year without payment of compensation other than statutory compensation).

(C) DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 30 June 2006, the interests of the Directors in businesses (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, whether directly or indirectly, with the businesses of the Group were as follows:

Name of Director	Name of competing entity	Description of business of competing entity	Nature of interest of the Director
Mr Wong Kwong Yu	Parent Group	Retail of electrical appliances and consumer electronics products	Beneficial owner
Ms Du Juan	Parent Group	Retail of electrical appliances and consumer electronics products	Family interest (Note)

Notes:

Ms Du Juan, spouse of Mr Wong Kwong Yu, is deemed to be interested in the business of the Parent Group by virtue of her spouse's interest.

Mr Wong Kwong Yu and the Company entered into the Non-competition Undertaking on 29 July 2004, pursuant to which Mr Wong Kwong Yu undertook to the Company that he would not and would procure that the Parent Group would not, among other things, engage in retail sales of electrical appliances and/or consumer electronic products in places in the PRC where the Company had established any retail outlet for the sale of electrical appliances and consumer electronics products under the "GOME Electrical Appliances" trademark, provided that Mr Wong Kwong Yu remains as the controlling shareholder of the Company. The Company undertook to Mr Wong Kwong Yu not to directly or indirectly engage in the retail sales of electrical appliances or consumer electronic products in any of the locations in the PRC in which any member of the Parent Group had established, or was as at 3 June 2004 in the course of establishing, any retail outlet for the sale of electrical appliances and consumer electronic products under the "GOME Electrical Appliances" trade mark. On 21 July 2006, Mr Wong Kwong Yu granted a waiver to the Company from its obligations under the Non-competition Undertaking as summarised above in this paragraph in view of the voluntary conditional offer to acquire all shares of China Paradise Electronics Retail Limited.

(D) DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the 6 months period ended 30 June 2006 was the Company, its subsidiaries or its holding company a party to any arrangements to enable the directors of the Company to acquire shares in or debentures of the Company or any other body corporate.