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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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Johnson Electric Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 179)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES,
PROPOSED SHARE CONSOLIDATION
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 10 July 2014 at 12:00 noon 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.

29 May 2014

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DEFINITIONS

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

“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 10 July 2014 at 12:00 noon, notice of which is set out on pages 20 to 23 of this circular, or any adjournment thereof
“Board”	the board of directors of the Company
“Business Day”	a day, other than Saturday or Sunday or public holiday, on which commercial banks are open for business in Hong Kong
“Bye-laws”	the bye-laws of the Company
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“Company”	Johnson Electric Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules
“Consolidated Share(s)”	ordinary share(s) with a par value of HK\$0.05 each in the share capital of the Company after the Share Consolidation becoming effective
“Convertible Bonds”	1% convertible bonds due 2021 issued by the Company having the outstanding principal amount of US\$200,000,000 as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company
“Effective Date”	15 July 2014, being the effective date of the Share Consolidation
“Existing Share(s)”	ordinary share(s) with a par value of HK\$0.0125 each in the share capital of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited, the share registrar of the Company in Hong Kong
“Issue Mandate”	the general mandate to issue, allot and dispose of additional Shares in resolution no. 6 of the Notice of AGM
“Latest Practicable Date”	22 May 2014, 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
“Notice of AGM”	the notice of the AGM set out on pages 20 to 23 of this circular
“Repurchase Mandate”	the general mandate as proposed in resolution no. 7 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
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	registered holder(s) of the Share(s) in issue
“Share(s)”	the Existing Share(s) or the Consolidated Share(s), as the context requires
“Share Consolidation”	the proposed consolidation of every four (4) issued and unissued Existing Shares of HK\$0.0125 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.05 each
“Share Option Scheme”	share option scheme adopted by the Shareholders on 29 July 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers, as amended from time to time
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Share Consolidation:

2014

Latest time for lodging proxy forms for the AGM 12:00 noon on Tuesday, 8 July

Date and time of the AGM 12:00 noon on Thursday, 10 July

Announcement of voting results of the AGM Thursday, 10 July

Effective Date of the Share Consolidation Tuesday, 15 July

Dealings in the Consolidated Shares commence 9:00 a.m. on Tuesday, 15 July

Free exchange of existing share certificates for
new share certificates for the Consolidated
Shares commences Tuesday, 15 July

Original counter for trading in Existing Shares in board
lot size of 500 Existing Shares (in the form of existing
share certificates) temporarily closes 9:00 a.m. on Tuesday, 15 July

Temporary counter for trading in Consolidated Shares
in board lot size of 125 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on Tuesday, 15 July

Original counter for trading in Consolidated Shares
in board lot size of 500 Consolidated Shares
(in the form of new share certificates) re-opens 9:00 a.m. on Tuesday, 29 July

Parallel trading in Consolidated Shares in the
form of new share certificates and existing
share certificates commences 9:00 a.m. on Tuesday, 29 July

Operation of odd lot trading facility for the
Consolidated Shares commences Tuesday, 29 July

Parallel trading in Consolidated Shares in the
form of new share certificates and existing
share certificates ends 4:00 p.m. on Monday, 18 August

Operation of odd lot trading facility for the
Consolidated Shares ends 4:00 p.m. on Monday, 18 August

Temporary counter for trading in Consolidated
Shares in board lot size of 125 Consolidated
Shares (in the form of existing share
certificates) closes 4:00 p.m. on Monday, 18 August

Last day for free exchange of existing share certificates
for new share certificates of the Consolidated Shares Wednesday, 20 August

Dates and times specified above and in this circular are Hong Kong dates and times. The above timetable is indicative only and is subject to change at the discretion of the Company. Further announcement (if any) will be made by the Company on any changes to the timetable as and when necessary and appropriate.

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*

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
RE-ELECTION OF DIRECTORS,
GRANT OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES AND
PROPOSED SHARE CONSOLIDATION**

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) re-election of Directors; (ii) grant of general mandate to issue Shares; (iii) grant of general mandate to repurchase Shares; and (iv) proposed Share Consolidation.

