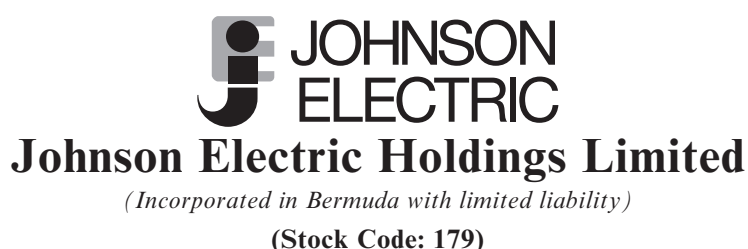

**THIS CIRCULAR IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Johnson Electric Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**PROPOSALS FOR
ADOPTION OF RULES OF THE RESTRICTED AND
PERFORMANCE STOCK UNIT PLAN,
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Johnson Electric Holdings Limited to be held at The Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 9 July 2015 at 12:30 p.m. is set out on pages 20 to 23 of this circular. Whether or not you are able to attend the meeting, please complete and return the proxy form in accordance with the instructions printed thereon to the Hong Kong Head Office of the Company at 12 Science Park East Avenue, 6/F, Hong Kong Science Park, Shatin, New Territories, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. Submission of a proxy form will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

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DEFINITIONS

In this circular and the appendices, unless the context requires otherwise, the following expressions have the following meanings:

Adoption Date	9 July 2015, being the date on which the Scheme is adopted by a resolution of the Shareholders at the AGM
AGM	the annual general meeting of the Company to be held at The Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 9 July 2015 at 12:30 p.m. notice of which is set out on pages 20 to 23 of this circular, or any adjournment thereof
associate	has the meaning ascribed thereto in the Listing Rules
Award(s)	a contingent right to receive either Shares or a Cash Payment, in either case which is awarded pursuant to the Scheme
Board	the board of Directors from time to time or a duly authorised committee of the Board or such other committee as the Board may authorise
Business Day	any day on which the Stock Exchange is open for the business of dealing in securities
Bye-laws	the bye-laws of the Company
Cash Payment	an amount in cash to be paid to a Grantee in satisfaction of an Award upon its vesting, the amount of which shall be determined by the Company in accordance with the formula set out below:

$$\text{Cash Payment} = A \times B$$

where:

A = the number of Shares in respect of which the Award has vested; and

B = the Market Value of a Share on the vesting date or, if the vesting date is not a Business Day, the Market Value of a Share on the last Business Day preceding the vesting date,

and the Company's determination of the amount of the Cash Payment shall, in the absence of fraud or manifest error, be binding on the Company and the relevant Grantee

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
Connected Persons	has the meaning ascribed thereto in the Listing Rules
Director(s)	the director(s) of the Company
Grant	the offer of the grant of an Award made in accordance with the Scheme
Grantee	any Participant who accepts a Grant in accordance with the terms of the Scheme or, where the context so permits, any person entitled to any such Award in consequence of the death of the original Grantee or the legal personal representative of such person
Group or Johnson Electric	the Company and its subsidiaries
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Issue Mandate	the general mandate to issue, allot and deal with additional Shares in resolution no. 7 of the Notice of AGM
Latest Practicable Date	19 May 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange
Market Value	in relation to a Share, the average closing market price for the five (5) preceding Business Days on which the Shares were traded on the Stock Exchange

