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Lenovo

Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(HKD Counter Stock Code: 992 / RMB Counter Stock Code: 80992)

STRATEGIC COLLABORATION WITH ALAT AND PROPOSED ISSUANCE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE



Financial Adviser

The Board is pleased to announce that, on May 28, 2024, after trading hours, the Company has signed a Strategic Collaboration Framework Agreement with Alat, a wholly owned subsidiary of the Public Investment Fund, the sovereign wealth fund of the Kingdom of Saudi Arabia.

The Strategic Collaboration is expected to enable the Company to accelerate its ongoing global strategic transformation, enhance its global presence, increase geographic diversification of its manufacturing footprint and to capitalize on the growth momentum of the IT and Business Services in the MEA Region.

In addition to the Strategic Collaboration Framework Agreement, the Company and Alat have also entered into a Bond Subscription Agreement pursuant to which the Company will issue US\$2 billion zero-coupon convertible bonds to Alat, the net proceeds of which will be used for repaying existing debts of the Company as well as for general corporate and working capital purposes. The Convertible Bonds are interest free and are due in three years (subject to extension of three months pursuant to the Terms and Conditions) after issuance and will be convertible to Shares upon maturity subject to the Terms and Conditions.

Through the Strategic Collaboration with Alat, the Company expects to have greater financial flexibility to implement its proven strategy, and will further drive its global transformation into a solutions and services-led business. Pursuant to the Strategic Collaboration, the Company will set up a regional MEA headquarters and a new manufacturing facility in the Kingdom of Saudi Arabia, and Alat will support and provide assistance to the Company to ensure the smooth implementation of the Strategic Collaboration. The manufacturing facility will extend the Company's existing global presence and manufacturing footprint, which already includes over 30

manufacturing sites around the world. The strengthened presence in MEA Region will enable the Company to enhance its global supply chain resilience and flexibility while serving customers in the region more nimbly.

Furthermore, the Strategic Collaboration serves as a strong endorsement of the Company's transformation strategy, strong execution, operational excellence, commitment to sustainability, and continuous investment in innovation.

The Bond Issue is subject to, among other conditions, regulatory approvals before completion. Upon maturity and assuming full conversion of the zero-coupon Convertible Bonds at the initial Conversion Price of HK\$10.42 per Share, the Convertible Bonds will be convertible into 1,499,328,214 Shares, representing approximately 12.09% of the issued Shares as at the date of this announcement and approximately 10.78% of such issued Shares as enlarged by the issuance of the Conversion Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement up to conversion of the Convertible Bonds). The Conversion Shares will be issued pursuant to the Specific Mandate.

Completion of the Bond Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. Shareholders and potential investors are therefore reminded to exercise caution when dealing in the securities of the Company.

STRATEGIC COLLABORATION WITH ALAT

The Board is pleased to announce that, on May 28, 2024, after trading hours, the Company and Alat, a wholly owned subsidiary of the Public Investment Fund, have entered into the Strategic Collaboration Framework Agreement, pursuant to which the Company and Alat will cooperate strategically to develop new business opportunities in the MEA Region.

STRATEGIC COLLABORATION FRAMEWORK AGREEMENT

The Strategic Collaboration Framework Agreement is a framework agreement for the Company and Alat to conduct a comprehensive business cooperation to expand the Company's business growth in the MEA Region. A framework of the localization plan with two development phases has been set out under the Strategic Collaboration Framework Agreement. The parties will work in good faith to agree and enter into the MOP Agreement and the SDC Commercial Agreement in relation to the localization plan in accordance with the principles and commitments as set out in the Strategic Collaboration Framework Agreement in more detail.

Pursuant to the Strategic Collaboration Framework Agreement, the Company will launch a new regional headquarters for the MEA Region in Riyadh, the Kingdom of Saudi Arabia, which will include a customer center to generate customer demand from the MEA Region and a research and development center focusing on the MEA Region. In conjunction with the regional headquarters, a new manufacturing facility will be set up in the Kingdom of Saudi Arabia to focus on producing initially PCs and servers for the MEA Region. The regional headquarters and manufacturing facility will be operated by wholly owned subsidiary(ies) of the Company. Subject to a commercially viable plan, the parties will further agree to expand the Company's presence within the MEA Region, including further expansion of the manufacturing facility and its production capacity.