RE-ELECTION OF DIRECTORS

Mr. Christopher Dale Pratt was appointed as Independent Non-Executive Director of the Company with effect from 3 April 2014. In accordance with Bye-law 100 of the Bye-laws, his term will expire at the conclusion of the AGM and, being eligible, he offers himself for re-election by Shareholders at the AGM.

At the AGM, Ms. Winnie Wing-Yee Wang, Mr. Peter Stuart Allenby Edwards, Mr. Patrick Blackwell Paul and Prof. Michael John Enright 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.

The Nomination and Corporate Governance Committee is responsible, inter alia, for assessing the independence of the independent non-executive directors. All the independent non-executive directors have confirmed their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules. Having considered the requirements and obligations of the independent non-executive directors, including the independence criteria to be taken into account in assessing their independence under Rule 3.13 of the Listing Rules, the Committee believes that all independent non-executive directors, including Mr. Peter Stuart Allenby Edwards, Mr. Patrick Blackwell Paul, Prof. Michael John Enright and Mr. Christopher Dale Pratt, continue to be independent. In addition, the Board believes that each of the independent non-executive directors, including Mr. Peter Stuart Allenby Edwards, Mr. Patrick Blackwell Paul, Prof. Michael John Enright and Mr. Christopher Dale Pratt, is a person of integrity and independent in character and judgment. They are independent of management and free from any business or other relationships or circumstances which could materially interfere with the exercise of their independent judgment. Consequently, the Board recommends the re-election of each of Mr. Peter Stuart Allenby Edwards, Mr. Patrick Blackwell Paul, Prof. Michael John Enright and Mr. Christopher Dale Pratt as an independent non-executive director at the AGM. Mr. Peter Stuart Allenby Edwards, Mr. Patrick Blackwell Paul, Prof. Michael John Enright and Mr. Christopher Dale Pratt each abstained from voting on the respective propositions of their recommendations for re-election by Shareholders.

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

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE 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 15 July 2013, a general and unconditional mandate was given to the Directors to issue, allot and dispose of additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of 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 dispose of additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution. Based on the 3,579,196,420 Shares in issue at the Latest Practicable Date (and assuming that there is no change in respect of the issued share capital 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 715,839,284 Shares.

On 15 July 2013, a general and unconditional mandate was also 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 at the date of passing of 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 3,579,196,420 Shares in issue at the Latest Practicable Date (and assuming that there is no change in respect of the issued share capital 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 357,919,642 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 II to this circular.

Conditional upon the passing of the resolutions numbered 6 and 7, an ordinary resolution to authorise the Directors to exercise the powers to issue, allot and dispose of additional shares of the Company under the Issue Mandate in respect of the aggregate nominal amount of the share capital in the Company repurchased by the Company will also be proposed for approval by Shareholders at the AGM.

PROPOSED SHARE CONSOLIDATION

As disclosed in the announcement of the Company dated 15 May 2014, the Board proposed to implement the Share Consolidation on the basis that every four (4) issued and unissued Existing Shares of HK\$0.0125 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of HK\$0.05 each.

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM to approve the Share Consolidation;
- (ii) the compliance with all relevant procedures and requirements under the Companies Act 1981 of Bermuda; and
- (iii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$88,000,000 divided into 7,040,000,000 Existing Shares of HK\$0.0125 each, of which 3,579,196,420 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Immediately upon the Share Consolidation becoming effective and on the assumption that the Company does not allot, issue or repurchase any Existing Shares from the Latest Practicable Date up to the Effective Date, the authorised share capital of the Company shall become HK\$88,000,000 divided into 1,760,000,000 Consolidated Shares of HK\$0.05 each, of which 894,799,105 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other in accordance with the Memorandum of Association and Bye-laws of the Company. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Share to which may arise.

Listing Application

An application has been made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective and those Consolidated Shares which may fall to be issued pursuant to the Convertible Bonds and the exercise of the share options granted under the Share Option Scheme.

