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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in **Lenovo Group Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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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)**

**GENERAL MANDATES  
TO REPURCHASE SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting to be held at 9:30 a.m. on Tuesday, August 9, 2005 at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong is set out on pages 14 to 17 of this circular. Whether or not you are able to attend the Annual General Meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Abacus Share Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof and, in such event, the relevant form of proxy shall be deemed to be revoked.

Hong Kong, July 7, 2005

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LETTER FROM THE BOARD

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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)

*Executive Directors:*

Mr. Yuanqing Yang  
Mr. Stephen M. Ward, Jr.  
Ms. Xuezheng Ma

*Non-executive Directors:*

Mr. Chuanzhi Liu  
Mr. Linan Zhu  
Mr. James G. Coulter  
Mr. William O. Grabe  
Mr. Weijian Shan  
Mr. Justin T. Chang (*Alternate director to Mr. James G. Coulter*)  
Mr. Vince Feng (*Alternate director to Mr. William O. Grabe*)  
Mr. Daniel A. Carroll (*Alternate director to Mr. Weijian Shan*)

*Registered Office:*

23rd Floor  
Lincoln House  
Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

*Independent Non-executive Directors:*

Mr. Wai Ming Wong  
Professor Chia-Wei Woo  
Mr. Lee Sen Ting

July 7, 2005

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES  
TO REPURCHASE SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the Companies Ordinance, Chapter 32 of the Laws of Hong Kong (the “**Companies Ordinance**”), listed companies incorporated in Hong Kong may in certain circumstances, if authorized by their Articles of Association, purchase their own shares.

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## LETTER FROM THE BOARD

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At the annual general meeting of the Company held on July 23, 2004 general mandates were given to the directors of the Company (the “**Directors**”) to exercise the powers of the Company to repurchase shares and to issue shares. Under the Companies Ordinance and the Listing Rules, these general mandates will lapse at the conclusion of the forthcoming annual general meeting of the Company. Ordinary resolutions will therefore be proposed at the annual general meeting of the Company to be held on August 9, 2005 (the “**AGM**”) to approve fresh general mandates to repurchase shares and to issue shares.

The purpose of this circular is to provide you with information regarding, *inter alia*, the proposed general mandates to repurchase shares and to issue shares and the re-election of the retiring Directors.

### **GENERAL MANDATE TO REPURCHASE SHARES**

An ordinary resolution will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase issued voting ordinary shares of nominal value HK\$0.025 each of the Company up to a maximum of 10 per cent of the issued voting ordinary share capital of the Company at the date of passing of the ordinary resolution (the “**Repurchase Mandate**”). Such authority may only continue in force during the period from the passing of the resolution until the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution, or revoked or varied by ordinary resolution of the shareholders in general meeting, whichever occurs first.

An explanatory statement as required under the Listing Rules to provide the requisite information is set out in Appendix I to this circular.

### **GENERAL MANDATE TO ISSUE SHARES**

At the AGM, an ordinary resolution will be proposed to give the Directors a general and unconditional mandate to issue voting ordinary shares representing up to 20 per cent of the issued voting ordinary share capital of the Company at the date of passing of the resolution (the “**Issue Mandate**”). As at July 4, 2005, being the latest practicable date prior to printing of this circular for ascertaining certain information contained in this circular (the “**Latest Practicable Date**”), the issued voting ordinary share capital of the Company comprised 8,411,602,623 voting ordinary shares of nominal value HK\$0.025 each (“**Shares**”). If the ordinary resolution granting the Issue Mandate to the Directors is passed at the AGM, and assuming that no further voting ordinary shares are issued or repurchased prior to the AGM, up to 1,682,320,524 Shares, representing 20 per cent of aggregate nominal amount of the entire issued voting ordinary share capital of the Company as at the date of passing the ordinary resolution at the AGM, may be issued by the Company. The Issue Mandate may only continue in force until the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution, or revoked or varied by ordinary resolution of the shareholders in general meeting, whichever occurs first. In addition, an ordinary resolution will be proposed to authorize extension of the Issue Mandate which would increase the limit of the Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

Details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

Set out on pages 14 to 17 is a notice convening the AGM for the purposes of considering and, if thought fit, approving, *inter alia*, the Repurchase Mandate and the Issue Mandate. A form of proxy for use by holders of issued voting ordinary shares or a proxy form for use by holders of preferred shares at the AGM is enclosed, as appropriate. Whether or not you intend to be present at the AGM, you are requested to complete the relevant proxy form and deposit it at the Company's share registrar, Abacus Share Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the relevant proxy form will not preclude you from attending and voting at the AGM if you so wish.