New Approval Date	the date on which the renewal of the Scheme Mandate Limit is approved by the Shareholders in accordance with the Scheme
Notice of AGM	the notice of the AGM set out on pages 20 to 23 of this circular
Participants	the Directors (including executive Directors, non-executive Directors and independent non-executive Directors), the directors of the Company's subsidiaries and the employees of the Group who the Board considers, in its sole and absolute discretion, have contributed or will contribute to the Group
Repurchase Mandate	the general mandate as proposed in resolution no. 3 of the Notice of AGM
Repurchase Rules	the relevant rules set out in the Listing Rules to regulate repurchase by companies, with a primary listing on the Stock Exchange, of their own securities on the Stock Exchange
Scheme	the Rules of the Restricted and Performance Stock Unit Plan in its present form or as amended from time to time in accordance with the provisions thereof
Scheme Mandate Limit	<p>the total number of Shares that may underlie the Awards granted pursuant to the Scheme and any other equity-based incentive awards granted under any other equity-based incentive schemes of the Company, being:</p> <p>(a) 10% of the aggregate number of Shares in issue as of the Adoption Date; or</p> <p>(b) 10% of the aggregate number of Shares in issue as of the New Approval Date</p>
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Share(s)	fully paid ordinary share(s) with a nominal value of HK\$0.05 each in the share capital of the Company
Share Consolidation	the consolidation of every four (4) issued and unissued shares of HK\$0.0125 each in the share capital of the Company into one (1) consolidated share of HK\$0.05 each on 15 July 2014

Shareholder(s)	holder(s) of the Share(s) in issue
Stock Exchange	The Stock Exchange of Hong Kong Limited
Takeovers Code	the Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
Term	a term of ten (10) years commencing from the Adoption Date
Trustee	the professional trustee from time to time of the Scheme appointed by the Company pursuant to the Scheme
vest	with respect to a Grantee, the time when the Grantee becomes entitled to receive all or such proportion of the Shares underlying the Award granted to him in accordance with the terms of the relevant Award and of the Scheme
vesting date	with respect to an Award granted to a Grantee, the date on which the Award vests
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
%	per cent.

LETTER FROM THE BOARD

Johnson Electric Holdings Limited

(Incorporated in Bermuda with limited liability)

Board of Directors

Executive Directors

Patrick Shui-Chung Wang *JP*
Chairman and Chief Executive

Winnie Wing-Yee Wang
Vice-Chairman

Austin Jesse Wang

Non-Executive Directors

Yik-Chun Koo Wang
Honorary Chairman

Peter Kin-Chung Wang

Peter Stuart Allenby Edwards*

Patrick Blackwell Paul *CBE**

Michael John Enright*

Joseph Chi-Kwong Yam *GBM, GBS, CBE, JP**

Christopher Dale Pratt *CBE**

* *Independent Non-Executive Director*

Hong Kong Head Office

12 Science Park East Avenue, 6/F
Hong Kong Science Park
Shatin, New Territories
Hong Kong

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Dear Shareholders,

**PROPOSALS FOR
ADOPTION OF RULES OF THE RESTRICTED AND PERFORMANCE STOCK UNIT PLAN,
RE-ELECTION OF DIRECTORS AND
GRANT OF GENERAL MANDATES TO REPURCHASE SHARES AND ISSUE SHARES**

INTRODUCTION

The purpose of this circular is to give you notice of the AGM and provide you with information on matters to be dealt with at the AGM: (i) adoption of Rules of the Restricted and Performance Stock Unit Plan; (ii) re-election of Directors; (iii) grant of general mandate to repurchase Shares; and (iv) grant of general mandate to issue Shares.

ADOPTION OF RULES OF THE RESTRICTED AND PERFORMANCE STOCK UNIT PLAN

The Board has conditionally resolved to adopt the Scheme, to replace the existing long-term incentive share scheme which will expire on 31 July 2019, subject to the approval by the Shareholders of the Scheme at the AGM.

Summary of the Scheme are set out in Appendix I to this circular.

The full text of the ordinary resolution to be proposed at the AGM in relation to the adoption of the Scheme is set out in resolution 9 in the Notice of AGM set out on page 22 of this circular.

So far as the Directors are aware of, as of the Latest Practicable Date, none of the Shareholders is required to abstain from voting for the ordinary resolution to approve the adoption of the Scheme.

RE-ELECTION OF DIRECTORS

At the AGM, Mr. Austin Jesse Wang, Mr. Peter Kin-Chung Wang and Mr. Joseph Chi-Kwong Yam will retire by rotation and all being eligible, offer themselves for re-election in accordance with Bye-law 109(A) of the Company's Bye-laws.

Particulars of the above mentioned Directors offering themselves for re-election at the AGM are set out in Appendix II to this circular.

