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lenovo 联想

Lenovo Group Limited 联想集团有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0992)

**PROPOSED ISSUE OF UNLISTED CONVERTIBLE PREFERRED SHARES
AND UNLISTED WARRANTS**

AND

PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION

POLL RESULTS

OF THE EXTRAORDINARY GENERAL MEETING

HELD ON 13 MAY 2005

At the extraordinary general meeting of Lenovo Group Limited held today, all resolutions to approve, inter alia, the issue of unlisted Convertible Preferred Shares and the unlisted Warrants, and the amendment to the Articles of Association were duly passed.

Reference is made to the announcement of the Company dated 30 March 2005, the shareholders' circular of the Company (the "Circular") and the notice (the "Notice") of the Extraordinary General Meeting (the "EGM") of the Company both dated 20 April 2005 relating to the issue of unlisted Convertible Preferred Shares, the issue of unlisted Warrants, and the amendment to the Articles of Association. Unless otherwise defined herein, terms used in this announcement shall have the same meanings as defined in the Circular and the Notice.

POLL RESULTS OF EGM

At the EGM held today, voting of the proposed resolutions as set out in the notice of the EGM and contained in the Circular were taken on a poll. The Board is pleased to announce that at the EGM, all such resolutions were duly passed by the Shareholders and the poll results are as follows:

Resolutions (abbreviated)	No. of Votes (Approx. %)	
	For	Against
1. Ordinary Resolution (a) The increase of the authorised share capital of the Company from HK\$500,000,000 divided into 20,000,000,000 shares of HK\$0.025 each to HK\$527,525,000 divided into 20,000,000,000 ordinary shares of HK\$0.025 each and 3,000,000 Series A Preferred Shares of nominal value HK\$9.175 each and stated value of HK\$1,000 each; and (b) authorising the Directors to create and grant Warrants to subscribe for 237,417,474 new Ordinary Shares and to allot and issue Ordinary Shares to the holders of the Warrants, upon exercise of the Warrants.	4,601,148,558 (99.02%)	45,716,898 (0.98%)
2. Special Resolution (a) The issue of 2,730,000 Series A Preferred Shares to the Investors; and (b) the amendment to the Articles of Association.	4,601,148,558 (99.02%)	45,716,898 (0.98%)

Please refer to the Notice for full version of the above resolutions.

- (1) The total number of shares entitling the holder to attend and vote for or against all the resolutions at the EGM: 7,478,662,108 Shares.
- (2) The total number of shares entitling the holder to attend and vote only against the resolutions at the EGM: 821,234,569 Shares. As disclosed in the announcement of the Company dated 4 May 2005, IBM has entered into a conditional share repurchase agreement with the Company whereby, subject to obtaining the independent shareholders' approval, the Company has agreed to buy, and IBM has agreed to sell, 435,717,757 Non-voting Shares (the "Excess Shares") off-market at an aggregate purchase price of US\$152,221,909, representing HK\$2.725 per Excess Share. The Company intends to apply part of the proceeds from the issue of the Convertible Preferred Shares and Warrants to pay for the proposed purchase of the Excess Shares. In view of the repurchase agreement, IBM has a material interest in the Investment Agreement and was therefore required to abstain from voting in favour of the resolutions proposed at the EGM. As at the date of the EGM, IBM was interested in 821,234,569 Shares (with voting rights) and 921,636,459 Non-voting Shares. IBM abstained from voting on the resolutions at the EGM.
- (3) Abacus Share Registrars Limited, the share registrar of the Company, was appointed as scrutineer for the purpose of the poll taken at the EGM.

TRADING ARRANGEMENT

Following the creation of the Convertible Preferred Shares, the capital of the Company is divided into different classes of shares. In compliance with the requirements of the Companies Ordinance and paragraph 5(3) of Part B of Appendix 2 to the Listing Rules, share certificates issued on or after the date of the EGM will contain a statement that the share capital of the Company is divided into different classes of shares. All existing share certificates in issue which do not contain such a statement will continue to be evidence of title to the shares of the Company and will continue to be valid for trading, settlement and delivery for the same number of shares in the Company. There will be no special arrangement for free exchange of the existing share certificates of the Company for new share certificates printed with the inclusion of a statement that the Company's share capital is divided into different classes of shares.

By order of the Board
Yang Yuanqing
Chairman

Hong Kong, 13 May 2005

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr Yang Yuanqing, Mr Stephen Maurice Ward, Jr., and Ms Ma Xuezheng; two Non-Executive Directors, namely Mr Liu Chuanzhi and Mr Zhu Linan; and three Independent Non-Executive Directors, namely Mr Wong Wai Ming, Professor Woo Chia-Wei and Mr Ting Lee Sen.

“Please also refer to the published version of this announcement in The Standard”