### PROCEDURES FOR DEMANDING A POLL

Pursuant to the Articles of Association of the Company, a poll may be demanded in the following manner:

- (a) by the Chairman; or
- (b) by at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (d) by any shareholder or shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (e) or as required by the applicable Listing Rules.

The Chairman intends to demand poll voting at the AGM for all the resolutions set out in the notice of AGM.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Board of Directors (the “**Board**”) consider that the re-election of the retiring Directors, the Repurchase Mandate and the Issue Mandate are in the best interests of the Company and its shareholders and recommend that you should vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,  
By order of the Board  
**Yuanqing Yang**  
*Chairman*

*This appendix serves as an explanatory statement to the shareholders as required under the Listing Rules in connection with the proposed Repurchase Mandate and also constitutes the memorandum required under section 49BA of the Companies Ordinance.*

## **1. SHAREHOLDERS' APPROVAL**

The Listing Rules provide that all proposed share repurchases on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval in relation to specific transactions. The Shares proposed to be purchased by the Company must be fully paid up.

## **2. NUMBER OF SHARES SUBJECT TO THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued share capital of the Company comprised as follows:

- (a) 8,411,602,623 Shares, representing the issued voting ordinary share capital of the Company;
- (b) 811,000,513 non-voting ordinary shares of nominal value HK\$0.025 each (the “**Non-voting Shares**”); and
- (c) 2,730,000 Series A Cumulative Convertible Preferred Shares of nominal value HK\$9.175 each.

If the ordinary resolution authorizing the Directors to repurchase its own Shares is passed at the AGM, and assuming that no further Shares are issued or repurchased prior to the AGM, up to 841,160,262 Shares, representing 10 per cent of the entire issued voting ordinary share capital of the Company as at the date of passing the resolution at the AGM, may be repurchased by the Company.

## **3. SOURCE OF FUNDS**

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of Association of the Company and the laws of Hong Kong. The Companies Ordinance provides that the repurchases may be made either out of distributable profits or the proceeds of a new issue of shares made for such purpose.

## **4. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from the shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

## 5. FINANCIAL EFFECT OF REPURCHASES

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company. However, on the basis of the most recent published consolidated financial position of the Company as at March 31, 2005, there may be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate is exercised in full.

## 6. GENERAL

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates, have any present intention to sell any of the Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the shareholders.

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 Hong Kong.

No connected person (as defined in the Listing Rules) has notified the Company that it has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Company is authorized to make purchases of Shares.

If, as the result of a repurchase of the Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Code on Takeovers and Mergers (the "**Takeovers Code**"). As a result, a shareholder, or a group of shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register maintained under section 336 of the Securities and Futures Ordinance, Legend Holdings Limited (the "**Controlling Shareholder**") and its wholly-owned subsidiary, Right Lane Limited, were collectively interested in 4,178,255,971 Shares, representing approximately 44.39 per cent of the voting rights of the Company (including all voting ordinary shares and preferred shares). Based on such shareholding and in the event that the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Mandate, their collective shareholding would be increased to approximately 48.74 per cent of the voting rights of the Company (including all voting ordinary shares and preferred shares). Such increase would give rise to an obligation to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

In the event of an exercise of the Repurchase Mandate, public shareholding in the Company may be reduced to below 25 per cent which will be in breach of the Listing Rules. In accordance with the aforesaid undertaking and unless otherwise approved by the Stock Exchange, the Directors will refrain from exercising the power conferred by the Repurchase Mandate if it will result in a breach of the Listing Rules.