Alat will support and provide assistance to the Company to ensure the smooth implementation of the Strategic Collaboration. Alat will provide, among others, assistance to the Company in selecting the premises for the regional headquarters in Riyadh and obtaining of all permits, licenses and approval of governmental authority applicable to the regional headquarters in Riyadh. Alat will also deliver the premises for the manufacturing facility based on the Company's requirements for the Company to set up the manufacturing facility.

The Strategic Collaboration Framework Agreement may be terminated under certain circumstances, including, among others, the termination of the Bond Subscription Agreement and the failure of the parties to agree and enter into the MOP Agreement and SDC Commercial Agreement within the specified timeframe.

PROPOSED ISSUANCE OF ZERO-COUPON CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

The Board announces that on May 28, 2024, after trading hours, the Company entered into the Bond Subscription Agreement with Alat, pursuant to which Alat agreed to subscribe for the zero-coupon Convertible Bonds in an aggregate principal amount of US\$2,000,000,000 (equivalent to approximately HK\$15,623 million) subject to the satisfaction or waiver of the conditions precedent as set out in the Bond Subscription Agreement and as summarized below.

A summary of the principal terms of the Bond Subscription Agreement is set out below:

The Bond Subscription Agreement

Date:	May 28, 2024
Parties:	(i) The Company, as issuer (ii) Alat, as subscriber
Principal amount:	US\$2,000,000,000 (equivalent to approximately HK\$15,623 million)
Conditions precedent:	Completion of the Bond Subscription Agreement is subject to and conditional upon the following conditions precedent being satisfied (or, if applicable, waived by the respective party): (i) the passing of resolution(s) by the Shareholders at the General Meeting approving the issuance of the Conversion Shares under the Specific Mandate; (ii) the listing of, and the permission to deal in, the Conversion Shares having been granted by the Listing Committee of the Stock Exchange and such listing and permission not having been revoked on or prior to completion; (iii) clearance of the Committee on Foreign Investment in the United States (CFIUS) in connection with the Bond Issue having been received;

- (iv) any other regulatory filings or approvals which may be required in connection with the Bond Issue having been obtained;
- (v) each of the fundamental warranties of the Company remaining true and accurate and there being no breach of company warranties that are not fundamental warranties that would or would be reasonably likely to, individually or in the aggregate, have a material adverse effect (as defined in the Bond Subscription Agreement), as at the date of the Bond Subscription Agreement and when repeated at completion and as if made at such time;
- (vi) each of the warranties of the Investor remaining true and accurate in all material respects as at the date of the Bond Subscription Agreement and when repeated at completion and as if made at such time;
- (vii) the Company having complied in all material respects with its obligations under the Bond Subscription Agreement that are required to be performed on or before completion;
- (viii) there not having been a change of control (as defined under the Takeovers Code) of the Company (subject to certain exceptions listed in the Bond Subscription Agreement);
- (ix) there not having been a suspension or limitation of trading in any of the Shares by the Stock Exchange for more than 15 consecutive trading days (subject to certain exceptions listed in the Bond Subscription Agreement); and
- (x) the MOP Agreement and SDC Commercial Agreement having been mutually agreed and executed between the Investor and the Company within the specified timeframe.

The Investor may, at their discretion and upon such terms as they think fit, waive compliance with the whole or any part of items (v), (vii) to (x) of the conditions precedent stated above. The Company may, at its discretion and upon such terms as it thinks fit, waive compliance with the whole or part of item (vi) of the conditions precedent stated above.

Completion: Completion of the Bond Subscription Agreement will take place on the Completion Date subject to the satisfaction (or, if applicable, waiver) of the conditions precedent set out above.

Specific Mandate: The Conversion Shares will be allotted and issued pursuant to the Specific Mandate. The Bond Issue is subject to the approval of the Shareholders.

