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JOHNSON ELECTRIC HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 179)

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION

Acquisition of interests in China Autoparts from Double Unity

The Board announces that on 18 June 2009, JE Castings, an indirect wholly-owned subsidiary of the Company, agreed to acquire approximately 24.7% equity interests in China Autoparts from Double Unity at a consideration of US\$9,813,730 (equivalent to approximately HK\$76,547,000). Upon completion of this acquisition, JE Castings' equity interests in China Autoparts will increase to approximately 87.6%.

Double Unity is a substantial shareholder of China Autoparts, and therefore, a connected person of the Company. Accordingly, the transactions contemplated under the Double Unity Agreement constitute a connected transaction of the Company under rule 14A.13(1)(a) of the Listing Rules.

Acquisition of interests in China Autoparts from the Four Individual Shareholders

The Board further announces that on 18 June 2009, JE Castings agreed to acquire from the Four Individual Shareholders an aggregate of approximately 6.1% equity interests in China Autoparts at an aggregate consideration of US\$2,445,730 (equivalent to approximately HK\$19,077,000). Upon completion of the acquisitions from the Four Individual Shareholders and before the completion of the Double Unity Agreement, JE Castings' equity interests in China Autoparts will increase to approximately 62.9%.

The Merger

On 18 June 2009, JE Castings entered into the Merger Agreement in relation to the merger and reorganization of China Autoparts and Tianxi. As Double Unity is a connected person of the Company, and the ultimate beneficial owner of Tianxi will be the controlling shareholder and a director of Holding Company after completion of the Merger Agreement, the transactions contemplated under the Merger

Agreement constitute connected transactions of the Company pursuant to rule 14A.13(1)(b)(i) of the Listing Rules.

If transactions under the Double Unity Agreement, Individuals' Purchase Agreement and the Merger Agreement are aggregated, one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Aggregate Transactions will be more than 5% but less than 25%. As such, the Aggregated Transactions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Further, as one or more of the applicable percentage ratios (other than the profits ratio) of the transactions under the Double Unity Agreement and the Merger Agreement is/are equal to or more than 2.5% but less than 25%, they are subject to the reporting, announcement and independent shareholders' approval under Chapter 14A of the Listing Rules.

No Shareholders are required to abstain from voting in respect of the transactions contemplated under the Double Unity Agreement and the Merger Agreement. Ms. Wang Koo Yik Chun is a beneficiary of various family discretionary trusts which in aggregate are directly or indirectly interested in approximately 58.98% of the issued share capital of the Company as at the date of this announcement. Written approval from a closely allied group of Shareholders who together holding not less than 50% in nominal value of the issued share capital of the Company will be obtained and the Company will apply to the Stock Exchange for a waiver of the requirement of holding a general meeting and to accept the written independent Shareholder's approval pursuant to rule 14A.43 of the Listing Rules. If the Stock Exchange grants the waiver under rule 14A.43 of the Listing Rules to the Company, no Shareholders' meeting will be held to consider and approve the Double Unity Agreement, the Merger Agreement and the transactions contemplated thereunder.

A circular containing, among others, (a) details of the Double Unity Agreement and the Merger Agreement; (b) the letter from the independent financial adviser; and (c) the letter from the independent Board committee will be despatched to the Shareholders as soon as possible.

Completion of the Double Unity Agreement, the Individuals' Purchase Agreement and the Merger Agreement are subject to the satisfaction of the conditions therein, and they may or may not complete. Potential investors and Shareholders are therefore advised to exercise caution when dealing in the shares of the Company.

ACQUISITION OF INTERESTS IN CHINA AUTOPARTS FROM DOUBLE UNITY

Background

China Autoparts is currently owned by JE Castings, Double Unity and the Four Individual Shareholders as to approximately 56.8%, 37.1% and 6.1%, respectively.

Pursuant to the completion of the Individuals' Purchase Agreement (details of which are set out below), China Autoparts will be owned as to approximately 62.9% and 37.1% by JE Castings and Double Unity, respectively.

JE Castings entered into the Double Unity Agreement to acquire approximately 24.7% equity interests in China Autoparts from Double Unity.

Double Unity Agreement

1. Date

18 June 2009.

2. The parties

(a) JE Castings (as purchaser), an indirect wholly-owned subsidiary of the Company; and

(b) Double Unity (as vendor).

China Autoparts is a subsidiary of the Company. As Double Unity holds approximately 37.1% equity interests in China Autoparts, it is therefore a substantial shareholder of China Autoparts. Accordingly, Double Unity is a connected person of the Company under Chapter 14A of the Listing Rules.