No part of the share capital of the Company is listed or dealt in on any other stock exchanges and no such listing or permission to deal is being or is proposed to be sought.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Reasons for the Share Consolidation

The Share Consolidation is intended to bring the current share price and cost of a board lot of the Company more into line with other blue chip and well-established companies listed on the Stock Exchange. As a result, it may attract more potential investors, including institutional investors, and expand the shareholder base of the Company. In addition, it will enable greater flexibility in future dividend payments that the Company may choose to distribute.

Share Capital Structure of the Company before and after the Share Consolidation

The following table sets out the effect on the share capital structure of the Company before and immediately after the Share Consolidation, assuming that no further Shares will be issued from the Latest Practicable Date up to the Effective Date:

	Before the Share Consolidation	After the Share Consolidation
Par value per share of the Company	HK\$0.0125	HK\$0.05
Authorized share capital of the Company	HK\$88,000,000	HK\$88,000,000
Number of authorized ordinary shares of the Company	7,040,000,000 Existing Shares	1,760,000,000 Consolidated Shares
Issued share capital of the Company	HK\$44,739,955.3	HK\$44,739,955.3
Number of issued ordinary shares of the Company	3,579,196,420 Existing Shares	894,799,105 Consolidated Shares

The proposed final dividend of 8.5 HK Cents per Existing Share recommended by the Directors at a Board meeting held on 15 May 2014 and announced in the Company's announcement dated 15 May 2014, which is subject to the approval of the Shareholders at the AGM, will be resolved at the AGM based on the number of issued Existing Shares of HK\$0.0125 each in the share capital of the Company as at the date of AGM without taking into account the Share Consolidation. Subject to obtaining the approval of the Shareholders at the AGM and upon the Share Consolidation becoming effective on 15 July 2014, the proposed final dividend will be adjusted to take into account the Share Consolidation to 34 HK Cents per Consolidated Share, which is expected to be paid on 29 July 2014 to the Shareholders whose names appeared on the register of members of the Company as at 23 July 2014. If the approval of the proposed final dividend by the Shareholders at the AGM is obtained but the Share Consolidation fails to become effective, the proposed final dividend will remain unchanged at 8.5 HK Cents per Existing Share, which is also expected to be paid on 29 July 2014 to the Shareholders whose names appeared on the register of members of the Company as at 23 July 2014.

Board Lot Size

The Shares are currently traded on the Stock Exchange in board lot size of 500 Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 500 Consolidated Shares.

Arrangement on Odd Lot Trading

In order to facilitate the trading of odd lots of the Consolidated Shares as a result of the Share Consolidation, the Company appointed KGI Asia Limited to provide matching services, on a best effort basis, to those Shareholders who wish to purchase or to sell their holdings of odd lots of the Consolidated Shares at their own expense to make up a full board lot.

Shareholders who wish to take advantage of this facility should contact the Customer Service Officer of KGI Asia Limited at telephone number (852) 2878-5555 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed and will depend on, among other things, there being adequate amounts of odd lots of the Consolidated Shares available for such matching. Please refer to the section headed “Expected Timetable” on pages 3 and 4 of this circular for the period during which the Company will provide matching service for the sale and purchase of odd lots of the Consolidated Shares. Shareholders may also make their own arrangements to top-up or sell their holdings of odd lots of the Consolidated Shares at their own expense. For the avoidance of doubt, Shareholders who purchase odd lots of the Consolidated Shares shall pay the relevant purchase price and normal transaction costs for which they are otherwise responsible.

Shareholders are recommended to consult their stockbrokers, other registered dealers in securities, bank managers, solicitors, professional accountants or other independent professional advisers if they are in any doubt about the matching facility described above.

