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## **JOHNSON ELECTRIC HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 179)**

### **PROPOSED ISSUE OF US\$200,000,000 1.00% CONVERTIBLE BONDS DUE 2021**

**J.P.Morgan**

**as Sole Bookrunner**

The Board is pleased to announce that the Company has entered into the Subscription Agreement with the Manager, under which the Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds to be issued by the Company in an aggregate principal amount of US\$200,000,000, on the terms and subject to the conditions set out therein. The Bonds are convertible into Shares in the circumstances set out in the Conditions at an initial Conversion Price of HK\$10.2575 per Share (subject to adjustments).

Assuming full conversion of the Bonds at the initial Conversion Price of HK\$10.2575 per Share and no further issue of Shares, the Bonds will be convertible into approximately 151,344,869 Shares, representing approximately 4.228% of the issued share capital of the Company as of the date of this announcement and approximately 4.057% of the issued share capital of the Company as of the date of this announcement as enlarged by the issue of the Conversion Shares upon full conversion of the Bonds.

The Conversion Shares to be issued upon conversion of the Bonds will rank *pari passu* in all respects with the Shares then in issue on the relevant Conversion Date.

**The Bonds have not been offered or sold and may not be offered or sold in Hong Kong to the public within the meaning of the Companies Ordinance.**

**The Bonds and the Conversion Shares have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside the United States in reliance on Regulation S under the Securities Act.**

The estimated net proceeds from the Bonds, after deduction of commission and expenses, amount to approximately US\$197.3 million. The net proceeds from the Bond Issue will be used by the Company for general corporate and working capital purposes, including funding the expansion of its existing global operating footprint and for financing possible acquisitions should suitable opportunities arise in the future.

The Conversion Shares are to be issued under the General Mandate. The issue of the Bonds is not subject to the approval of the Shareholders.

An application will be made by the Company to the Stock Exchange for the listing of the Bonds on the Stock Exchange and an application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” below for further information.**

**WARNING: As the subscription and issue of the Bonds may or may not complete, and the Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

The Board is pleased to announce that the Company has entered into the Subscription Agreement with the Manager, under which, among other things, the Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds to be issued by the Company.

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

12 March 2014

### **Parties**

- (i) the Company as issuer; and
- (ii) J.P. Morgan Securities plc as the Manager.

## **Subscription**

Subject to the fulfilment of the conditions set out below in the section headed “Conditions Precedent to the Subscription”, the Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds to be issued by the Company on the Closing Date.

To the best of the Directors’ knowledge, information and belief, the Manager is a third party independent of the Company and is not connected with the Company and its connected persons (as defined in the Listing Rules).

## **Subscribers**

The Manager has informed the Company that it intends to offer and sell the Bonds to no less than 6 independent placees (who will be independent individual, corporate and/or institutional investors). To the best of the Directors’ knowledge, information and belief, each of the placees (and their respective ultimate beneficial owners) will be third parties independent of the Company and are not connected with the Company and its connected persons (as defined in the Listing Rules).

The Manager may, to the extent permitted by applicable laws and directives, over-allot and effect transactions with a view to supporting the market price of the Bonds and/or the Shares at a level higher than that which might otherwise prevail, but in doing so the Manager shall act as principal and not as agent of the Company and any loss resulting from over-allotment and stabilisation will be borne, and any profit arising therefrom shall be beneficially retained, by the Manager. The Manager acknowledges that the Company has not authorised the issue of the Bonds in a principal amount exceeding US\$200,000,000.

## **Lock-up**

The Company has undertaken with the Manager that neither the Company nor any person acting on its behalf will (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Manager between the date of the Subscription Agreement and the date which is 90 days after the Closing Date (both dates inclusive); except for (i) the Bonds and the Conversion Shares issued on conversion of the Bonds and (ii) any unexercised share options to be issued pursuant to the Company’s share option scheme adopted on 29 July 2002 (and expired on 28 July 2012).