3. Assets to be acquired

2,918,249 common stocks of par value of US\$0.0001 each in China Autoparts, representing approximately 24.7% equity interests in China Autoparts.

4. Consideration

JE Castings agrees to pay Double Unity a sum of US\$9,813,730 (equivalent to approximately HK\$76,547,000) as consideration for the 2,918,249 common stocks of par value of US\$0.0001 each in China Autoparts which is to be settled in cash on completion.

The consideration for the acquisition of the 2,918,249 common stocks of par value of US\$0.0001 each in China Autoparts and the terms of the Double Unity Agreement were reached based on arm's length negotiations between the Company and Double Unity with reference to the audited consolidated net asset value of the China Autoparts as at 31 December 2008 which is of approximately US\$39,542,000 (equivalent to approximately HK\$308,427,600).

5. Completion

It is expected that the Double Unity Agreement will be completed within three business days from the fulfillment or waiver of the conditions, or such other date as agreed by the parties. If the Company is required to convene a general meeting to approve the Double Unity Agreement, it is expected that the

Double Unity Agreement will be completed within seven business days from the date of passing such shareholders' resolution.

Completion of the Double Unity Agreement is conditional on:-

- (i) representation and warranties made by each of the parties to the Double Unity Agreement be true and correct and each of the parties to the Double Unity Agreement has performed all obligations thereof;
- (ii) Double Unity has obtained a waiver from the other shareholder (if any) for the disposal;
- (iii) Double Unity shall have obtained all qualifications for the disposal; and
- (iv) there shall not be any injunction, order or other restrictions regarding the disposal.

In the event that the above conditions are not fulfilled in full on or before 31 July 2009, or such date as agreed by all parties or waived by the relevant party, the Double Unity Agreement shall terminate with immediate effect.

Reasons for, and benefits of, the Double Unity Agreement

The Board considers the prospect of the machining and casting business conducted by China Autoparts is in general positive. After completion of the Individuals' Purchase Agreement and before the completion of the Double Unity Agreement, the Group will hold approximately 62.9% equity interests in China Autoparts. After completion of the Double Unity Agreement, the Group's equity interests in China Autoparts will further increase to approximately 87.6%.

The Directors (other than the independent non-executive Directors whose view will be set out in the circular to be despatched to the Shareholders together with the advice of the independent financial adviser) consider that the terms of the Double Unity Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors, including the independent non-executive Directors, confirm that the terms under the Double Unity Agreement are negotiated on an arm's length basis and are on normal commercial terms.

Financial effect of the Double Unity Agreement

China Autoparts is accounted for as a subsidiary of the Company and its accounts are consolidated in the financial statements of the Company prior to execution of the Double Unity Agreement. After completion of the Double Unity Agreement, the accounts of China Autoparts will remain consolidated in the financial statement of the Company.

Information about China Autoparts

China Autoparts is a limited liability company incorporated in Delaware. It is principally engaged in casting and component manufacturing activities for the PRC automotive industry.

The audited consolidated net asset value of China Autoparts amounted to approximately US\$39,542,000 (equivalent to approximately HK\$308,427,600) as at 31 December 2008 and approximately US\$32,630,000 (equivalent to approximately HK\$254,510,000) as at 31 December 2007. The audited financial information of China Autoparts for each of the two years ended 31 December 2008 is as follows:-

	For the year ended 31 December 2008	For the year ended 31 December 2007
	US\$	US\$
Profit before tax	5,663,000	6,088,000
Profit after tax	4,961,000	5,292,000

Information about Double Unity

Double Unity is a limited liability company incorporated in the BVI. To the knowledge of the Directors, its principal business is investment holding.

To the best knowledge of the Company, Double Unity is the founder of China Autoparts and there was no purchase cost for Double Unity in China Autoparts.

Information about the Group

The Group is one of the world's largest providers of motion systems and components for automotive applications, domestic equipment, office equipment, industrial products, consumer products and medical devices.

ACQUISITION OF INTERESTS IN CHINA AUTOPARTS FROM THE FOUR INDIVIDUAL SHAREHOLDERS

The Individuals' Purchase Agreement

1. Date

18 June 2009.

2. The parties

- (a) JE Castings (as purchaser), an indirect wholly-owned subsidiary of the Company; and
- (b) Four Individual Shareholders (as vendors).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, other than one of the Four Individual Shareholders

who is an employee of China Autoparts and will be appointed as a director of the Holding Company upon completion of the Merger Agreement, the Four Individual Shareholders are third parties independent of the Company and its connected persons as defined under the Listing Rules.

