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Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 992)

**RE-DESIGNATION OF DIRECTOR AND
CHANGES IN COMPOSITIONS OF
THE BOARD COMMITTEES**

The board of directors of Lenovo Group Limited would like to announce the following changes, all effective from September 1, 2016:-

1. Mr. Gordon Robert Halyburton Orr will be re-designated from a non-executive director to an independent non-executive director of the Company and will be appointed as a member of Audit Committee and Compensation Committee of the Company;
2. Dr. Tian Suning, an independent non-executive director of the Company, will be appointed as a member of Nomination and Governance Committee of the Company; and
3. Mr. Zhu Linan, a non-executive director of the Company, will cease to be a member of Compensation Committee of the Company and Mr. Zhao John Huan, a non-executive director of the Company, will be appointed as a member of Compensation Committee of the Company.

The board of directors (the “**Board**”) of Lenovo Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to announce the following changes, all effective from September 1, 2016:-

RE-DESIGNATION OF DIRECTOR

Mr. Gordon Robert Halyburton Orr (“**Mr. Orr**”) will be re-designated from a non-executive director to an independent non-executive director of the Company.

Mr. Orr, aged 54, has been a non-executive director of the Company since September 18, 2015. He holds a Master of Arts degree in Engineering Science from Oxford University, United Kingdom and a Master of Business Administration degree from Harvard University, United States of America.

Mr. Orr joined McKinsey & Company (“**McKinsey**”) in 1986 and held a broad range of senior positions in McKinsey until his retirement in August 2015. During the years with McKinsey, he was Greater China Managing Partner and subsequently Senior Partner (1999-2015), Managing Partner of McKinsey Asia (2008-2014) and Member of McKinsey’s global Operating Committee (2008-2015). He also served on McKinsey’s Global Shareholder’s Board (2003-2015) and chaired the Governance and Risk Committee. In the past 20 years, Mr. Orr has served a broad range of clients in Asia, with primary focus on China and technology related sectors across Asia.

Mr. Orr is currently an independent non-executive director of Swire Pacific Limited (the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). He is also a board member of China-Britain Business Council.

Save as disclosed above, Mr. Orr did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the date of this announcement and does not hold any other position with the Company or any member of the Company’s group of companies as at the date of this announcement.

Apart from being an independent non-executive director of the Company, Mr. Orr is not related to any director, senior management, substantial or controlling shareholder of the Company.

As at the date hereof, Mr. Orr has personal interests in 281,523 underlying shares granted under the long-term incentive program of the Company according to the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of the Hong Kong) (“**SFO**”). Save as aforementioned, Mr. Orr does not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

By a letter of appointment entered into between the Company and Mr. Orr, Mr. Orr is appointed for a specific term of 3 years and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Orr will receive an aggregate fees and remuneration of US\$292,500 per annum which comprise of cash director’s fees of US\$92,500 and equity rights with a value of US\$200,000 for being an independent non-executive director. In determining the director’s remuneration for Mr. Orr, the Board has taken into account the level of fees and remuneration paid to an independent non-executive director of comparable companies, time and responsibilities committed and assumed by Mr. Orr in attending the affairs of the Company and the recommendation given by independent professional consultant.

The Board is satisfied and has demonstrated to the satisfaction of the Stock Exchange that the re-designation of Mr. Orr as an independent non-executive director is justified for the following reasons:-

1. Mr. Orr retired from all his management duties in McKinsey in August 2015, and he has been sitting on the Board solely in his personal capacity to protect the interests of all the shareholders of the Company as a whole;
2. prior to his re-designation as an independent non-executive director, Mr. Orr has been a non-executive director of the Company. As a non-executive director, he has not taken part in the day-to-day management of the Company and has not had any executive or management role or function in the Company or any of its subsidiaries except for attending meetings of the Board of the Company. The Company considers that his non-executive role in the Company has no impact on his independence;
3. to the best knowledge of the directors of the Company, Mr. Orr is not financially dependent on the Company and he is independent of any connected person and substantial shareholder of the Company; and
4. the Company believes that Mr. Orr is able to exercise his professional judgment and draw upon his extensive knowledge in strategic planning, risk management, internal control and corporate governance matters for the benefit of the Company and its shareholders as a whole, in particular, the independent shareholders.

In light of the above, the Company is in the opinion that his current connection with the Company as a non-executive director will not affect his independence as an independent non-executive director and he will be able to carry out his duties as an independent non-executive director impartially and independently.

Save as disclosed above, to the best of the knowledge, information and belief of the Board having made all reasonable enquiries, there are no other matters relating to Mr. Orr's re-designation that need to be brought to the attention of the shareholders of the Company or any other information to be disclosed pursuant to the requirement of rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange.

CHANGES IN COMPOSITIONS OF THE BOARD COMMITTEES

Subsequent to the re-designation of Mr. Orr as an independent non-executive director, the composition of each of the Audit Committee, the Compensation Committee, and the Nomination and Governance Committee of the Company will be changed as follows: -

Audit Committee and Compensation Committee

Mr. Orr will be appointed as a member of the Audit Committee and the Compensation Committee of the Company.

Mr. Zhu Linan, a non-executive director of the Company, will cease to be a member of the Compensation Committee of the Company and Mr. Zhao John Huan, a non-executive director of the Company, will be appointed as a member of Compensation Committee of the Company.

Nomination and Governance Committee

Dr. Tian Suning, an independent non-executive director of the Company, will be appointed as a member of the Nomination and Governance Committee of the Company.

The Board wishes to express its sincere appreciation and thanks to Mr. Zhu for his contribution to the Board committee and takes this opportunity to welcome Mr. Orr, Mr. Zhao and Dr. Tian to their new roles in the Board and the Board committees.

By Order of the Board
Yang Yuanqing
*Chairman and
Chief Executive Officer*

August 19, 2016

As at the date of this announcement, the executive director is Mr. Yang Yuanqing; the non-executive directors are Mr. Zhu Linan, Mr. Zhao John Huan and Mr. Gordon Robert Halyburton Orr; and the independent non-executive directors are Dr. Tian Suning, Mr. Nicholas C. Allen, Mr. Nobuyuki Idei, Mr. William O. Grabe, Mr. William Tudor Brown, Ms. Ma Xuezheng and Mr. Yang Chih-Yuan Jerry.