## **Shareholder Lock-up Undertaking**

Yik-Chun Koo Wang, has undertaken that, for a period from the date of the Subscription Agreement until 90 days from the Closing Date, neither she nor her nominee nor any person acting on her behalf will (except with the prior written approval of the Manager) (a) issue, offer, sell, contract to sell, pledge, encumber or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any of her Shares, or issue, offer, sell, contract to sell, pledge or otherwise dispose of any securities exchangeable for or convertible into or exercisable for her Shares, warrants or other rights to purchase her Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of her Shares, including equity swaps, forward sales and options representing the right to receive any of her Shares; (b) enter into any other arrangement that transfers to others, in whole or in part, any of the economic consequences of ownership of her Shares; (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of her Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

## **Conditions Precedent to the Subscription**

The obligations of the Manager to subscribe and pay for the Bonds are conditional on, among others, the following conditions precedent:

1. the Manager being satisfied with the results of its due diligence investigations with respect to the Company and its subsidiaries and the Offering Circular shall have been prepared in form and content satisfactory to the Manager;
2. the execution and delivery (on or before the Closing Date) of the other Contracts, each in a form reasonably satisfactory to the Manager, by the respective parties;
3. upon the Publication Date and on the Closing Date, there having been delivered to the Manager letters, in form and substance satisfactory to the Manager, dated the Publication Date in the case of the first letter and dated the Closing Date in the case of the subsequent letters, and addressed to the Manager from the Auditor;
4. at the Closing Date:
  - (a) the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct at, and as if made on such date;
  - (b) the Company having performed all of its obligations under the Subscription Agreement to be performed on or before such date; and
  - (c) there having been delivered to the Manager a certificate in the form attached to the Subscription Agreement, dated as of such date, of a duly authorised officer of the Company to such effect. Such certificate signed by a duly authorised officer of the Company shall be deemed to be a representation and warranty by the Company, as to the matters covered thereby, to the Manager;

5. after the date of the Subscription Agreement or, if earlier, the dates as of which information is given in the Offering Circular up to and at the Closing Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the financial condition, prospects, earnings, results of operations or business of the Company or of the Group, which, in the opinion of the Manager, is material and adverse in the context of the issue and offering of the Bonds;
6. the Stock Exchange having agreed to list the Conversion Shares upon conversion of the Bonds and the Stock Exchange having agreed, subject to any conditions satisfactory to the Manager, to list the Bonds (or, in each case, the Manager being satisfied that such listing will be granted); and
7. on or before the Closing Date, there having been delivered to the Manager legal opinions, in form and substance satisfactory to the Manager, dated the Closing Date.

As of the date of this announcement, all the above conditions precedent to the completion of the Subscription Agreement are yet to be satisfied and/or (as the case may be) waived.

### **Termination of the Subscription**

The Manager may, by notice to the Company given at any time prior to payment of the net subscription monies for the Bonds to the Company, in their sole discretion terminate the Subscription Agreement in any of the following circumstances:

1. if there shall have come to the notice of the Manager any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Subscription Agreement or any failure to perform any of the Company's undertakings or agreements in the Subscription Agreement;
2. if any of the conditions precedent in the Subscription Agreement has not been satisfied or waived by the Manager on or prior to the Closing Date;
3. if in the opinion of the Manager, there shall have been, since the date of the Subscription Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Company on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls such as would in its view, be likely to prejudice materially the success of the offering and distribution of the Bonds or dealings in the Bonds in the secondary market;
4. if, in the opinion of the Manager, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc and/or the HKSE; (ii) a suspension or a material limitation in trading in the Company's securities on the HKSE; (iii) a general moratorium on commercial banking activities in the United States, Hong Kong and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, Hong Kong or the United Kingdom; and

5. if, in the opinion of the Manager, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in their view be likely to prejudice materially the success of the offering and distribution of the Bonds or dealings in the Bonds in the secondary market.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances.**

**WARNING: As the subscription and issue of the Bonds may or may not complete, and the Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **PRINCIPAL TERMS OF THE BONDS**

The principal terms of the Bonds are summarised as follows:

<i>Issuer</i>	The Company
<i>Principal amount of the Bonds</i>	US\$200,000,000
<i>Maturity date</i>	2 April 2021
<i>Issue price</i>	100% of the principal amount
<i>Interest</i>	The Bonds bear interest from and including 2 April 2014 at the rate of 1.00 per cent. per annum payable semi-annually in arrear in equal instalments of US\$1,250 per authorised denomination of US\$250,000 on 2 October and 2 April in each year.
<i>Conversion</i>	<p>Subject to certain conditions, the Bondholders have the right to convert their Bonds into Shares at the Conversion Price at any time (subject to any applicable fiscal or other laws or regulations and as hereinafter provided) on or after 13 May 2014 up to the close of business (at the place where the certificate evidencing such Bond is deposited for conversion) on the date falling 10 days prior to the Maturity Date (both days inclusive) (but, except as provided in the Conditions, in no event thereafter) or, if such Bond shall have been called for redemption by the Company before the Maturity Date, then up to and including the close of business (at the place aforesaid) on a date no later than 7 days (in the place aforesaid) prior to the date fixed for redemption thereof.</p> <p>The number of Conversion Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Hong Kong dollars at the fixed rate of HK\$7.7621 = US\$1.00) by the Conversion Price in effect on the relevant Conversion Date.</p>

<i>Conversion Price</i>	<p>The price at which Conversion Shares will be issued upon conversion shall initially be HK\$10.2575 per Conversion Share. The initial Conversion Price of HK\$10.2575 represents: (i) a premium of approximately 37.5% over the closing price of HK\$7.46 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a premium of approximately 34.79% over the average closing price of HK\$7.61 per Share as quoted on the Stock Exchange for the 5 Trading Days up to and including the Last Trading Day; and (iii) a premium of approximately 35.32% over the average closing price of HK\$7.58 per Share as quoted on the Stock Exchange for the 10 Trading Days up to and including the Last Trading Day.</p> <p>The Conversion Price will be subject to adjustment for, among other things, subdivision, reclassification or consolidation of Shares, bonus issues, rights issues, capital distributions, distributions and other dilutive events as described in the terms and conditions of the Bonds. The Conversion Price may not be reduced to below the nominal or par value of the Shares.</p>
<i>Ranking of Conversion Shares</i>	<p>The Conversion Shares will be fully paid and will in all respects rank <i>pari passu</i> with the fully paid Shares in issue on the date the name of the holder of record of the number of Shares issuable upon conversion are registered as such in the register of members of the Company.</p>
<i>Redemption at maturity</i>	<p>Unless previously redeemed, converted or purchased and cancelled, the Company will redeem each Bond at 113.41% of its principal amount on the Maturity Date. The Company may not redeem the Bonds at its option prior to that date except as provided below.</p>
<i>Redemption at the option of the Company</i>	<p>The Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders and the Trustee (which notice will be irrevocable), redeem the Bonds at their early redemption amount as at such date together with interest accrued but unpaid to such date (if any) at any time if, immediately prior to the date the relevant optional redemption notice is given, conversion rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 90 per cent. or more in principal amount of the Bonds issued (including any further Bonds issued).</p>

*Redemption for taxation reasons*

At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders and the Trustee (which notice will be irrevocable) redeem the Bonds in whole but not in part at their early redemption amount as at such date together with interest accrued but unpaid to such date (if any), if (i) the Company satisfies the Trustee immediately prior to the giving of such notice that the Company has or will become obliged to pay additional tax as a result of any change in, or amendment to, the laws or regulations of Hong Kong or Bermuda or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 12 March 2014, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional tax were a payment in respect of the Bonds then due.

*Redemption for relevant event*

Each Bondholder shall have the right to require the Company to redeem all or some only of such Bondholder's Bonds at their early redemption amount as at such date together with interest accrued but unpaid to such date (if any) when (i) the Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive trading days on a relevant stock exchange or (ii) there is a Change of Control.

*Redemption at the option of the Bondholders*

The Company will, at the option of the holder of any Bond, redeem all or some only of that holder's Bonds on 2 April 2019 at 109.31 per cent. of the principal amount of the Bonds.

*Transferability*

The Bonds will be freely transferable, subject to certain restricted transfer periods.

*Form and denomination*

The Bonds are issued in registered form in the denomination of US\$250,000 each and integral multiples thereof.

