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GOME Electrical Appliances Holding Limited

(incorporated in Bermuda with limited liability)

(Stock code: 493)



China Paradise Electronics Retail Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 503)

**Voluntary conditional offer by
Goldman Sachs (Asia) L.L.C.
for and on behalf of**

**GOME Electrical Appliances Holding Limited
to acquire all of the issued shares in the capital of
China Paradise Electronics Retail Limited**

**(not already owned by GOME Electrical Appliances Holding Limited and
parties acting in concert with it)**

**COMPLETION OF COMPULSORY ACQUISITION AND
WITHDRAWAL OF LISTING OF CHINA PARADISE SHARES**

**Financial adviser to
GOME Electrical Appliances Holding Limited**

**Financial adviser to
China Paradise Electronics Retail Limited**

**Goldman
Sachs**

CAZENOVE
Cazenove Asia Limited

**Independent financial adviser to the Independent Board Committee of
China Paradise Electronics Retail Limited
in respect of the Offer**

 **SOMERLEY LIMITED**

The compulsory acquisition of the Outstanding China Paradise Shares by the Offeror was completed on Tuesday, 30 January 2007. As a result, and with effect from the completion of the compulsory acquisition, China Paradise has become a wholly-owned subsidiary of the Offeror.

Trading in China Paradise Shares on the Stock Exchange was suspended with effect from 9.30 a.m. on Thursday, 16 November 2006 until the withdrawal of the listing of the China Paradise Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Listing of China Paradise Shares on the Stock Exchange will be withdrawn with effect from 9.30 a.m. on Wednesday, 31 January 2007.

INTRODUCTION

Reference is made to the joint announcement dated 25 July 2006 (the *Joint Announcement*) issued by GOME Electrical Appliances Holding Limited (*GOME* or the *Offeror*) and China Paradise Electronics Retail Limited (*China Paradise*), the composite offer and response document despatched on 29 August 2006 to China Paradise Shareholders (the *Composite Document*), the joint announcement dated 15 November 2006 (the *Closing Announcement*) issued by GOME and China Paradise and the joint announcement dated 29 December 2006 (the *Despatch Announcement*) issued by GOME and China Paradise.

Unless the context requires otherwise, terms defined in the Joint Announcement, the Composite Document, the Closing Announcement and the Despatch Announcement have the same meaning when used in this Announcement.

COMPULSORY ACQUISITION

As stated in the Despatch Announcement, Compulsory Acquisition Notices were despatched to China Paradise Shareholders holding Outstanding China Paradise Shares on Friday, 29 December 2006.

Based on a search of the Register of Writs and other originating processes in the Grand Court, there has been no application made to the Grand Court by any China Paradise Shareholders holding Outstanding China Paradise Shares in respect of the compulsory acquisition of the Outstanding China Paradise Shares before Monday, 29 January 2007 (being the period during which China Paradise Shareholders holding Outstanding China Paradise Shares were entitled to do so under the provisions of the Cayman Islands Company Law). Accordingly, GOME is now entitled and bound to acquire the Outstanding China Paradise Shares.

Pursuant to the compulsory acquisition of the Outstanding China Paradise Shares by the Offeror, all of the Outstanding China Paradise Shares have been transferred to GOME on Tuesday, 30 January 2007.

As a result, and with effect from the completion of the compulsory acquisition, China Paradise has become a wholly-owned subsidiary of the Offeror.

Cheques and share certificates for GOME Shares for the amount of the consideration due to the China Paradise Shareholders who were holding Outstanding China Paradise Shares in respect of the Outstanding China Paradise Shares acquired by GOME pursuant to the compulsory acquisition of the Outstanding China Paradise Shares will be sent to the China Paradise Shareholders who were holding the Outstanding China Paradise Shares and who have responded to the Compulsory Acquisition Notices at their own risk at their respective addresses which appear in the register of members of China Paradise unless such China Paradise Shareholders had indicated otherwise in their election forms despatched to them together with the Compulsory Acquisition Notices. The

amount due to the China Paradise Shareholders who were holding the Outstanding China Paradise Shares and who have not responded to the Compulsory Acquisition Notices will be deposited in an account of China Paradise in accordance with Section 88(3) of the Cayman Islands Company Law.

WITHDRAWAL OF LISTING

Trading in China Paradise Shares on the Stock Exchange was suspended with effect from 9.30 a.m. on Thursday, 16 November 2006 until the withdrawal of the listing of the China Paradise Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Listing of China Paradise Shares on the Stock Exchange will be withdrawn with effect from 9.30 a.m. on Wednesday, 31 January 2007.

All time references contained in this announcement are to Hong Kong time.

By order of the board of
GOME Electrical Appliances Holding Limited
Wong Kwong Yu
Chairman

By order of the board of
China Paradise Electronics Retail Limited
Chen Xiao
Chairman

Hong Kong, 30 January 2007

As at the date of this Announcement, the Executive Directors of GOME are Mr Wong Kwong Yu, Ms Du Juan, Mr Lam Pang and Mr Ng Kin Wah; the Non-Executive Director of GOME is Mr Sun Qiang Chang; and the Independent Non-Executive Directors of GOME are Mr Michael Sze Tsai Ping, Mr Chan Yuk Sang, Mr Mark C. Greaves and Dr Liu Peng Hui. The Directors of GOME jointly and severally accept full responsibility for the accuracy of the information contained in this Announcement (other than in relation to China Paradise) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

As at the date of this Announcement, the Executive Directors of China Paradise are Mr Chen Xiao, Mr Wong Kwong Yu, Ms Du Juan and Mr Ng Kin Wah; and the Independent Non-Executive Directors of China Paradise are Dr Yu Zengbiao, Mr Chu Cheng Chung and Mr Wang Bing. The Directors of China Paradise jointly and severally accept full responsibility for the accuracy of the information contained in this Announcement (other than in relation to GOME) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

Please also refer to the published version of this announcement in The Standard.