Termination: The Bond Subscription Agreement may be terminated under certain circumstances, including, among others:

- (i) the conditions precedent are not satisfied or waived by the Long Stop Date;
- (ii) either party does not comply with its respective material completion obligations (as defined in the Bond Subscription Agreement);
- (iii) there is a material adverse effect (as defined in the Bond Subscription Agreement) on the Company's ability to perform its material obligations under the Bond Subscription Agreement or the Strategic Collaboration Framework Agreement; or
- (iv) the Strategic Collaboration Framework Agreement is terminated in accordance with its terms prior to completion.

The Convertible Bonds are convertible into Shares pursuant to the terms set out in the Terms and Conditions at the initial Conversion Price of HK\$10.42 per Conversion Share, which is subject to adjustments as set out in the Bond Subscription Agreement and the Terms and Conditions.

Principal Terms of the Convertible Bonds

The principal terms of the Convertible Bonds are summarized as follows:

Issuer:	The Company
Principal amount:	US\$2,000,000,000 (equivalent to approximately HK\$15,623 million)
Maturity Date:	The date falling on the third anniversary from the issue date of the Convertible Bonds (subject to extension of three months pursuant to the Terms and Conditions)
Issue price:	100% of the aggregate principal amount of the Convertible Bonds
Interest rate:	Interest free
Status:	The Convertible Bonds constitute direct, unconditional, unsubordinated and (subject to the negative pledge covenant as described below) unsecured obligations of the Company which will at all times rank pari passu among themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Conversion period:	Subject to the Terms and Conditions, the conversion right attaching to the Convertible Bonds can be exercised at the option of the holder of the Convertible Bonds any time from the 30th calendar day prior to the Maturity Date up to two business days prior to the Maturity Date. Upon the exercise of the conversion right, conversion of the Convertible Bonds shall take place on the Maturity Date.

Conversion Price: The initial Conversion Price is HK\$10.42 per Share, which represents:

- (i) a discount of approximately 13.5% over the closing price of HK\$12.04 per Share as quoted on the Stock Exchange on May 27, 2024, being the trading day immediately prior to the date of the Bond Subscription Agreement;
- (ii) a discount of approximately 2.8% over the average closing price of HK\$10.72 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to the date of the Bond Subscription Agreement; and
- (iii) a premium of approximately 10.0% over the average VWAP per Share for the last 30 consecutive trading days immediately prior to the date of the Bond Subscription Agreement.

Subject to the Terms and Conditions, the Conversion Price will be subject to standard adjustments clauses including but not limited to (i) consolidation, subdivision or reclassification of the Shares; (ii) capitalization of profits or reserves; (iii) certain distributions; (iv) rights issues of Shares or options over Shares; (v) rights issues of other securities; (vi) issues at less than current market price; (vii) other issues at less than current market price; (viii) modification of rights of conversion etc.; (ix) other offers to Shareholders; and (x) other events determined by the Company, that may occur from the date of the Bond Subscription Agreement and the Maturity Date.

The initial Conversion Price of HK\$10.42 per Conversion Share was determined after arm's length negotiations between the Company and the Investor with reference to (i) the average VWAP per Share for last 30 consecutive trading days immediately prior to the date of the Bond Subscription Agreement; and (ii) business prospect of the Company.

Ranking of Conversion Shares: The Conversion Shares will in all respects rank pari passu with the Shares in issue on the relevant conversion date.

Redemption by the Company: The Company will redeem the Convertible Bonds not so converted or redeemed at 100% of its principal amount outstanding on the Maturity Date.

The Company may not redeem the Convertible Bonds at its option prior to the Maturity Date.

Redemption by the Convertible Bonds holder: The Convertible Bonds holder shall have the right to require the Company to redeem all of the Convertible Bonds prior to the Maturity Date if (i) the Shares cease to be listed or admitted to trading on the Stock Exchange or, if applicable, the alternative stock exchange, or are suspended for trading on the Stock Exchange or, if applicable, the alternative stock exchange, for a period equal to or

exceeding 30 consecutive trading days; (ii) there is a change of control event (as defined in the Terms and Conditions); or (iii) there is a continuing event of default under the Terms and Conditions. The Company shall redeem the Convertible Bonds at 100% of their principal amount (in case of (i) and (ii)) and at 100% of their principal amount plus interest of 4.5% per annum from the issue date of the Convertible Bonds up to the date of redemption (in case of (iii) only).