GENERAL MANDATES TO REPURCHASE SHARES AND ISSUE SHARES

The Company acknowledges the concern of minority Shareholders with respect to possible dilution of their shareholding interest resulting from the exercise of the Issue Mandate and is committed to use the Issue Mandate sparingly and in the interest of all Shareholders.

On 10 July 2014, a general and unconditional mandate was given to the Directors to exercise the powers of the Company to repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company as of the date of passing the relevant resolution. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the AGM granting the Repurchase Mandate to the Directors. Based on the 880,542,105 Shares in issue at the Latest Practicable Date (and assuming that there is no change in respect of the issued Shares of the Company after the Latest Practicable Date and up

to the passing of the relevant resolution), the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 88,054,210 Shares. In accordance with the Repurchase Rules, the Company is required to send to Shareholders an explanatory statement containing information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its own Shares. This explanatory statement is set out in Appendix III to this circular.

On 10 July 2014, a general and unconditional mandate was also given to the Directors to issue, allot and deal with additional Shares up to 20% the aggregate nominal amount of the issued share capital of the Company as of the date of passing the relevant resolution. Such general mandate will cease to be effective at the conclusion of the AGM. The Directors believe that the renewal of the general mandate is in the interests of the Company and Shareholders and accordingly, the Issue Mandate will be sought from Shareholders at the AGM to authorise the Directors to issue, allot and deal with additional Shares up to 20% of the number of Shares of the Company in issue as of the date of passing the relevant resolution. Based on the 880,542,105 Shares in issue at the Latest Practicable Date (and assuming that there is no change in respect of the issued Shares of the Company after the Latest Practicable Date and up to the passing of the relevant resolution), the Company will therefore be allowed under the Issue Mandate to issue a maximum of 176,108,421 Shares.

Conditional upon the passing of the resolutions numbered 3 and 7, an ordinary resolution to authorise the Directors to exercise the powers to issue, allot and deal with additional shares of the Company under the Issue Mandate in respect of the number of Shares repurchased by the Company will also be proposed for approval by Shareholders at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

The Notice of AGM, which contains resolutions in respect of the adoption of the Scheme, the re-election of Directors, the grant of the Repurchase Mandate and the Issue Mandate, is set out on pages 20 to 23 of this circular.

The proxy form for use at the AGM is enclosed. Whether or not you intend to be present at the AGM, you are requested to complete the proxy form and return it to the Hong Kong Head Office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. The completion and return of the proxy form will not prevent you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at general meetings must be taken by poll. The Chairman of the Meeting will therefore demand pursuant to Bye-law 78 of the Bye-laws that all resolutions set out in the Notice of AGM be decided by poll.

The results of the poll will be published on the websites of the Company and the Stock Exchange.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors believe that the resolutions set out in the Notice of AGM are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the AGM.

Yours faithfully,

On behalf of the Board

Patrick Shui-Chung Wang JP
Chairman and Chief Executive

Hong Kong, 28 May 2015

This appendix serves to provide you with information to consider the Scheme.

The Scheme

Subject to the passing of the ordinary resolution to adopt the Scheme, the Company will adopt the Scheme on the Adoption Date to replace the existing long-term incentive share scheme which will expire on 31 July 2019. Share-based compensation plays an increasingly important role in Johnson Electric on a global scale, aligning compensation of executives to the interests of Shareholders. The new rules support the application of the Scheme to all levels of senior executives regardless of the country that they live in. No further grants of share awards under the existing long-term incentive share scheme will be made after the Adoption Date.

The following is a summary of the Scheme:

1. Purpose

The purpose of the Scheme is to attract skilled and experienced personnels, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

2. Duration

Subject to any early termination of the Scheme in accordance with the Scheme, the Scheme shall be valid and effective for the Term.

3. Eligibility

The Board may, at its discretion, invite directors and employees of the Group, who the Board considers, in its sole and absolute discretion, have contributed or will contribute to the Group, to participate in the Scheme.

4. Administration

The Scheme shall be subject to the administration of the Board.

5. Grant of Awards

The Board may, at any time during the Term, at its sole and absolute discretion, make a Grant to any Participant as the Board may in its sole and absolute discretion select, subject to the terms of the Scheme.