Fractional Consolidated Shares Arrangement

Fractional Consolidated Shares arising from Share Consolidation will be aggregated and sold by the Company through the designated broker for the benefit of the relevant registered Shareholders and net proceeds after deduction of all transaction costs will be refunded in cash, on pro rata basis, to the registered Shareholders holding fractional Consolidated Shares and whose names appeared on the register of members of the Company as at the Effective Date. The Board shall at its absolute discretion sell such aggregated fractional Consolidated Shares at any time within one month from the Effective Date and on such terms as it considers appropriate, provided that the amount of the sale proceeds will exceed the cost and expense of the sale of those fractional Consolidated Shares. Any sum refunded to the relevant registered Shareholders shall be paid not later than 15 Business Days after the Company has received the net sale proceeds. The Hong Kong Share Registrar will arrange this refund to the relevant registered Shareholders. All refund unclaimed for one year from the payment made will be forfeited and shall revert to the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

Exchange of Share Certificates

Subject to the Share Consolidation becoming effective, which is expected to be on 15 July 2014, Shareholders may during the business hours, on or after 15 July 2014 until 20 August 2014 (inclusive) submit share certificates for the Existing Shares (in orange colour) to the Hong Kong Share Registrar at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, to exchange, at the expense of the Company, for new share certificates (in grey colour) for the Consolidated Shares on the basis of every four (4) Existing Shares for one (1) Consolidated Share, without any fractional Consolidated Share. It is expected that the new certificates for the Consolidated Shares will be available for collection within 10 Business Days after the submission of the existing share certificates to the Hong Kong Share Registrar for exchange. Thereafter, certificates for the Existing Shares will be accepted for exchange for new share certificates for the Consolidated Shares only on payment by the Shareholders of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per each new certificate to be issued or per each existing certificate to be cancelled. The existing share certificates in orange colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title. Subject to the Share Consolidation becoming effective, with effect from 15 July 2014, tradings will only be effected in the Consolidated Shares, the share certificates of which will be issued in grey colour.

Adjustments to Convertible Bonds and Share Options

As at the Latest Practicable Date, there are:

- (i) outstanding Convertible Bonds in the principle amount of US\$200,000,000 entitling the holders thereof to convert into an aggregate of 151,344,869 Existing Shares; and
- (ii) outstanding 200,000 share options which are convertible into 200,000 Existing Shares,

upon exercise of the respective conversion rights attaching thereto. Save as aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into the Existing Shares as at the date of this circular.

Pursuant to the Bye-laws, the terms of the Convertible Bonds and the Share Option Scheme, the Share Consolidation will cause adjustments to the respective conversion prices of the outstanding Convertible Bonds and share options. The Company will appoint its auditor or a financial advisor to review and certify the basis of such adjustments to the respective conversion prices of the outstanding Convertible Bonds and share options in accordance with the Listing Rules, the terms of the Convertible Bonds, the Share Option Scheme and the Bye-laws. Further announcement(s) will be made by the Company regarding details of such adjustments (if any) as and when appropriate.

NOTICE OF ANNUAL GENERAL MEETING

The Notice of AGM, which contains resolutions in respect of the re-election of Directors, Issue Mandate, Repurchase Mandate and proposed Share Consolidation 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, 29 May 2014

APPENDIX I DETAILS OF DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION

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

Christopher Dale Pratt *CBE*
Independent Non-Executive Director

Christopher Dale Pratt *CBE*, age 57, obtained his honours degree in Modern History from Oxford University. He joined the Swire group in 1978 and over the next 35 years worked in various of the group's businesses in Hong Kong, Australia and Papua New Guinea. From 2006 until his retirement in March 2014, he served as Chairman of Cathay Pacific Airways Limited, Hong Kong Aircraft Engineering Company Limited, John Swire & Sons (H.K.) Limited, Swire Pacific Limited and Swire Properties Limited. He was also a Director of Swire Beverages, Air China Limited and The Hongkong and Shanghai Banking Corporation Limited. Mr. Pratt is currently a Non-Executive Director of PureCircle Limited and Vice Chairman of The Hong Kong General Chamber of Commerce. He received a Commander of the Order of the British Empire (CBE) in 2000. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Pratt has not entered into any service contract with the Company. He was appointed for an initial term of not more than four years from the date of his appointment on 3 April 2014, subject to re-election at the third annual general meeting of the Company after his first election by Shareholders at the AGM or retirement by rotation 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. Mr. Pratt will be entitled to a director's fee of US\$20,000 per annum for attending two board meetings plus an additional attendance fee of US\$5,000 for each other board meeting. Mr. Pratt will also be eligible for a grant of shares in the Company annually in the amount of US\$6,000.