As disclosed in the announcement of the Company dated May 4, 2005, on May 1, 2005, the Company entered into a repurchase agreement with International Business Machines Corporation (“**IBM**”) pursuant to which IBM agreed to sell and the Company agreed to purchase 435,717,757 Non-voting Shares off-market at a repurchase price of HK\$2.725 per share. As at the date of this circular, the conditions precedent to the closing of share repurchase have not yet been satisfied.

Save as disclosed above, the Company has not repurchased any Shares during the six months prior to the Latest Practicable Date.

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months prior to the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2004</b>		
July	2.200	2.000
August	2.450	2.025
September	2.825	2.325
October	2.875	2.550
November	3.175	2.525
December	2.875	2.250
<b>2005</b>		
January	2.350	2.000
February	2.350	2.050
March	2.725	2.175
April	2.625	2.300
May	2.650	2.325
June	2.525	2.250
July	2.300	2.275

In accordance with Article 101 of the Articles of Association of the Company, the following Directors will retire by rotation from office at the AGM and, being eligible, will offer themselves for re-election.

**Mr. Yuanqing Yang**, 40, is the Chairman of the Board. He is a former Chief Executive Officer of the Company and has been an executive Director since December 16, 1997. He has more than 15 years of experience in the computer industry. He graduated from the Department of Computer Science at the University of Science and Technology of China with a master's degree in 1989. Mr. Yang is also an independent non-executive director of UFIDA Software Co. Ltd. (listed on Shanghai Stock Exchange). Save as disclosed above, Mr. Yang has not held any other directorships in listed companies in the last three years and has no family relationship with any other Directors and senior management of the Company. Prior to joining the Company, he was an employee of the Controlling Shareholder's subsidiary. There is no service contract between Mr. Yang and the Company. Mr. Yang was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. In determining the remuneration for Mr. Yang, the Board will take into account the level of remuneration paid to an executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Yang in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Yang is fixed. According to the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO") as at the Latest Practicable Date, Mr. Yang was interested in 10,200,000 voting ordinary shares and 11,250,000 underlying shares in respect of share options granted under the share option scheme of the Company.

**Ms. Xuezheng Ma**, 52, is the Chief Financial Officer and Senior Vice President of the Company. Ms. Ma has been an executive Director of the Company since May 15, 1997. She has more than 27 years of experience in financial and executive management. She graduated from Capital Normal University in 1976 with a bachelor of Arts degree. Ms. Ma is also an independent non-executive director of Standard Chartered Bank (Hong Kong) Limited (listed on the Stock Exchange) and Sohu.com Inc. (NASDAQ listed). Save as disclosed above, Ms. Ma has not held any other directorships in listed companies in the last three years and has no family relationship with any other Directors and senior management of the Company. Prior to joining the Company, she was an employee of the Controlling Shareholder's subsidiary. There is no service contract between Ms. Ma and the Company. Ms. Ma was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. In determining the remuneration for Ms. Ma, the Board will take into account the level of remuneration paid to an executive Director of comparable companies, time and responsibilities committed and assumed by Ms. Ma in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Ms. Ma is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Ms. Ma was interested in 23,074,000 voting ordinary shares and 6,120,000 underlying shares in respect of share options granted under the share option scheme of the Company.

**Mr. Chuanzhi Liu**, 61, has been redesignated as a non-executive Director of the Company since April 30, 2005 when he ceased to be the chairman of the Board. Mr. Liu had been the Chairman of the Board and an executive Director of the Company since February 8, 1994 and November 8, 1993 respectively. He graduated from the Department of Radar Communications at Xian Military Communications Engineering College of China in 1966. He has more than 35 years of experience in the computer industry. Mr. Liu did not hold any other directorship with any listed companies in the last three years. He has no family relationship with any other Directors and senior management of the Company. He is a director of the Controlling Shareholder and certain of its associates (as defined in the Listing Rules). There is no service contract between Mr. Liu and the Company. Mr. Liu was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Liu will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's remuneration for Mr. Liu, the Board will take into account the level of fee and remuneration paid to a non-executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Liu in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Liu is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Liu was interested in 16,986,000 voting ordinary shares and 5,250,000 underlying shares in respect of share options granted under the share option scheme of the Company.