3. Assets to be acquired

an aggregate of 727,272 common stocks of par value of US\$0.0001 each in China Autoparts, representing approximately 6.1% equity interests in China Autoparts.

4. Consideration

JE Castings agrees to pay Four Individual Shareholders an aggregate sum of US\$2,445,730 (equivalent to approximately HK\$19,076,694) for the 727,272 common stocks of par value of US\$0.0001 each in China Autoparts which is to be settled in cash on completion.

The consideration for the acquisition of the 727,272 common stocks of par value of US\$0.0001 each in China Autoparts and the terms of the Individuals' Purchase Agreement were reached based on arm's length negotiations between the Company and the Four Individual Shareholders with reference to the audited consolidated net asset value of the China Autoparts as at 31 December 2008 which is approximately US\$39,542,000 (equivalent to approximately HK\$308,427,600).

5. Completion

It is expected that the Individuals' Purchase Agreement will be completed within three business days from the fulfillment or waiver of the conditions, or such other date as agreed by the parties. If the Company is required to convene a general meeting to approve the Individuals' Purchase Agreement, it is expected that the Individuals' Purchase Agreement will be completed within seven business days from the date of passing such shareholders' resolution.

Completion of the Individuals' Purchase Agreement is conditional on:-

- (i) representation and warranties made by each of the parties to the Individuals' Purchase Agreement be true and correct and each of the parties to the Individuals' Purchase Agreement has performed all obligations thereof;
- (ii) each of the vendors has obtained a waiver from the other shareholder for their disposals;
- (iii) the vendors shall have obtained all qualifications for the disposals; and
- (iv) there shall not be any injunction, order or other restrictions regarding the disposals.

In the event that the above conditions are not fulfilled in full on or before 31 July 2009, or such date as agreed by all parties or waived by the relevant party, the Individuals' Purchase Agreement shall terminate with immediate effect.

Reasons for, and benefits of, the Individuals' Purchase Agreement

The Board considers the prospect of machining and casting business is in general positive. After completion of the Individuals' Purchase Agreement, the Group's equity interests in China Autoparts will increase from approximately 56.8% to approximately 62.9%.

The Directors consider that the terms of the Individuals' Purchase Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Financial effect of the Individuals' Purchase Agreement

China Autoparts is accounted for as a subsidiary of the Company and its accounts are consolidated in the financial statements of the Company prior to execution of the Individuals' Purchase Agreement. After completion of the Individuals' Purchase Agreement, the accounts of China Autoparts will remain consolidated in the financial statement of the Company.

THE MERGER

The Merger Agreement

Background

Upon completions of the Double Unity Agreement and the Individuals' Purchase Agreement, China Autoparts will be owned as to approximately 87.6% and 12.4% by JE Castings and Double Unity, respectively.

Tianxi is wholly owned by Laser Jet.

JE Castings, Laser Jet and Double Unity agreed to merge and reorganise China Autoparts and Tianxi in accordance with the terms of the Merger Agreement.

Merger Agreement

1. Date

18 June 2009.

2. The parties

The parties to the Merger Agreement and the relationships between the Company and each of the parties to the Merger Agreement are set out as follows:-

- (a) JE Castings, an indirect wholly-owned subsidiary of the Company;

- (b) Laser Jet. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Laser Jet and its ultimate beneficial owner are third parties independent of the Company and its connected persons as defined under the Listing Rules;
- (c) Double Unity, a substantial shareholder of China Autoparts;
- (d) Holding Company, a wholly-owned subsidiary of JE Castings and will be the holding company of China Autoparts and Tianxi;
- (e) beneficial owner of Laser Jet;
- (f) beneficial owner of Double Unity; and
- (g) chairman of China Autoparts, who is also a director of China Autoparts.

3. Transactions

- (a) *Transfer of equity interests in China Autoparts by Double Unity to the Holding Company*

Double Unity will transfer all its equity interests in China Autoparts to the Holding Company. In consideration for such transfer, the Holding Company will allot and issue to Double Unity 1,000 shares in the Holding Company.

- (b) *Transfer of equity interests in China Autoparts by JE Castings to the Holding Company*

JE Castings will transfer all its equity interests in China Autoparts to the Holding Company. In consideration for such transfer, the Holding Company will allot and issue to JE Castings 7,082 shares in the Holding Company.