Mr. Pratt is not connected with any other director, the senior management or any substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Pratt does not have any 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.

Winnie Wing-Yee Wang
Vice-Chairman
Member of Remuneration Committee

Winnie Wing-Yee Wang, age 67, obtained her Bachelor of Science degree from Ohio University in the United States. She joined the Group in 1969. She became a director of the Company in 1971 and Executive Director in 1984 and was elected the Vice-Chairman in 1996. She also serves on the board of directors of various subsidiaries of the Company. Ms. Wang is a non-executive director of Tristate Holdings Limited. Save as disclosed above, she has not held any directorship in other public companies during the last three years.

Ms. Wang has not entered into any service contract with the Company, but she is subject to retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Bye-laws. Her emolument is determined by the Remuneration Committee with reference to her experience, as well as remuneration benchmarks in the industry and the prevailing market trends. The director's emolument received by Ms. Wang for the year ended 31 March 2014 is set out in note 24.1 to the accounts of the Company's Annual Report 2014.

Ms. Wang is a daughter of Ms. Yik-Chun Koo Wang, Honorary Chairman; a sister of Dr. Patrick Shui-Chung Wang, Chairman and Chief Executive, and Mr. Peter Kin-Chung Wang, Non-Executive Director; and an aunt of Mr. Austin Jesse Wang, Executive Director. Ms. Wang does not have any 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 her re-election.

Peter Stuart Allenby Edwards
Independent Non-Executive Director
Chairman of Nomination and Corporate Governance Committee

Peter Stuart Allenby Edwards, age 65, has been an Independent Non-Executive Director of the Company since 1995. He is a solicitor and was Senior Partner of Johnson, Stokes & Master until he retired on 30 September 1996. Mr. Edwards was the Chairman of the Hong Kong Branch of the International Fiscal Association, the Chairman of the Revenue Law Committee of the Hong Kong Law Society and a member of the Joint Liaison Committee on Taxation which advises the Government of the Hong Kong Special Administrative Region. He is also a member of the International Academy of Estate and Trust Law, an honorary lecturer in law at the University of Hong Kong and a director of a number of investment and holding companies. He is a director of Martin Currie Pacific Trust plc. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Edwards 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. Edwards for the year ended 31 March 2014 is set out in note 24.1 to the accounts of the Company's Annual Report 2014.

Mr. Edwards is not connected with any other director, the senior management or any substantial or controlling shareholder of the Company. As at the Latest Practicable Date, a trust of which Mr. Edwards is one of the beneficiaries holds 145,000 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.

Patrick Blackwell Paul
Independent Non-Executive Director
Chairman of Audit Committee and
Member of Nomination and Corporate Governance Committee

Patrick Blackwell Paul, age 66, has been an Independent Non-Executive Director of the Company since 2002. He had been the Chairman and Senior Partner of PricewaterhouseCoopers in Hong Kong from 1994 to 2001. He is an independent non-executive director of The Hongkong and Shanghai Hotels, Ltd. and Pacific Basin Shipping Limited. His civic commitments include chairing the Supervisory Board of the British Chamber of Commerce in Hong Kong. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Mr. Paul 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. Paul for the year ended 31 March 2014 is set out in note 24.1 to the accounts of the Company's Annual Report 2014.

Mr. Paul is not connected with any other director, the senior management or any substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Paul holds 115,000 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.

Michael John Enright
Independent Non-Executive Director
Chairman of Remuneration Committee and
Member of Audit Committee

Michael John Enright, age 55, has been an Independent Non-Executive Director of the Company since 2004. He obtained his Bachelor of Arts (in Chemistry), Master of Business Administration, and Doctor of Philosophy (in Business Economics) degrees all from Harvard University. He was formerly a professor at the Harvard Business School. Prof. Enright is currently a professor at the University of Hong Kong School of Business and a director at Enright, Scott & Associates, a Hong Kong-based consulting firm. Save as disclosed above, he has not held any directorship in other public companies during the last three years.