**Professor Chia-Wei Woo**, 67, has been appointed as an independent non-executive Director of the Company since August 23, 1999. Professor Woo is Senior Advisor to The Shui On Group and is also President Emeritus and University Professor Emeritus of Hong Kong University of Science and Technology. He serves on the Hong Kong Special Administrative Region's Commission on Strategic Development and Council of Advisors on Innovation and Technology and also the Chinese People's Political Consultative Conferences. In addition, he is currently an independent non-executive director of First Shanghai Investment Limited (HKEX listed), Shanghai Industrial Holdings Limited (HKEX listed), Synergis Holdings Limited (HKEX listed), Tidetime Sun (Group) Limited (HKEX listed) and IDT International Limited (HKEX listed). He was also an independent non-executive director of Codebank Limited (HKEX listed) from December 7, 2001 to May 15, 2002. Save as disclosed above, Professor Woo did not hold any directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Professor Woo and the Company. Professor Woo was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Professor Woo will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's fee and remuneration for Professor Woo, the Board will take into account the level of remuneration paid to an independent non-executive Director of comparable companies, time and responsibilities committed and assumed by Professor Woo in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Professor Woo is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Professor Woo was not interested in any shares of the Company within the meaning of the SFO.

In accordance with Article 92 of the Articles of Association of the Company, the following Directors (being Directors appointed by the Board since the last annual general meeting of the Company) will hold office until the 2005 AGM of the Company and, being eligible, will offer themselves for re-election.

**Mr. Stephen M. Ward, Jr.**, 50, has been an executive Director, President and Chief Executive Officer of the Company since April 30, 2005. Prior to joining the Company, Mr. Ward spent over 26 years with IBM where he held a number of senior management positions in product development, manufacturing management, industrial sector sales, and also served as the Chief Information Officer of IBM. Most recently, he was the Senior Vice President and General Manager of IBM's Personal Systems Group responsible for IBM's Personal Computing Division, Retail Store Solutions Division and Printing Systems Division. Mr. Ward is a director of Carpenter Technology Corporation (NYSE listed), and is a prior board member of E2open, Inc.. Except as disclosed above, Mr. Ward has not been a director in any other listed companies during the last three years and he has no relationship with any other Directors, senior managers, substantial shareholders or controlling shareholders of the Company. The Company entered into a service contract with Mr. Ward on April 30, 2005 for a term of three years pursuant to which he is entitled to a base salary of US\$600,000 per annum and a target annual bonus of US\$1,000,000 depending on performance for that year. According to the register maintained by the Company pursuant to section 352 of the SFO as of the Latest Practicable Date, Mr. Ward held an interest in 1,000,000 voting ordinary shares of the Company.

**Mr. Linan Zhu**, 43, has been a non-executive Director since April 30, 2005. He has more than 18 years of management experience. He graduated with a master's degree in Electronic Engineering from Shanghai Jiao Tong University in 1987. He serves on the board of directors of the Controlling Shareholder and certain of its associates (as defined in the Listing Rules). Save as disclosed above, Mr. Zhu has not held any other directorships in listed companies in the last three years and he does not have any family relationships with any other Directors and senior management of the Company. Mr. Zhu was a Senior Vice President of the Company and did not hold any directorship in other listed public companies. There is no service contract between Mr. Zhu and the Company. Mr. Zhu was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Zhu will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's fee and remuneration for Mr. Zhu, the Board will take into account the level of remuneration paid to a non-executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Zhu in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Zhu is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Zhu was interested in 3,720,000 voting ordinary shares of the Company.

