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## **GOME ELECTRICAL APPLIANCES HOLDING LIMITED**

**國美電器控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 493)**

### **APPOINTMENT OF DIRECTORS**

The Board announces the appointment of Mr. Zhu Jia, Mr. Ian Andrew Reynolds and Ms. Wang Li Hong as non-executive Directors with effect from 11 May 2010.

Reference is made to the announcement of GOME Electrical Appliances Holding Limited (the “**Company**”) dated 22 June 2009 (the “**Announcement**”). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as used in the Announcement.

It is a term of the Investment Agreement that the Company shall use its best endeavours and subject to any mandatory requirements of law and the Listing Rules from time to time to appoint three persons nominated by the Investor as non-executive Directors, or such lesser number of non-executive Directors, if the interest of the Investor in the Company has been reduced. In addition, the Investor may, upon occurrence of a specific event (including the nominees of the Investor not being appointed as Directors) or an event of default, demand early redemption of the 2016 Convertible Bonds and require the Company to pay a corresponding penalty.

With the completion of the Investment Agreement, Mr. Zhu Jia, Mr. Ian Andrew Reynolds and Ms. Wang Li Hong were appointed as non-executive Directors with effect from 3 August 2009. Since their appointments to the Board, there have been increased transparency in the decision making process of the Board, enhanced corporate governance and fairer consideration being accorded to the interests of the Shareholders.

The term of appointment of Mr. Zhu, Mr. Reynolds and Ms. Wang were to the following annual general meeting of the Company, and they may offer themselves for re-election pursuant to the terms of the Bye-laws of the Company. At the annual general meeting of the Company held on 11 May 2010, Mr. Zhu, Mr. Reynolds and Ms. Wang were not re-elected as non-executive Directors.

Given the obligation of the Company under the Investment Agreement, the Board considers unanimously that it is in the interest of the Company and its Shareholders as a whole for it to exercise its authority to appoint Mr. Zhu, Mr. Reynolds and Ms. Wang as non-executive Directors. The Board also believes that the strategy of the Company can be better pursued with the support of Mr. Zhu, Mr. Reynolds and Ms. Wang as Directors. The Board is of the view that with their experiences and global

expertise, Mr. Zhu, Mr. Reynolds and Ms. Wang will continue to contribute to the improvement in the Company's management efficiency and financial management. The Board therefore unanimously approved their appointments on 11 May 2010, which took effect on the same day.

## **Biographical Details**

The biographical details of Mr. Zhu, Mr. Reynolds and Ms. Wang are as follows:

**Mr. Zhu Jia**, aged 47 and a Juris Doctorate degree holder from Cornell Law School, is currently a managing director of Bain Capital Asia, LLC. Mr. Zhu has solid and extensive experience in a broad range of cross border mergers and acquisitions as well as internal financing transactions involving Chinese companies. Before joining Bain Capital Asia, LLC in 2006, he was a managing director of the Investment Banking Division of and the chief executive officer of the China business of Morgan Stanley Asia Limited. He is also a non-executive director of Sinomedia Holding Limited, a company listed on the Stock Exchange.

Save as disclosed above, Mr. Zhu has not held any directorships in any other listed public companies or other major appointments and qualifications during the three years immediately preceding his date of appointment.

Save for the directorship in the Company, Mr. Zhu does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Mr. Zhu does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company. As at the date hereof, Mr. Zhu is interested in 1,168,920 shares of the Company representing 0.0078% of the total issued share capital of the Company.

Pursuant to a letter of appointment to be entered into between Mr. Zhu and the Company, (a) the term of appointment of Mr. Zhu as a non-executive Director is for a fixed term commencing from 11 May 2010 and ending on the date of the General Meeting of the Company next following such appointment, and shall continue thereafter for no more than two successive terms of one year each commencing from the day following the expiry of the then current term, subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company; and (b) Mr. Zhu is not entitled to any remuneration.

The Board is not aware of any other matters in relation to the appointment of Mr. Zhu as a non-executive Director that need to be brought to the attention of the shareholders of the Company, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

**Mr. Ian Andrew Reynolds**, aged 37, is currently a managing director of Bain Capital Asia, LLC. During his 14 years in the private equity industry, Mr. Reynolds has worked with companies in a variety of industries in the United States, Europe and Asia. Prior to Bain Capital Asia, LLC, Mr. Reynolds was a consultant at Bain & Company, where he worked extensively in the technology and consumer products industries. Mr. Reynolds obtained a Master Degree in Business Administration from Harvard Business School where he was a Baker Scholar and graduated *cum laude* with a Bachelor Degree in Arts from Yale College.

Save for the directorship in the Company, Mr. Reynolds has not held any directorships in any other listed public companies or other major appointments and qualifications during the three years immediately preceding his date of appointment.

Other than the directorship in the Company, Mr. Reynolds does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Mr. Reynolds does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company. As at the date hereof, Mr. Reynolds does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Pursuant to a letter of appointment to be entered into between Mr. Reynolds and the Company, (a) the term of appointment of Mr. Reynolds as a non-executive Director is for a fixed term commencing from 11 May 2010 and ending on the date of the General Meeting of the Company next following such appointment, and shall continue thereafter for no more than two successive terms of one year each commencing from the day following the expiry of the then current term, subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company; and (b) Mr. Reynolds is not entitled to any remuneration.

The Board is not aware of any other matters in relation to the appointment of Mr. Reynolds as a non-executive Director that need to be brought to the attention of the shareholders of the Company, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

**Ms. Wang Li Hong**, aged 42, is currently a principal of Bain Capital Asia, LLC. Ms. Wang has more than 18 years of experience in the banking and finance industry in the United States and Asia. Before joining Bain Capital Asia, LLC in July 2006, Ms. Wang was an executive director at Morgan Stanley from April 2005 to July 2006, worked at J.P. Morgan Securities Asia Pacific Limited from October 2001 to March 2005 and Credit Suisse First Boston (US) from September 1999 to September 2001. Ms. Wang obtained a Master Degree in Business Administration from Columbia Business School and was a graduate from Fudan University.

Save for the directorship in the Company, Ms. Wang has not held any directorships in any other listed public companies or other major appointments and qualifications during the three years immediately preceding his date of appointment.

Other than the directorship in the Company, Ms. Wang does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Ms. Wang does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company. As at the date hereof, Ms. Wang does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Pursuant to a letter of appointment to be entered into between Ms. Wang and the Company, (a) the term of appointment of Ms. Wang as a non-executive Director is for a fixed term commencing from 11 May 2010 and ending on the date of the General Meeting of the Company next following such appointment, and shall continue thereafter for no more than two successive terms of one year each commencing from the day following the expiry of the then current term, subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company; and (b) Ms. Wang is not entitled to any remuneration.

The Board is not aware of any other matters in relation to the appointment of Ms. Wang as a non-executive Director that needs to be brought to the attention of the shareholders of the Company, nor is there any information that need to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

By Order of the Board of  
**GOME Electrical Appliances Holding Limited**  
**Chen Xiao**  
*Chairman and President*

12 May 2010

*As at the date of this announcement, the Board of the Company comprises Mr. Chen Xiao, Mr. Ng Kin Wah, Mr. Wang Jun Zhou, Ms. Wei Qiu Li and Mr. Sun Yi Ding as executive directors; Mr. Zhu Jia, Mr. Ian Andrew Reynolds and Ms. Wang Li Hong as non-executive directors; and Mr. Sze Tsai Ping, Michael, Mr. Chan Yuk Sang and Mr. Thomas Joseph Manning as independent non-executive directors.*

\* *For identification purpose only*