Any Grant to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the remuneration committee (excluding any member of the remuneration committee who is the proposed Grantee of the Grant in question) of the Company and all Grants to connected persons shall be subject to compliance with the requirements of the Listing Rules.

6. Vesting of Awards

Subject to the terms of the Scheme, the Board may determine from time to time such vesting conditions or vesting periods for an Award to be vested. For the purpose of satisfying the Grant, the Board shall determine whether the Company shall, at its sole and absolute discretion, (a) allot and issue new Shares; and/or (b) direct and procure the Trustee to acquire through on-market purchases of Shares; and/or (c) pay or procure the payment of a Cash Payment.

7. Maximum Number of Shares to be Granted

The total number of Shares that may underlie the Awards granted pursuant to the Scheme and any other equity-based incentive awards granted under any other equity-based incentive schemes of the Company, shall not exceed 10% of the aggregate number of Shares in issue as of the Adoption Date.

The Scheme Mandate Limit may be renewed subject to prior Shareholders' approval, but in any event, the total number of Shares that may underlie the Awards granted following the New Approval Date under the limit as renewed must not exceed 10% of the aggregate number of Shares in issue as of the New Approval Date. Shares underlying the Awards granted pursuant to the Scheme (including those outstanding, cancelled or vested Awards) prior to the New Approval Date will not be counted for the purpose of determining the maximum aggregate number of Shares that may underlie the Awards granted following the New Approval Date under the limit as renewed. For the avoidance of doubt, Shares issued prior to the New Approval Date pursuant to the vesting of Awards granted pursuant to the Scheme will be counted for the purpose of determining the aggregate number of Shares in issue as of the New Approval Date.

8. Dividends

A Grantee shall not be entitled to any dividends or distributions in respect of any Shares underlying the Awards granted until such Shares have been allotted and issued or transferred (as the case may be) to the Grantee.

9. Transferability

Subject to the terms of the Scheme, an Award shall be personal to the Grantee and shall not be assignable or transferrable. A Grantee shall not in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Award.

10. Alteration

The Board may alter any of the terms of the Scheme at any time provided that any changes to the authority of the Board in relation to any alteration of the terms of the Scheme shall not be made without the prior approval of Shareholders in general meeting or any alterations to the terms and conditions of the Scheme which are of a material nature or any changes to the terms of the Awards granted must be approved by the Shareholders in general meeting, except where the alterations or changes take effect automatically under the existing terms of the Scheme.

11. Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the Scheme and in such event, no further Awards may be granted but in all other respects the terms of the Scheme shall remain in full force and effect in respect of Awards which are granted during the Term and which remain unvested immediately prior to the termination.

APPENDIX II DETAILS OF DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION

The following are the particulars of the Directors proposed to be re-elected at the AGM:

Austin Jesse Wang
Executive Director

Austin Jesse Wang, age 34, graduated from the Massachusetts Institute of Technology with Master of Engineering and Bachelor of Science degrees in Computer Science and Electrical Engineering. He joined the Group in 2006 and became a director of the Company in 2009. He also serves on the board of directors of various subsidiaries of the Company. Mr. Wang is a committee member of the Shenzhen Committee of The Chinese People's Political Consultative Conference. He has previously worked as a consulting engineer in the computing industry. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Wang has not entered into any service contract with the Company, but he is subject to retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Bye-laws. His emolument is determined by the Remuneration Committee with reference to his experience, as well as remuneration benchmarks in the industry and the prevailing market trends. The director's emolument received by Mr. Wang for the year ended 31 March 2015 is set out in note 29.1 to the accounts of the Company's Annual Report 2015.

Mr. Wang is a grandson of Ms. Yik-Chun Koo Wang, Honorary Chairman; a son of Dr. Patrick Shui-Chung Wang, Chairman and Chief Executive; and a nephew of Ms. Winnie Wing-Yee Wang, Vice-Chairman and Mr. Peter Kin-Chung Wang, Non-Executive Director.

