

NEWS RELEASE

Johnson Electric to increase ownership interest in Halla Stackpole Corporation to 80%

HONG KONG, 21 March 2017 – Johnson Electric Holdings Limited (“Johnson Electric”) today announced that it has signed a definitive agreement to acquire an additional 50% equity interest in Halla Stackpole Corporation (“HSC”) for Korean Won 93.9 billion (approximately US\$83.8 million).

Established in 2008, HSC is a joint venture between Halla Holdings Corporation (“Halla Holdings”) of Korea and Stackpole International. Since the acquisition of Stackpole International by Johnson Electric in October 2015, HSC has been a 30% owned affiliate of the Johnson Electric Group. Upon completion of the acquisition of an additional 50% equity interest from Halla Holdings, Johnson Electric’s ownership interest in HSC will increase to 80%.

HSC, headquartered in Ochang, Korea, is a major supplier of powder metal components to the automotive industry in Asia with consolidated revenues for the year ended 31 December 2016 of Korean Won 158 billion (approximately US\$141 million). The business operates two production facilities – one in Korea and one in China – and employs over 500 people.

Dr. Patrick Wang, Chairman and Chief Executive of Johnson Electric, said: “This is an attractive opportunity to increase the Group’s exposure to the rapidly growing powder metal market in Asia. Stackpole International is already a recognised market leader in the powder metal industry in North America and this complementary investment provides a platform for accelerating sales growth and strengthening the Johnson Electric Group’s position as a global supplier to key engine, transmission, suspension and steering applications that contribute to improved fuel economy, reduced emissions and increased passenger comfort.”

Johnson Electric has agreed to increase its ownership interest in HSC in an all-cash transaction that values the additional 50% equity interest at Korean Won 93.9 billion (approximately US\$83.8 million). Johnson Electric will finance the acquisition with a combination of its current cash balances and proceeds from existing revolving credit facilities. The transaction is expected to close in the second quarter of 2017, subject to customary conditions including obtaining applicable regulatory approvals.

Ropes and Gray LLP and Yulchon LLC are acting as legal advisers to Johnson Electric.

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About Johnson Electric Group

The Johnson Electric Group is a global leader in electric motors, actuators, motion subsystems and related electro-mechanical components. It serves a broad range of industries including Automotive, Smart Metering, Medical Devices, Business Equipment, Home Automation, Ventilation, White Goods, Power Tools, and Lawn & Garden Equipment. The Group is headquartered in Hong Kong and employs over 37,000 individuals in more than 20 countries worldwide. Johnson Electric Holdings Limited is listed on The Stock Exchange of Hong Kong Limited (Stock Code: 179). For further information, please visit: www.johnsonelectric.com.

Forward Looking Statements

This news release contains certain forward looking statements with respect to the financial condition, results of operations and business of Johnson Electric and certain plans and objectives of the management of Johnson Electric.

Words such as “outlook”, “expects”, “anticipates”, “intends”, “plans”, “believe”, “estimates”, “projects”, variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward looking statements involve known and unknown risk, uncertainties and other factors which may cause the actual results or performance of Johnson Electric to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding Johnson Electric’s present and future business strategies and the political and economic environment in which Johnson Electric will operate in the future.

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