- (c) *Transfer of equity interests in Tianxi by Laser Jet to the Holding Company*

Laser Jet will transfer all its equity interests in Tianxi to the Holding Company. In consideration for such transfer, the Holding Company will allot and issue to Laser Jet 3,992 shares in the Holding Company.

Immediately upon completions of the abovementioned transfers, the Holding Company will be owned as to approximately 58.7%, 33.0% and 8.3% by JE Castings, Laser Jet and Double Unity, respectively.

- (d) *Acquisitions of shares in the Holding Company by Tianxi*

Immediately after completion of the merger :

- (i) JE Castings will provide an interest-free loan to Tianxi in the principal amount of US\$1,000,000 (equivalent to approximately HK\$7,800,000) (the “Loan”). The maturity date of the Loan is six months from the drawn-down date, or such other date as agreed by JE Castings and Tianxi;
- (ii) Laser Jet will transfer 192 shares in Holding Company to Tianxi at a consideration of US\$942,826 (equivalent to approximately HK\$7,354,000). The consideration, which is determined with reference to the net asset value of the Holding Company after the merge of China Autoparts and Tianxi, of this transfer is to be settled by the Loan; and
- (iii) JE Castings will transfer 1,883 shares in Holding Company to Tianxi at a consideration of US\$9,259,461 (equivalent to approximately HK\$72,224,000). The consideration, which is determined with reference to the net asset value of the Holding Company after the merge of China Autoparts and Tianxi, of this transfer is to be settled by a promissory note issued by Tianxi in favour of JE Castings. The principal amount under the promissory note does not bear any interest and all sums under the promissory note is payable upon demand by JE Castings.

As a result of the transfers set out in paragraphs (ii) and (iii) above, under the laws of British Virgin Islands, the total 2,075 shares in Holding Company held by Tianxi, being the wholly-owned subsidiary of Holding Company, will become treasury shares carrying no rights to vote and dividends and will not be treated as outstanding except for the purposes of determining the capital of Holding Company, and the issued share capital of the Holding Company will be as follows:

	Number and percentage of shares carrying voting rights	Number and percentage of treasury shares
JE Castings	5,200 shares (52%)	nil
Laser Jet	3,800 shares (38%)	nil
Double Unity	1,000 shares (10%)	nil
Tianxi	nil	2,075 shares (100%)
Total:	10,000 shares (100%) =====	2,075 shares (100%) =====

The treasury shares will be cancelled upon the winding up of the Holding Company. The purpose of the treasury shares is to achieve the abovementioned shareholding structure.

Apart from achieving the shareholding structure above, the transfer of

shares in the Holding Company from JE Castings and Laser Jet to Tianxi, which will be settled by the Loan and the promissory note, will entitle JE Castings to be a creditor of Tianxi for an aggregate amount of approximately US\$10,200,000. JE Castings will have privileges over Double Unity and Laser Jet since JE Castings will have the creditor's privileges, including but not limited to liquidity priority, in addition to being a shareholder of the Holding Company.

4. Consideration

Pursuant to the reorganisations under the Merger Agreement, JE Castings' attributable equity interests in China Autoparts will decrease from approximately 87.6% to 52.0% whereas its attributable equity interests in Tianxi will increase from 0.0% to approximately 52.0%.

In addition to the transfer of its approximately 35.6% equity interests in China Autoparts, JE Castings has to (i) provide a loan in a principal sum of US\$1,000,000 (equivalent to approximately HK\$7,800,000) to Tianxi for its acquisition of 192 shares in the Holding Company from Laser Jet; and (ii) accept a promissory note in a principal sum of US\$9,259,461 (equivalent to approximately HK\$72,224,000) as consideration for Tianxi's acquisition of 1,883 shares in the Holding Company.

The consideration for the reorganisations contemplated under the Merger Agreement and the terms of the Merger Agreement were reached based on arm's length negotiations among the parties to the Merger Agreement with reference to the audited consolidated net asset values of the China Autoparts and Tianxi as at 31 December 2008 which are approximately US\$39,542,000 (equivalent to approximately HK\$308,427,000) and US\$19,527,000 (equivalent to approximately HK\$152,310,600), respectively.

5. Completion

It is expected that the transactions under Merger Agreement will be completed within three business days from the fulfillment or waiver of the conditions, or such other date as the parties agreed. If the Company is required to convene a general meeting to approve any of the transactions under the Merger Agreement, it is expected that such transactions under the Merger Agreement will be completed within seven business days from the date of passing such shareholders' resolution.