As of the Latest Practicable Date, 46,875 Shares were granted to Mr. Wang under the Long-Term Incentive Share Scheme of the Company which will be vested in the third year after grant. Save as disclosed above, he does not have any other interest in the Shares of the Company which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in respect of his re-election.

Peter Kin-Chung Wang
Non-Executive Director
Member of Audit Committee

Peter Kin-Chung Wang, age 61, has been a Non-Executive Director of the Company since 1982. He obtained a Bachelor of Science degree in Industrial Engineering from Purdue University in Indiana, United States and a Master of Business Administration degree from Boston University in Massachusetts, United States. He is the Chairman and Chief Executive Officer of Tristate Holdings Limited and the Chairman and Managing Director of Hua Thai Manufacturing Public Company Limited which was formerly listed on The Stock Exchange of Thailand. Mr. Wang won the Young Industrialist Award of Hong Kong in 1998. In 2005, he received the Outstanding Industrial Engineer Award from the School of Industrial Engineering of Purdue University. He is a member of the Anhui Provincial Committee of Chinese People's Political Consultative Conference, the honorary chairman of the Hong Kong Garment Manufacturers Association, a general committee member of the Textile Council of Hong Kong Limited and a director of The Federation of Hong Kong Garment Manufacturers. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Wang has not entered into any service contract with the Company, but he is subject to retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Bye-laws. His emolument is determined by the Remuneration Committee with reference to his experience, as well as remuneration benchmarks in the industry and the prevailing market trends. The director's emolument received by Mr. Wang for the year ended 31 March 2015 is set out in note 29.1 to the accounts of the Company's Annual Report 2015.

Mr. Wang is a son of Ms. Yik-Chun Koo Wang, Honorary Chairman; a brother of Dr. Patrick Shui-Chung Wang, Chairman and Chief Executive, and Ms. Winnie Wing-Yee Wang, Vice-Chairman and an uncle of Mr. Austin Jesse Wang, Executive Director.

As of the Latest Practicable Date, Mr. Wang's spouse beneficially holds 144,250 Shares of the Company. Save as disclosed above, Mr. Wang does not have any other interest in the Shares of the Company which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in respect of his re-election.

Joseph Chi-Kwong Yam *GBM, GBS, CBE, JP*
Independent Non-Executive Director
Member of Remuneration Committee

Joseph Chi-Kwong Yam, age 67, has been an Independent Non-Executive Director of the Company since 2010. He graduated from the University of Hong Kong with first class honours in 1970. Over the years, he has received a number of honorary doctorate degrees and professorships from universities in Hong Kong and overseas. Mr. Yam was awarded the highest honour of the Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2009. He was the Chief Executive of the Hong Kong Monetary Authority from 1993 to September 2009. He is the Executive Vice President of the China Society for Finance and Banking, a society managed by the People's Bank of China, Distinguished Research Fellow of the Institute of Global Economics and Finance at The Chinese University of Hong Kong and the Chairman of Macroprudential Consultancy Limited. Mr. Yam is a member of the Board of Directors, the Corporate Culture and Responsibility Committee and the Risk Committee of UBS Group AG, and a Board Member and Chairman of Compensation & Assessment Committee of UnionPay International Co., Ltd. He was formerly an independent non-executive director, chairman of the Risk Management Committee and member of the Strategic Development Committee of China Construction Bank Corporation but retired from these positions with effect from 23 October 2013. Mr. Yam is also a member of the advisory committees of a number of academic and private institutions focusing on finance. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Yam has not entered into any service contract with the Company. He was appointed for a term of three years subject to retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Bye-laws. His director's fee is determined by the Remuneration Committee with reference to remuneration benchmarks in the industry and the prevailing market trends. The director's fee received by Mr. Yam for the year ended 31 March 2015 is set out in note 29.1 to the accounts of the Company's Annual Report 2015.

Mr. Yam is not connected with any other director, the senior management or any substantial or controlling shareholder of the Company. As of the Latest Practicable Date, Mr. Yam holds 9,750 Shares of the Company. Save as disclosed above, he does not have any other interest in the Shares of the Company which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in respect of his re-election.