**Mr. James G. Coulter**, 45, has been a non-executive Director since May 17, 2005. Mr. Coulter is a founding partner of Texas Pacific Group ("TPG"). Prior to forming the Texas

Pacific Group, Mr. Coulter was a Vice President of Keystone Inc. and a financial analyst with Lehman Brothers Kuhn Leob Inc.. Mr. Coulter serves on the boards of directors of Seagate Technology Inc. (NYSE listed) and Zhong Technologies Inc. (NASDAQ listed). Save as disclosed above, Mr. Coulter did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Coulter and the Company. Mr. Coulter was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Coulter will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's fee and remuneration for Mr. Coulter, the Board will take into account the level of remuneration paid to a non-executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Coulter in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Coulter is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Coulter did not hold any interests in the shares of the Company within the meaning of Part XV of the SFO.

**Mr. William O. Grabe**, 67, has been a non-executive Director since May 17, 2005. Mr. Grabe is a Managing Director of General Atlantic LLC. Mr. Grabe has been with the General Atlantic Group since 1992. Prior to joining the General Atlantic Group, Mr. Grabe served as the Vice President and Corporate Officer of IBM. Mr. Grabe is also a director of Bottomline Technologies Inc. (NASDAQ listed), Digital China Holdings Limited (listed on the Stock Exchange), Patni Computer Systems Limited (listed on the Mumbai Stock Exchange), Gartner Inc. (NYSE listed) and Compuware Corporation (NASDAQ listed). Save as disclosed above and having previously served as a director of Exact Holding NV (Euronext listed) and FirePond Inc. (NASDAQ listed), Mr. Grabe did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Grabe and the Company. Mr. Grabe was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Grabe will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the shareholders. In determining the director's fee and remuneration of Mr. Grabe, the Board will take into account the level of remuneration paid to a non-executive director of comparable companies, and time and responsibilities committed and assumed by Mr. Grabe in attending to the affairs of the Company. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Grabe is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Grabe did not hold any interests in the shares of the Company within the meaning of Part XV of the SFO.

**Mr. Weijian Shan**, 51, has been a non-executive Director since May 17, 2005. Mr. Shan is Co-Managing Partner of Newbridge Capital, and serves on the boards of directors at BOC Hong Kong (Holdings) Limited, China Unicom Limited, TCC International Holdings Limited (each of which is listed on the Stock Exchange) and Baoshan Iron & Steel Company Limited (listed on the Shanghai Stock Exchange). Mr. Shan holds a PhD degree from the University of California Berkeley. Save as disclosed above, Mr. Shan did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Shan and the Company. Mr. Shan was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Shan will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's fee and remuneration for Mr. Shan, the Board will take into account the level of remuneration paid to a non-executive director of comparable companies, time and responsibilities committed and assumed by Mr. Shan in attending to the affairs of the Company and the recommendations given by the remuneration committee of the Board. The Company will make an announcement as soon as practicable after the director's remuneration of Mr. Shan is fixed. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Shan did not hold any interests in the shares of the Company within the meaning of Part XV of the SFO.

The following persons will cease to be an alternate Director if his appointor ceases to be a Director:

**Mr. Justin T. Chang**, 38, has been an alternate Director to Mr. James G. Coulter since May 17, 2005. Mr. Chang is a partner of TPG and co-heads the firm's investment activities in technology and related industries. Mr. Chang received his MBA from Harvard Business School and his bachelor's degree, cum laude, in Economics and Political Science from Yale University. Mr. Chang is also a director of ON Semiconductor Corporation (NASDAQ listed). Save as disclosed above, Mr. Chang did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Chang and the Company and no terms have been fixed or proposed for his length of service with the Company. Pursuant to the Articles of Association, Mr. Chang will cease to be an alternate Director if Mr. James G. Coulter ceases for any reason to be a Director and is not entitled to receive from the Company any fee in his capacity as alternate Director. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Chang did not hold any interests in the shares of the Company within the meaning of Part XV of the SFO.

**Mr. Vince Feng**, 32, has been an alternate Director to Mr. William O. Grabe since May 17, 2005. Mr. Feng is a Managing Director of General Atlantic LLC and has overall responsibility for the East Asia investment activities of General Atlantic LLC. He has been with the General Atlantic Group since 1998. Prior to that, Mr. Feng worked at Goldman Sachs (Asia) LLC. He is also a director of Data Systems Consulting Co. Limited (listed on the Taiwan Stock

Exchange). Save as disclosed above, Mr. Feng did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Feng and the Company and no terms have been fixed or proposed for his length of service with the Company. Pursuant to the Articles of Association, Mr. Feng will cease to be an alternate Director if Mr. William O. Grabe ceases for any reason to be a Director and is not entitled to receive from the Company any fee in his capacity as alternate Director. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Feng did not hold any interests in the shares of the Company within the meaning of Part XV of the SFO.

