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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)

CHANGES IN DIRECTORS

With the completion of the Investment Agreement, 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 3 August 2009.

With the number of Directors to remain unchanged pursuant to the Investment Agreement, the Board also announces the resignation of Mr. Sun Qiang Chang, Mr. Mark Christopher Greaves and Mr. Yu Tung Ho as Directors with effect from 23, 30 and 30 July 2009 respectively. Mr. Mark Christopher Greaves will remain as a consultant to the Company on corporate governance matters.

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.

Pursuant to the Investment Agreement, the Company has agreed to 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.

Appointment of Directors

With the completion of the Investment Agreement, the Board is pleased to announce the appointment of the following persons nominated by the Investor as non-executive Directors and Mr. Zhu Jia as a member of the Nomination Committee and the Remuneration Committee of the Company, all with effect from 3 August 2009.

Mr. Zhu Jia, aged 46 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.

Other than the membership in the Nomination Committee and the Remuneration Committee of the Company and 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 1,168,917 shares of the Company representing 0.0078% of the total issued share capital of the Company.

Pursuant to a letter of appointment 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 3 August 2009 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 entitled to an annual remuneration of HK$300,000.

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 13 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 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 3 August 2009 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 entitled to an annual remuneration of HK$300,000.

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 41, is currently a principal of Bain Capital Asia, LLC. Ms. Wang has more than 17 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 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 3 August 2009 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 entitled to an annual remuneration of HK$300,000.

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.

Resignation of Directors

With the number of Directors to remain unchanged pursuant to the Investment Agreement, the Board also announces the resignation of Mr. Sun Qiang Chang as a non-executive Director with effect from 23 July 2009 and the resignation of Mr. Mark Christopher Greaves and Mr. Yu Tung Ho as independent non-executive Directors with effect from 30 July 2009. Mr. Mark Christopher Greaves will remain as a consultant to the Company on corporate governance matters.

The Board would also like to take this opportunity to express its gratitude to Mr. Sun, Mr. Greaves and Mr. Yu for their valuable services and contributions to the Company during their tenure of office as Directors. The Board would like to confirm that there has been no disagreement with each of Mr. Sun, Mr. Greaves and Mr. Yu and there are no matters that need to be brought to the attention of the shareholders in respect of the resignation of Mr. Sun, Mr. Greaves and Mr. Yu as Directors.

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

3 August 2009

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*