The following is the Explanatory Statement required to be sent to Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As of the Latest Practicable Date, the total number of Shares of the Company in issue was 880,542,105 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate could accordingly result in up to 88,054,210 Shares, representing 10% of the Shares in issue, being repurchased by the Company during the period from the passing of the Repurchase Mandate at the AGM and ending on the earliest of (i) the conclusion of the next annual general meeting, (ii) the expiration of the period within which the next annual general meeting is required to be held by law or (iii) the date upon which such authority is revoked or varied.

REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net assets and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and Shareholders.

FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available for the purpose in accordance with its Memorandum of Association and Bye-laws and the laws of Bermuda.

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase Shares and Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant Shares, or from the profits that would otherwise be available for distribution by way of dividend, or from the proceeds of a new issue of shares made for the purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the Company's share premium account or contributed surplus account.

If, which is not presently contemplated, the Company was to repurchase Shares up to the permitted maximum of 10% of the number of Shares in issue as of the Latest Practicable Date immediately upon the general mandate being approved by Shareholders, it is likely that there might be a material adverse impact on the working capital or gearing position of the Group in comparison to the position shown, as of 31 March 2015, in the Group's audited consolidated accounts. However, the Directors do not propose to use their authority to make any repurchases which would have a material adverse impact on the working capital or gearing position of the Group given the financial position of the Group at the time of the relevant repurchases, unless the Directors determine that such repurchases were, taking account of all relevant factors, in the best interests of the Company and Shareholders.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date are as follows:

	Highest HK\$	Lowest HK\$		Highest HK\$	Lowest HK\$
May 2014	31.36*	24.08*	December 2014	30.05	27.95
June 2014	27.92*	26.36*	January 2015	29.20	27.60
July 2014	30.50	27.60*	February 2015	28.55	27.10
August 2014	31.50	29.50	March 2015	28.80	26.70
September 2014	31.20	29.20	April 2015	29.80	27.15
October 2014	30.10	25.80	May 2015 (up to the Latest Practicable Date)	29.40	27.15
November 2014	30.15	25.85			

* The highest and lowest prices have been adjusted to reflect the impact of Share Consolidation.

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective associates, have any present intention, if the Repurchase Mandate is approved by Shareholders, to sell any Shares to the Company or its subsidiaries.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

As of the Latest Practicable Date, the trustees of various trusts associated with the Wang family hold directly or indirectly 62.52% of the issued share capital of the Company. As of that date, 37.48% of the issued share capital of the Company was in the hands of the public.

If, which is not presently contemplated, the Company was to repurchase Shares up to the permitted maximum of 10% of the number of Shares in issue as of the Latest Practicable Date from the public shareholding, the percentage shareholding of the various Wang family trusts would increase to 69.47%. To the best knowledge of the Directors, these situations would not give rise to any consequences under the Takeovers Code and at least 25% of the issued share capital of the Company would still remain in the public hands.

No Connected Persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, if the Repurchase Mandate is approved and exercised.

SHARE REPURCHASES MADE BY THE COMPANY

The Company has repurchased a total of 3,749,000 Shares on the Stock Exchange during the six months preceding the Latest Practicable Date and the cancellation of the entire 3,749,000 Shares was completed on 18 December 2014. Details of repurchases are as follows:

Date of repurchase	Number of Shares repurchased	Highest price paid HK\$	Lowest price paid HK\$
28 November 2014	59,000	29.90	29.85
1 December 2014	257,500	29.85	29.10
2 December 2014	85,500	29.60	29.15
3 December 2014	665,000	29.95	29.50
4 December 2014	204,500	29.95	29.65
5 December 2014	350,000	29.70	29.50
8 December 2014	1,000,000	29.95	29.60
9 December 2014	500,000	29.70	28.90
10 December 2014	100,000	29.60	29.40
11 December 2014	170,000	29.50	29.30
12 December 2014	177,500	29.10	29.00
15 December 2014	80,000	29.35	29.20
16 December 2014	100,000	29.50	29.35
TOTAL	3,749,000		

Save as disclosed above, the Company has not purchased any other Shares (whether on the Stock Exchange or otherwise) in the previous six months.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“AGM”) of Johnson Electric Holdings Limited (“Company”) will be held at The Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 9 July 2015 at 12:30 p.m. for the following purposes:

1. To receive and adopt the Audited Consolidated Accounts and the Reports of the Directors and of the Auditor for the year ended 31 March 2015;
2. To declare a final dividend in respect of the year ended 31 March 2015;
3. As special business, to consider and, if thought fit, pass the following as an ordinary resolution:

“THAT:

- (a) the exercise by the directors of the Company during the relevant period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs by the Company pursuant to the approval in paragraph (a) during the relevant period, shall not exceed 10% of the number of shares of the Company in issue at the date of the passing of this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (c) for the purposes of this resolution, “relevant period” means the period from the passing of this resolution until whichever is the earliest of
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.”;

4. To re-elect the following directors:
 - (a) Mr. Austin Jesse Wang as an executive director;
 - (b) Mr. Peter Kin-Chung Wang as a non-executive director; and
 - (c) Mr. Joseph Chi-Kwong Yam as an independent non-executive director;
5. To authorise the board of directors to fix the directors' remuneration;
6. To re-appoint the Auditor and to authorise the directors of the Company to fix its remuneration;
7. As special business, to consider and, if thought fit, pass the following as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c), the exercise by the directors of the Company during the relevant period of all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the directors of the Company during the relevant period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the relevant period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to
 - (i) a Rights Issue; or
 - (ii) the exercise of options granted under any share option scheme adopted by the Company,shall not exceed 20% of the number of shares of the Company in issue at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution, “relevant period” means the period from the passing of this resolution until whichever is the earliest of
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and

- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting; and

“Rights Issue” means an offer of shares or other securities to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”;

- 8. As special business, to consider and, if thought fit, pass the following as an ordinary resolution:

“**THAT** conditional upon the passing of ordinary resolutions numbered 3 and 7 as set out in the notice convening this meeting, the aggregate number of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate shall be added by a number representing the aggregate number of shares of the Company repurchased by the Company under the authority granted by the resolution set out as resolution numbered 3 in the notice convening this meeting, provided that such number of shares shall not exceed 10% of the aggregate number of shares of the Company in issue as of the date of the passing of this resolution.”; and

- 9. As special business, to consider and, if thought fit, pass the following as an ordinary resolution:

“**THAT** the adoption of the Rules of the Restricted and Performance Stock Unit Plan replacing the existing long-term incentive share scheme be and is hereby approved.”.

By Order of the Board

Lai-Chu Cheng
Company Secretary

Hong Kong, 28 May 2015

Notes:

1. A shareholder of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not also be a shareholder of the Company. A proxy form is enclosed. Completion and return of the proxy form will not preclude a shareholder from attending and voting in person.
2. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Hong Kong Head Office of the Company at 12 Science Park East Avenue, 6/F, Hong Kong Science Park, Shatin, New Territories, Hong Kong not less than 48 hours before the time appointed for holding of the AGM.
3. The register of shareholders of the Company will be closed from Tuesday, 7 July 2015 to Thursday, 9 July 2015 inclusive, during which no transfer of shares will be registered.

In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (not the registrar in Bermuda) for registration, not later than 4:30 p.m. on Monday, 6 July 2015.

4. The register of shareholders of the Company will be closed from Monday, 20 July 2015 to Wednesday, 22 July 2015 inclusive, during which no transfer of shares will be registered.

In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (not the registrar in Bermuda) for registration, not later than 4:30 p.m. on Friday, 17 July 2015.

5. As of the date of this circular, the board of directors of the Company consists of:

Executive Directors

Patrick Shui-Chung Wang (*Chairman and Chief Executive*)

Winnie Wing-Yee Wang (*Vice-Chairman*)

Austin Jesse Wang

Non-Executive Directors

Yik-Chun Koo Wang (*Honorary Chairman*)

Peter Kin-Chung Wang

Peter Stuart Allenby Edwards*

Patrick Blackwell Paul*

Michael John Enright*

Joseph Chi-Kwong Yam*

Christopher Dale Pratt*

* *Independent Non-Executive Director*