Negative pledge:

For so long as any Convertible Bonds remain outstanding, the Company will not, and will ensure that none of its subsidiaries will, apart from certain agreed exceptions set out in the Terms and Conditions, create, permit to subsist any security interest, upon the whole or any part of its present or future assets to secure any of its relevant indebtedness (as defined in the Terms and Conditions) unless the aggregate outstanding principal amount of all such secured relevant indebtedness would not exceed 10.0% of the Company's consolidated tangible assets (as defined in the Terms and Conditions).

Specific Mandate

The Bond Issue is subject to Shareholders' approval. The Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be approved by the Shareholders at the General Meeting.

Use of Proceeds

The gross proceeds and the net proceeds (after deduction of estimated expenses) from the Bond Issue will be US\$2,000,000,000 (equivalent to approximately HK\$15,623 million) and approximately US\$1,980,000,000 (equivalent to approximately HK\$15,467 million), respectively. The net proceeds will be used (i) to repay existing debts of the Company; and (ii) for general corporate and working capital purposes.

Application for Listing

The Company will make an application to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange. No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange.

Governance

As part of the Strategic Collaboration, for so long as (i) not less than 50% of the principal amount of the Convertible Bonds remain outstanding or (ii) the Investor and its affiliates hold at least 5% of the total number of Shares issued and outstanding, the Investor shall have the right to nominate one candidate as a non-executive director of the Company, provided that such candidate shall have such appropriate qualification and experience to serve as member of the Board, the appointment procedures shall follow the requirements under the constitutional documents of the Company, the Listing Rules and other applicable laws, and the final decision to appoint such candidate is subject to fiduciary duties of the Directors and the decisions of the Board (or any nomination committee thereunder) at their discretion. The director so appointed shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF CONVERSION AND SUFFICIENCY OF PUBLIC FLOAT

Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$10.42 per Share, the Convertible Bonds will be convertible (translated into Hong Kong dollars at the fixed rate of HK\$7.8115 = US\$1.00) into 1,499,328,214 Shares, representing approximately 12.09% of the issued Shares as at the date of this announcement and approximately 10.78% of the issued Shares as enlarged by the issuance of the Conversion Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement up to conversion of the Convertible Bonds).

Assuming full conversion of the Existing Convertible Bonds remaining outstanding in the principal amount of US\$675 million at the adjusted conversion price of HK\$9.42 per Share, such Existing Convertible Bonds will be convertible (translated into Hong Kong dollars at the fixed rate of HK\$7.8385 = US\$1.00) into 561,675,955 Shares (the “**Existing Conversion Shares**”), representing approximately 4.53% of the issued Shares as at the date of this announcement and approximately 4.33% of the issued Shares as enlarged by the issuance of the Existing Conversion Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement up to conversion of the Existing Convertible Bonds).

Assuming full conversion of (i) the Convertible Bonds at the initial Conversion Price and (ii) the Existing Convertible Bonds remaining outstanding at the adjusted conversion price of HK\$9.42 per Share, the Investor and the holders of the Existing Convertible Bonds will hold 10.36% and 3.88%, respectively, of the issued Shares as enlarged by the issuance of the Conversion Shares and the Existing Conversion Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement up to the conversion of the Existing Convertible Bonds and the Convertible Bonds).

Based on the information available to the Company and to the best knowledge of the Directors, the Company will maintain sufficient public float following the issuance of the Conversion Shares and the Existing Conversion Shares.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not carried out any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

REASONS FOR AND BENEFITS OF THE STRATEGIC COLLABORATION FRAMEWORK AGREEMENT AND THE BOND ISSUE

The Board considers the Strategic Collaboration as a significant milestone of the Company’s strategic transformation process and believes that the transactions contemplated under the Strategic Collaboration Framework Agreement will accelerate its transition from a company with a primary focus on devices to a services and solutions company and a global information and communication technology (ICT) leader. The collaboration with Alat serves as a strong endorsement of the Company’s transformation strategy, strong execution, operational excellence and continuous investment in innovation.