Completion of the relevant transactions under the Merger Agreement is conditional on:-

- (a) where applicable, the obtaining of shareholders' approval by the Company on the relevant transactions contemplated under the Merger Agreement;
- (b) the signing and becoming unconditional of the relevant transaction documents by all parties thereto;

- (c) the fulfilment of the conditions as referred to in the relevant transaction documents;
- (d) all the representations, warranties and undertakings given in the relevant transaction documents remain true, accurate and have not been breached, and no event has developed or revealed to render any of the representations, warranties and undertakings given in the relevant transaction documents untrue and inaccurate;
- (e) completion of the legal, financial and business due diligence exercises of Tianxi and its subsidiaries with results to the satisfaction of JE Castings;
- (f) completion of the tax consultation work regarding the reorganisation transactions under the Merger Agreement, the shareholding structure and business model of the Holding Company and its subsidiaries;
- (g) the settlement, with support of evidence, of all liabilities and debts due to and from related parties; and
- (h) the obtaining of all consents, permits, approvals by the relevant party, whether from government or regulatory authorities or third parties or otherwise which are necessary and applicable in connection with the execution and performance of the relevant transactions under the Merger Agreement.

If the conditions set out above have not been fulfilled or waived on or before 31 July 2009 (or such date as agreed by the parties), the relevant transactions under the Merger Agreement shall automatically lapse and terminate accordingly.

Reasons for, and benefits of, the Merger Agreement

The Directors consider that the reorganisation transactions contemplated under the Merger Agreement have significant strategic and financial logic and are therefore beneficial to the Group for a number of reasons. Firstly, China Autoparts is a leading supplier of engine block castings to the PRC automotive sector while Tianxi is a leading supplier of machined engine blocks. The two businesses have already cooperated closely on a commercial basis for more than a decade and Tianxi presently sources more than half of its raw castings from China Autoparts. Consequently, it is expected that the vertical integration of casting and machining activities will provide significant operational synergies in the areas of research and development, manufacturing, quality control, and sales, as well as offer savings in administrative overheads. Secondly, upon the merger, the combined business will be the leading independent player in the engine block market in the PRC with casting capacity of over one million units per annum and machining capacity of over 600,000 units per annum. It is expected that this greater scale and scope will enable the merged companies to be highly competitive domestically and to have the resources to expand internationally in an industry segment which is generally favourable to PRC-based

manufacturing. Thirdly, the larger scope and wider resources of the combined businesses are expected to accelerate the expansion into other precision machined parts and castings outside of the automotive industry.

The Directors (other than the independent non-executive Directors whose view will be set out in the circular to be despatched to the Shareholders together with the advice of the independent financial adviser) are of the view that the terms of the Merger Agreement are on normal commercial terms, fair and reasonable and in the interests of the shareholders as a whole.

Financial effect of the Merger Agreement

China Autoparts is accounted for as a subsidiary of the Company and its accounts are consolidated in the financial statements of the Company prior to execution of the Merger Agreement. After completion of the Merger Agreement, the accounts of China Autoparts will remain consolidated in the financial statement of the Company.

The Group does not have any equity interests in Tianxi before the execution of the Merger Agreement. After completion of the Merger Agreement, the accounts of Tianxi will be consolidated in the financial statements of the Company.

Information about Tianxi

Tianxi is a limited liability company incorporated in the BVI. To the knowledge of the Directors, it is principally engaged in manufacturing and supplying precision, machined automotive engine blocks in the PRC.

The audited consolidated net asset value of Tianxi amounted to approximately US\$19,527,000 (equivalent to approximately HK\$152,310,600) as at 31 December 2008 and the unaudited consolidated net asset value of Tianxi amounted to approximately US\$14,023,000 (equivalent to approximately HK\$109,379,400) as at 31 December 2007. The consolidated financial information of Tianxi for each of the two years ended 31 December (audited in the case of the 2008 financial year and unaudited in the case of the 2007 financial year) is as follows:-

	For the year ended 31 December 2008	For the year ended 31 December 2007
	US\$	US\$
Profit before tax	1,708,000	1,147,000
Profit after tax	1,597,000	987,000

Information about Laser Jet

Laser Jet is a limited liability company incorporated in the BVI. To the knowledge of the Directors, its principal business is investment holding.

