

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the Securities Act, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.



GOME ELECTRICAL APPLIANCES HOLDING LIMITED

國美電器控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 493)

ISSUANCE OF ADDITIONAL US\$100,000,000 5.0% Bonds Due 2020 (TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE US\$400,000,000 5.0% Bonds Due 2020 ISSUED ON 10 MARCH 2017)

Reference is made to the announcements of the Company dated (i) 28 February 2017 and 6 March 2017 in relation to the Original Bonds Issue; and (ii) 20 June 2017 in respect of the proposed Additional Bonds Issue.

On 20 June 2017, the Company and Barclays entered into the Subscription Agreement in connection with the Additional Bonds Issue.

The estimated net proceeds of the Additional Bonds Issue, after deduction of expenses, will amount to approximately US\$99.5 million, which the Company intends to use for the Group's business operations overseas and other general corporate purposes overseas.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Additional Bonds on the SGX-ST.

Reference is made to the announcement of the Company dated (i) 28 February 2017 and 6 March 2017 in relation to the Original Bonds Issue; and (ii) 20 June 2017 in respect of the proposed Additional Bonds Issue.

The Board is pleased to announce that on 20 June 2017, the Company entered into the Subscription Agreement with Barclays in connection with the Additional Bonds Issue.

THE SUBSCRIPTION AGREEMENT

Date: 20 June 2017

Parties to the Subscription Agreement

- (a) the Company as the issuer; and
- (b) Barclays.

Barclays is the sole global co-ordinator, sole bookrunner and the sole lead manager in respect of the offer and sale of the Additional Bonds. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Barclays is an independent third party and not a connected person of the Company.

The Additional Bonds have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States or other jurisdictions, and will not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities law in the United States. None of the Additional Bonds will be offered to the public in Hong Kong.

Principal terms of the Additional Bonds

The principal terms of the Additional Bonds are the same as the terms of the Original Bonds as set out in the announcement of the Company dated 6 March 2017, except for the following:

Bonds Offered

Subject to certain conditions to completion, the Company will issue the Additional Bonds in the aggregate principal amount of US\$100,000,000 to be consolidated and form a single series with the Original Bonds, which will mature on 10 March 2020, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the Additional Bonds will be 100.625% of the principal amount of the Additional Bonds, plus accrued interest from (and including) 10 March 2017 to (but excluding) 23 June 2017.

Reason for the Additional Bonds Issue

The Company is principally engaged in the retailing of electrical appliances and consumer electronic products through a network of retail stores and e-commerce platform in the PRC.

The estimated net proceeds of the Additional Bonds Issue, after deduction of expenses, will amount to approximately US\$99.5 million, which the Company intends to use for the Group's business operations overseas and other general corporate purposes overseas. The Company may adjust its development plans in response to changing market conditions and thus may reallocate the use of proceeds accordingly.

Listing and rating

The Original Bonds are listed on the SGX-ST. The Company will seek a listing of the Additional Bonds on the SGX-ST. An approval in principle has been received for the listing of the Additional Bonds on the SGX-ST. Admission of the Additional Bonds to and the listing of the Additional Bonds on the SGX-ST are not to be taken as an indication of the merits of the Company or the Additional Bonds. No listing of the Additional Bonds has been or will be sought in Hong Kong.

The Additional Bonds have received a rating of “BB-” by S&P Global Ratings.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Additional Bonds”	the 5.0% bonds due 2020 in the aggregate principal amount of US\$100,000,000 to be issued by the Company, to be consolidated and form a single series with the Original Bonds;
“Additional Bonds Issue”	the issue of the Additional Bonds by the Company;
“Barclays”	Barclays Bank PLC, the sole global co-ordinator, sole bookrunner and sole lead manager to the offer and sale of the Additional Bonds;
“Board”	the board of Directors;
“Company”	GOME Electrical Appliances Holding Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Original Bonds”	the 5.0% bonds due 2020 in the aggregate principal amount of US\$400,000,000 issued by the Company on 10 March 2017;
“Original Bonds Issue”	the issue of the Original Bonds by the Company;
“PRC”	the People’s Republic of China;
“Securities Act”	the United States Securities Act of 1933, as amended;

“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Agreement”	the agreement dated 20 June 2017 entered into between the Company and Barclays in relation to the Additional Bonds Issue;
“Trustee”	Bank of Communications Trustee Limited, the trustee for the Additional Bonds; and
“US\$”	United States dollars, the lawful currency of the United States of America.

By order of the Board
GOME Electrical Appliances Holding Limited
Zhang Da Zhong
Chairman

Hong Kong, 20 June 2017

As at the date of this announcement, the Board of the Company comprises Mr. Zou Xiao Chun as executive director; Mr. Zhang Da Zhong, Ms. Huang Xiu Hong and Mr. Yu Sing Wong as non-executive directors; and Mr. Lee Kong Wai, Conway, Ms. Liu Hong Yu and Mr. Wang Gao as independent non-executive directors.

* *For identification purpose only.*