Furthermore, the Board believes that the partnership with Alat will enhance the Company's global presence and manufacturing footprint, with a new regional headquarters for the MEA Region in Riyadh and new manufacturing facility to be set up in the Kingdom of Saudi Arabia, leading to deeper geographic diversification across various aspects, including revenues, supply chain, office footprint, partnerships, and governance. In particular, the investment in the MEA Region will enhance the Company's supply chain resilience and operational flexibility and allow the Company to be better able to service its in-region customers.

The Board expects the collaboration with Alat would enhance the Company's research and development (R&D) capabilities. It is also expected to enhance the Company's other growth initiatives, including new product and services launches in its Infrastructure Solutions Group (ISG) and Solutions and Services Group (SSG) businesses.

The MEA Region continues to see strong growth momentum fueled by an increasing number of large-cap projects and its strong economies, with the region's IT and Business Services market size expected to reach US\$38 billion by 2027, according to estimates by the International Data Corporation. The Board believes that local industries will benefit from the Company's global expertise and industry leading products and solutions, enhancing the region's digital infrastructure whilst unlocking further growth opportunities for the Company and its customers.

The capital injection under the Bond Issue will enable the Company to address its existing debt obligations as well as to position itself for future business growth opportunities.

The Directors consider that the terms of the Strategic Collaboration Framework Agreement, the Bond Issue, the terms of the Bond Subscription Agreement and the Terms and Conditions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE COMPANY

The Company is a limited liability company incorporated in Hong Kong and the Shares have been listed on the Stock Exchange since 1994. The principal business of the Company are the research and development, manufacturing and sales of smart devices (personal computers, smartphones, tablets, commercial AR/VR, smart collaboration), smart infrastructure (servers, storage, edge, high performance computing, and software defined infrastructure) and smart software, solutions and services (support services, managed services, project and vertical solutions).

INFORMATION OF ALAT AND PUBLIC INVESTMENT FUND

Alat

Alat, a wholly owned subsidiary of the Public Investment Fund, is headquartered in Riyadh, the Kingdom of Saudi Arabia. Alat has been established to create a global business in electronics and advanced industrials and mandated to create world class manufacturing enabled by global innovation and technology leadership. With an investment budget of US\$100 billion, Alat is partnering with technology leaders across the world to transform industries while establishing world class businesses in the Kingdom of Saudi Arabia, powered by clean energy.

Public Investment Fund

The Public Investment Fund is the sovereign wealth fund of the Kingdom of Saudi Arabia and is one of the largest and most impactful sovereign wealth funds in the world, driving the economic transformation of Saudi Arabia for the benefit of its people while helping shape the future global economy. The Public Investment Fund is building a world-class portfolio through investments in attractive, long-term opportunities across diverse industries and asset classes internationally.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as of the date of this announcement, each of Alat and its ultimate beneficial owner(s) is a third party independent of the Company and its connected persons.

GENERAL

Listing Rules Implications

The obligations of the Company under the Strategic Collaboration Framework Agreement with respect to the launch of a regional MEA headquarters and setting-up of a manufacturing facility will be performed in the ordinary course of business of the Company and are not subject to the announcement nor shareholders' approval requirements under Chapter 14 of the Listing Rules. Upon entering into the MOP Agreement and the SDC Commercial Agreement, the Company will make further announcement(s) in accordance with the relevant requirements under the Listing Rules as and when necessary.

General Meeting

The General Meeting will be convened to consider and, if thought fit, approve the Bond Subscription Agreement, the Specific Mandate and the transactions contemplated thereunder. A circular containing, among other things, (i) details of the Bond Subscription Agreement and the Specific Mandate; and (ii) a notice of General Meeting and the proxy form in respect of the General Meeting, is expected to be dispatched to the Shareholders on or before June 30, 2024.