IMPLICATION UNDER THE LISTING RULES

As Double Unity is a substantial shareholder of China Autoparts, and therefore, a connected person of the Company, and the ultimate beneficial owner of Tianxi will be

the controlling shareholder and a director of Holding Company after completion of the Merger Agreement, the transactions contemplated under the Double Unity Agreement and the Merger Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

If transactions under the Double Unity Agreement, Individuals' Purchase Agreement and the Merger Agreement are aggregated, one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Aggregate Transactions will be more than 5% but less than 25%. As such, the Aggregated Transactions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Further, as one or more of the applicable percentage ratios (other than the profits ratio) of the transactions under the Double Unity Agreement and the Merger Agreement is/are equal to or more than 2.5% but less than 25%, they are subject to the reporting, announcement and independent shareholders' approval under Chapter 14A of the Listing Rules.

No Shareholders are required to abstain from voting in respect of the transactions contemplated under the Double Unity Agreement and the Merger Agreement. Ms. Wang Koo Yik Chun is a beneficiary of various family discretionary trusts which in aggregate are directly or indirectly interested approximately 58.98% of the issued share capital of the Company as at the date of this announcement. Written approval from a closely allied group of Shareholders who together holding not less than 50% in nominal value of the issued share capital of the Company will be obtained and the Company will apply to the Stock Exchange for a waiver of the requirement of holding a general meeting and to accept the written independent Shareholder's approval pursuant to rule 14A.43 of the Listing Rules. If the Stock Exchange grants the waiver under rule 14A.43 of the Listing Rules to the Company, no Shareholders' meeting will be held to consider and approve the Double Unity Agreement, the Merger Agreement and the transactions contemplated thereunder.

A circular containing, among others, (a) details of the Double Unity Agreement and the Merger Agreement; (b) the letter from the independent financial adviser; and (c) the letter from the independent Board committee will be despatched to the Shareholders as soon as possible.

Completion of the Double Unity Agreement, the Individuals' Purchase Agreement and the Merger Agreement are subject to the satisfaction of the conditions therein, and they may or may not complete. Potential investors and Shareholders are therefore advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

“Aggregated Transactions”	the aggregated transactions contemplated under the Double Unity Agreement, the Individuals' Purchase Agreement and the Merger Agreement
“Board”	the board of Directors of the Company

“BVI”	the British Virgin Islands
“China Autoparts”	China Autoparts, Inc., a company incorporated in Delaware with limited liability and a non-wholly owned subsidiary of the Company
“Company”	Johnson Electric Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Stock Exchange
“Directors”	the directors of the Company
“Double Unity”	Double Unity Investments Limited, a company incorporated in the BVI with limited liability
“Double Unity Agreement”	the stock purchase agreement dated 18 June 2009 entered into between JE Castings and Double Unity
“Four Individual Shareholders”	the four individual shareholders who in aggregate holding approximately 6.1% equity interests in China Autoparts
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Holding Company”	Tonglin Precision Parts Limited (formerly Beauty Color Investment Ltd.), an international business company established in the BVI with limited liability and whose entire issued share capital is currently held by JE Castings
“Independent Third Party(ies)”	any person(s) or company(ies) and its/their ultimate beneficial owner(s) who or which is or are independent of, and not connected with the Group and the connected persons (as defined under the Listing Rules) of the Company
“Individuals’ Purchase Agreement”	the stock purchase agreement dated 18 June 2009 entered into between JE Castings and the Four Individual Shareholder
“JE Castings”	JE Castings Investments Limited, a company incorporated in the BVI with limited liability and

	an indirect wholly-owned subsidiary of the Company
“Laser Jet”	Laser Jet Investment Limited, a company incorporated in the BVI with limited liability
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Merger Agreement”	the merger and reorganisation agreement dated 18 June 2009 entered into between, among others, JE Castings, Laser Jet and Double Unity
“PRC”	the People’s Republic of China
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianxi”	Tian Xi Auto Parts Group Co., Ltd., a company incorporated in the BVI with limited liability and whose entire issued share capital is held by Laser Jet
“US\$”	United States dollar, the lawful currency of United States of America

For the purpose of this announcement, the exchange rate used is US\$1 = HK\$7.8.

By Order of the Board
Johnson Electric Holdings Limited
Patrick Shui-Chung Wang
Chairman and Chief Executive

Hong Kong, 25 June 2009

As at the date of this announcement, the Board comprises Patrick Shui-Chung Wang, Winnie Wing-Yee Wang, Richard Li-Chung 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, Oscar de Paula Bernardes Neto, Laura May-Lung Cha, Michael John Enright, being the Independent Non-executive Directors.

Website: www.johnsonelectric.com