Prof. Enright 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 Prof. Enright for the year ended 31 March 2014 is set out in note 24.1 to the accounts of the Company's Annual Report 2014.

Prof. Enright is not connected with any other director, the senior management or any substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Prof. Enright holds 45,000 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 at the Latest Practicable Date, the issued share capital of the Company comprised 3,579,196,420 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 357,919,642 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 its existing issued share capital as at 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 at 31 March 2014, 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 2013	5.49	5.01	December 2013	7.63	6.94
June 2013	5.17	4.70	January 2014	7.80	6.78
July 2013	5.08	4.40	February 2014	7.65	6.78
August 2013	5.13	4.60	March 2014	7.98	6.50
September 2013	5.63	5.00	April 2014	7.69	7.10
October 2013	5.80	5.42	May 2014 (up to the Latest Practicable Date)	7.84	6.02
November 2013	7.25	5.47			

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective associates (as defined in the Listing Rules), 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 at the Latest Practicable Date, the trustees of various trusts associated with the Wang family hold directly or indirectly 61.51% of the issued share capital of the Company. As at that date, 38.49% 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 its existing issued share capital as at the Latest Practicable Date from the public shareholding, the percentage shareholding of the various Wang family trusts would increase to 68.35%. 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 other 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 not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

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, 10 July 2014 at 12:00 noon 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 2014;
2. To declare a final dividend in respect of the year ended 31 March 2014;
3. To re-elect the following directors:
 - (a) Mr. Christopher Dale Pratt as an independent non-executive director;
 - (b) Ms. Winnie Wing-Yee Wang as an executive director;
 - (c) Mr. Peter Stuart Allenby Edwards as an independent non-executive director;
 - (d) Mr. Patrick Blackwell Paul as an independent non-executive director; and
 - (e) Prof. Michael John Enright as an independent non-executive director;
4. To authorise the board of directors to fix the directors’ remuneration;
5. To re-appoint the Auditor and to authorise the directors of the Company to fix its remuneration;
6. 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 dispose of additional shares in the capital 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 nominal amount of share capital 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 the Company's share option scheme,

shall not exceed the aggregate of 20% of the aggregate nominal amount of the share capital of the Company in issue on 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 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).";

7. 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 nominal amount 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 Hong Kong Code on Share Repurchases by the Company pursuant to the approval in paragraph (a) during the relevant period, shall be no more than 10% of the aggregate nominal amount of the existing issued share capital of the Company at the date of the passing of this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly;

- (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 this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.”;
- 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 6 and 7 as set out in the notice convening this meeting, the aggregate nominal amount of the share capital 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 an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted by the resolution set out as resolution numbered 7 in the notice convening this meeting, provided that such additional amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at 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** conditional upon The Stock Exchange of Hong Kong Limited granting or agreeing to grant the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation (as defined below):

- (a) with effect from 15 July 2014, every four (4) issued and unissued existing shares of par value HK\$0.0125 each in the share capital of the Company be consolidated into one (1) consolidated share of par value HK\$0.05 each (“Consolidated Share”) (“Share Consolidation”) and the Consolidated Shares shall rank pari passu in all respects with each other in accordance with the Memorandum of Association and Bye-laws of the Company; and
- (b) the directors of the Company be authorized to issue new share certificates in respect of the Consolidated Shares to holders of existing shares of the Company pursuant to the Share Consolidation and to do all things as they think appropriate and execute all documents in connection with the Share Consolidation.”

By Order of the Board

Lai-Chu Cheng
Company Secretary

Hong Kong, 15 May 2014

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, 8 July 2014 to Thursday, 10 July 2014 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, 7 July 2014.

4. The register of shareholders of the Company will be closed from Monday, 21 July 2014 to Wednesday, 23 July 2014 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, 18 July 2014.

5. As at 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*