Completion of the Bond Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Bond Subscription Agreement may be terminated in certain circumstances. As the transactions envisaged under the Bond Subscription Agreement may or may not materialize, the Convertible Bonds and the Conversion Shares may or may not be issued. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Alat” or “Investor”

Industrial Company for Electronics, a company incorporated under the laws of the Kingdom of Saudi Arabia and a wholly owned subsidiary of the Public Investment Fund

“Board”

the board of Directors of the Company

“Bond Issue”	the issuance of the Convertible Bonds by the Company
“Bond Subscription Agreement”	the subscription agreement dated May 28, 2024 entered into between the Company and the Investor in respect of the Bond Issue
“Company”	Lenovo Group Limited, a company incorporated in Hong Kong with limited liability under the laws of Hong Kong, the Shares of which are listed on the main board of the Stock Exchange
“Completion Date”	the 30 th business day after all the conditions precedent are satisfied or waived or any other date agreed in writing between the Company and the Investor
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Convertible Bonds”	the US\$2,000,000,000 in aggregate principal amount of convertible bonds to be issued by the Company
“Conversion Price”	price for the conversion of the Convertible Bonds, which initially is HK\$10.42 per Conversion Share
“Conversion Share(s)”	Share(s) to be allotted and issued by the Company upon conversion of the Convertible Bonds
“Director(s)”	director(s) of the Company
“Existing Convertible Bonds”	the 2.50% convertible bonds due 2029 in the principal amount of US\$675,000,000 (bond stock code: 05440; ISIN: XS2523390867) issued by the Company on August 26, 2022
“General Meeting”	the general meeting of the Company to be held for the purpose of considering and, if thought fit, approving the Bond Subscription Agreement, the Specific Mandate and the transactions contemplated thereunder
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	March 31, 2025, subject to extension pursuant to the Bond Subscription Agreement
“Maturity Date”	the date falling on the third anniversary from the issue date of the Convertible Bonds, subject to extension of three months pursuant to the Terms and Conditions

“MEA Region”	Middle East and Africa region
“MOP Agreement”	manufacturing operational plan agreement contemplated under the Strategic Collaboration Framework Agreement, which will set out, among others, details of the manufacturing facility and particulars of each development phase
“Public Investment Fund”	Public Investment Fund, the sovereign wealth fund of the Kingdom of Saudi Arabia
“PRC” or “China”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“SDC Commercial Agreement”	sales and distribution company commercial agreement contemplated under the Strategic Collaboration Framework Agreement, which will set out, among others, product specifications and distribution arrangement between the Company and the Investor
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	the specific mandate to be sought from the Shareholders to the Board at the General Meeting for the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Collaboration”	the strategic collaboration between the Company and Alat contemplated under the Strategic Collaboration Framework Agreement
“Strategic Collaboration Framework Agreement”	the strategic collaboration framework agreement dated May 28, 2024 entered into between the Company and the Investor in respect of the Strategic Collaboration
“Takeovers Code”	Code on Takeovers and Mergers and Share Buy-backs issued by the Hong Kong Securities and Futures Commission
“Terms and Conditions”	the terms and conditions of the Convertible Bonds
“trading day(s)”	a day when the Stock Exchange or, as the case may be, an alternative stock exchange is open for dealing business
“US\$”	United States dollars, the lawful currency of the United States

“VWAP” the volume weighted average price (determined on Bloomberg page <992 HK Equity VWAP>) of the Shares on the Stock Exchange

“%” per cent.

This announcement contains conversion between US\$ and HK\$ at US\$1.00 = HK\$7.8115. The conversion shall not be taken as representation that the HK\$ amount could actually be converted into US\$ at that rate, or at all.

By Order of the Board
LENOVO GROUP LIMITED
Yang Yuanqing
Chairman and Chief Executive Officer

May 29, 2024

As at the date of this announcement, the executive director is Mr. Yang Yuanqing; the non-executive directors are Mr. Zhu Linan and Mr. Zhao John Huan; and the independent non-executive directors are Mr. William O. Grabe, Mr. William Tudor Brown, Mr. Gordon Robert Halyburton Orr, Mr. John Lawson Thornton, Mr. Kasper Bo Roersted (alias Kasper Bo Rorsted), Mr. Woo Chin Wan Raymond, Ms. Yang Lan, Ms. Cher Wang Hsiueh Hong, and Professor Xue Lan.