**Mr. Daniel A. Carroll**, 44, has been an alternate Director to Mr. Weijian Shan since May 26, 2005. Mr. Carroll is Co-Managing Partner of Newbridge Capital, based in San Francisco. He joined Newbridge in 1995 and has been responsible for raising and investing the firm's three investment funds and building the firm's Asia-based investment teams. Mr. Carroll runs Newbridge's investment committee and, together with Mr. Weijian Shan, oversees the firm's investment strategy and operations. Prior to 1995, Mr. Carroll spent nine years with Hambrecht & Quist Group, where he played a key role in the development of the firm's private equity investment operations in Asia. He lived in Bangkok from 1990 to 1991 and in Hong Kong from 1993 to 1995. He holds a bachelor's degree in Economics from Harvard University and an MBA from the Stanford University Graduate School of Business. Mr. Carroll is currently a director of Advanced Interconnect Technologies and Shenzhen Development Bank (Shenzhen Stock Exchange listed). Save as disclosed above, Mr. Carroll did not hold any other directorship with any listed companies in the last three years and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. There is no service contract between Mr. Carroll and the Company and no terms have been fixed or proposed for his length of service with the Company. Pursuant to the Articles of Association, Mr. Carroll will cease to be an alternate Director if Mr. Shan ceases for any reason to be a Director and he is not entitled to receive from the Company any fee in his capacity as an alternate Director. According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Carroll did not hold any interests on the shares of the Company within the meaning of Part XV of the SFO.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Lenovo Group Limited (the “**Company**”) will be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, August 9, 2005 at 9:30 a.m. for the following purposes:

- (1) To receive and consider the audited accounts for the year ended March 31, 2005 together with the reports of the directors and auditors thereon.
- (2) To declare a final dividend for the issued ordinary shares for the year ended March 31, 2005.
- (3) To re-elect the retiring directors and authorize the board of directors of the Company to fix directors’ fees.
- (4) To re-appoint PricewaterhouseCoopers as auditors and authorize the board of directors of the Company to fix auditors’ remuneration.

And as special business, to consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

- (5) “**THAT:**
  - (a) subject to paragraph (c) of this Resolution and pursuant to section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional voting ordinary shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into voting ordinary shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option, warrants or otherwise) by the directors of the Company pursuant to the authority in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) an issue of shares upon the exercise of options granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares in the Company, or (iii) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose 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 Companies Ordinance or the Articles of Association of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“**Rights Issue**” means an offer of shares in the share capital of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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 applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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(6) “**THAT**:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose 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 Companies Ordinance or the Articles of Association of the Company to be held; and
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
- (7) “**THAT** conditional upon the passing of Resolutions (5) and (6) as set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares in the Company pursuant to Resolution (5) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the issued voting ordinary share capital of the Company repurchased by the Company pursuant to the mandate to repurchase shares of the Company as referred

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## NOTICE OF ANNUAL GENERAL MEETING

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to in Resolution (6) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution.”

By order of the Board  
**Yuanqing Yang**  
*Chairman*

Hong Kong, July 7, 2005

*Notes:*

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be completed and lodged with the Company’s share registrar, Abacus Share Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting.
3. The register of members of ordinary shares of the Company will be closed from Wednesday, August 3, 2005 to Tuesday, August 9, 2005, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed dividend, all transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company’s share registrar, Abacus Share Registrars Limited at the above address not later than 4:00 p.m. on Tuesday, August 2, 2005.
4. Where there are joint holders of any shares carrying voting rights, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders are present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. The Chairman intends to demand poll voting for all the resolutions set out in the notice of the annual general meeting.