Upon issue, the Bonds will be initially represented by a global certificate representing Bonds registered in the name of a nominee of, and deposited with a common depository for, Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*.

*Status*

The Bonds constitute direct, unsubordinated, unconditional and (subject to the negative pledge) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable legislation and subject to the negative pledge, at all times rank at least equally with all of its other present and future unsubordinated and unsecured obligations.



### *Negative pledge*

So long as any Bond remains outstanding (as will be defined in the Trust Deed), the Company will not, and will ensure that none of its principal subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity equally and rateably or such other security as either (x) the Trustee may in its absolute discretion deem not materially less beneficial to the interests of the Bondholders or (y) shall be approved by an Extraordinary Resolution (as will be defined in the Trust Deed) of the Bondholders.

### **GENERAL MANDATE TO ISSUE THE CONVERSION SHARES**

The issue of the Bonds and the Conversion Shares is not subject to Shareholders' approval. The Conversion Shares will be issued pursuant to the General Mandate, subject to the limit of up to 716,351,284 Shares (representing 20% of the issued share capital of the Company on the date on which the General Mandate was granted). As of the date of this announcement, the General Mandate has not been utilised. The Conversion Shares will utilise, based on the initial Conversion Price, approximately 151,344,869 Shares under the General Mandate.

### **APPLICATION FOR LISTING**

An application will be made by the Company to the Stock Exchange for the listing of the Bonds on the Stock Exchange and an application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange.

### **REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The Group is a leader in the manufacturing and sale of motion subsystems and motion components for automotive and industrial applications.

The net proceeds from the subscription of the Bonds, after the deduction of commission and other related expenses, are estimated to be approximately US\$197.3 million.

The net proceeds from the Bond Issue will be used by the Company for general corporate and working capital purposes, including funding the expansion of its existing global operating footprint and for financing possible acquisitions should suitable opportunities arise in the future. The Directors are of the view that the issue of the Bonds can provide the Company with additional funds at lower funding cost for the said purposes. The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreement are made on normal commercial terms and are fair and reasonable as far as the Shareholders are concerned, and the issue of the Bonds is in the interests of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any issue of equity securities for fund-raising purposes during the 12 months immediately preceding the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

Assuming full conversion of the Bonds at the initial Conversion Price of HK\$10.2575 per Share and no further issue of Shares, the Bonds will be convertible into approximately 151,344,869 Shares, representing approximately 4.228% of the issued share capital of the Company as of the date of this announcement and approximately 4.057% of the issued share capital of the Company as of the date of this announcement as enlarged by the issue of the Conversion Shares upon full conversion of the Bonds.

The Conversion Shares to be issued upon conversion of the Bonds will rank *pari passu* in all respects with the Shares then in issue on the relevant Conversion Date.

The following table summarises the potential effects on the shareholding structure of the Company as a result of the Subscription (by reference to the information on shareholdings available to the Company as of the date of this announcement and assuming full conversion of the Bonds and no further issue of Shares):

Shareholder	Existing (as of the date of this announcement)		Assuming the Bonds are fully converted into Shares at the initial Conversion Price of HK\$10.2575 each	
	No. of Shares	% of issued share capital of the Company	No. of Shares	% of enlarged share capital of the Company
Yik-Chun Koo Wang (Note)	2,201,610,880	61.511%	2,201,610,880	59.016%
Bondholders	0	0%	151,344,869	4.057%
Other Shareholders	1,377,585,540	38.489%	1,377,585,540	36.927%
Total	<u>3,579,196,420</u>	<u>100.00%</u>	<u>3,730,541,289</u>	<u>100.00%</u>

*Note:* The interest in these Shares is held by Yik-Chun Koo Wang, as the beneficiary of family trusts. The Shares in which Ansbacher (Bahamas) Limited and Federal Trust Company Limited are interested and 753,655,360 of the Shares in which HSBC International Trustee Limited is interested are held, directly or indirectly, by them as the trustees of various trusts associated with the Wang family and are included in the Shares in which Ms. Yik-Chun Koo Wang, as the beneficiary of such trusts, is interested.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings when used herein:

“Agency Agreement”	the paying, conversion and transfer agency agreement to be entered into between the Company, the Trustee and the agents named therein
“Alternative Stock Exchange”	at any time, in the case of the Shares, if they are not at that time listed and traded on the HKSE, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in
“Auditor”	PricewaterhouseCoopers, Certified Public Accountants, the auditor of the Company
“Board”	the board of Directors of the Company
“Bondholder(s)”	holder(s) of the Bond(s) from time to time
“Bond Issue”	the issue and subscription of the Bonds pursuant to the Subscription Agreement
“Bonds”	the US\$ denominated 1.00 per cent. convertible bonds due 2021 of the aggregate principal amount of US\$200,000,000
“Change of Control”	occurs when (i) any person or persons (other than the Permitted Holders) directly or indirectly, acting together, acquires Control of the Company; or (ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other person or persons, acting together
“Closing Date”	2 April 2014 or such other date (not being later than 16 April 2014) on which the Bonds are issued
“Companies Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong)
“Company”	Johnson Electric Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 179)
“Conditions”	the terms and conditions in relation to the Bonds
“Contracts”	the Subscription Agreement, the Agency Agreement and the Trust Deed

“Control”	(a) the acquisition, beneficial ownership or control of more than 50 per cent. of the voting rights of the issued share capital of the person or (b) the right to appoint and/or remove all or the majority of the members of the person’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Conversion Date”	the conversion date in respect of the Bonds
“Conversion Price”	the price per Share at which the Shares will be issued upon conversion and the initial conversion price being HK\$10.2575 per Conversion Share (subject to adjustments)
“Conversion Share(s)”	the Share(s) to be issued by the Company upon conversion of the Bonds
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 15 July 2013
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSE” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Last Trading Day”	12 March 2014, being the last full trading day immediately before the time at which the Subscription Agreement was signed
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Manager” or “Sole Bookrunner”	J.P. Morgan Securities plc
“Maturity Date”	2 April 2021, being the date on which the Bonds mature
“Offering Circular”	the circular which the Company shall use for issue of the Bonds and the listing of the Bonds on the HKSE

“Permitted Holder”	Yik-Chun Koo Wang, Patrick Shui-Chung Wang, Winnie Wing-Yee Wang, Austin Jesse Wang and Peter Kin-Chung Wang and any affiliate or related person or any of them (which includes extended family members and trusts for their benefit)
“Publication Date”	the date of the Offering Circular, which shall be no later than 4 business days prior to the Closing Date or such other date as may be agreed between the Company and the Manager
“Regulation S”	Regulation S under the Securities Act
“Relevant Indebtedness”	any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments which for the time being are, or are intended to be or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market (whether or not initially distributed by way of private placement)
“Securities Act”	means the U.S. Securities Act of 1933, as amended
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	the ordinary share(s) of the Company
“Subscription”	the subscription and issue of the Bonds pursuant to the Subscription Agreement
“Subscription Agreement”	a conditional subscription agreement dated 12 March 2014 entered into between the Company and the Manager in relation to the Subscription
“Trading Day”	a day when the HKSE or, as the case may be an Alternative Stock Exchange (or in respect of any other security, the relevant stock exchange or securities market), is open for dealing business, provided that if no closing price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee
“Trustee”	The Hongkong and Shanghai Banking Corporation Limited, the trustee to be appointed in relation to the Bonds

“US\$” the United States dollars, the lawful currency of the United States of America

“%” per cent.

By Order of the Board  
**Johnson Electric Holdings Limited**  
**Lai-Chu Cheng**  
*Company Secretary*

Hong Kong, 12 March 2014

*As of the date of this announcement, the Board comprises Patrick Shui-Chung Wang, Winnie Wing-Yee Wang, Austin Jesse Wang being the Executive Directors and Yik-Chun Koo Wang, Peter Kin-Chung Wang being the Non-Executive Directors and Peter Stuart Allenby Edwards, Patrick Blackwell Paul, Michael John Enright and Joseph Chi-Kwong Yam being the Independent Non-Executive Directors.*

*Website: [www.johnsonelectric.com](http://www.johnsonelectric.com)*