



Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 992)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Lenovo Group Limited (the “**Company**”) will be held at 9:30 a.m. on Friday, 13 May 2005 at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions:

ORDINARY RESOLUTION

- (1) (a) To increase the authorised share capital of the Company from HK\$500,000,000 to HK\$527,525,000 by the creation of 3,000,000 Series A Cumulative Convertible Preferred Shares (the “**Series A Preferred Shares**”), of nominal value HK\$9.175 each and stated value HK\$1,000 each (the “**Stated Value**”);
- (b) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and the permission to deal in the Ordinary Shares (as defined in the full version of the Notice of Extraordinary General Meeting contained in the Circular dispatched to shareholders on 20 April 2005 (the “**full EGM Notice**”)) issuable upon the subscription rights attaching to the Warrants (as defined and described in the full EGM Notice) or upon the conversion of the Series A Preferred Shares, to authorise the Directors:
 - (i) to create and grant Warrants to subscribe for new Ordinary Shares and the granting of certain anti-dilution rights to the holders of Warrants;
 - (ii) to allot and issue to the holders of the Warrants and the Series A Preferred Shares such number of ordinary shares as are issuable upon the exercise of the Warrants and the conversion of the Series A Preferred Shares respectively; and
 - (iii) to do all such acts and things as they consider necessary or expedient to give effect to the grant of the Warrants, the issue of the Series A Preferred Shares and the foregoing arrangements.

SPECIAL RESOLUTION

- (2) (a) Subject to the passing of Resolution (1), to approve the issue by the Company of the Series A Preferred Shares on the terms of the Investment Agreement (as defined and described in the full EGM Notice) dated as of 30 March 2005 and to approve the granting of certain anti-dilution rights to the holders of such Series A Preferred Shares (the “**Holders**”);

- (b) to amend the Articles of Association of the Company by inserting a new Article A after the existing Article 178 to provide for the rights attaching to the Series A Preferred Shares. A brief summary of the proposed amendments is set out as follows:
- (i) the Series A Preferred Shares shall accumulate preferential dividends at a rate of 4.5% per annum of the Stated Value. Such dividends shall accumulate from day to day whether or not the Company has sufficient funds legally available for such payments. Payment of dividends shall be made in cash in four quarterly instalments;
 - (ii) upon liquidation of the Company, the Holders shall have priority in the distribution of assets of the Company before the holders of any Junior Liquidation Securities (including the holders of Ordinary Shares and the Non-voting Shares, as defined in the full EGM Notice), and shall be entitled to the assets of the Company in the amount of the Stated Value of the Series A Preferred Shares plus any accrued and unpaid dividends, but shall not be entitled to participate in any distribution of assets thereafter;
 - (iii) the Company, at any time after the seventh anniversary of the Issue Date (as defined in the full EGM Notice), has the right and option to redeem part or all of the Series A Preferred Shares at a price equal to the Stated Value together with accrued and unpaid dividends (the “**Redemption Price**”);
 - (iv) any Holder, at any time after the seventh anniversary of the Issue Date, has the right to require the Company to redeem part or all of the Series A Preferred Shares at the Redemption Price;
 - (v) upon a Change of Control (as defined in the full EGM Notice), any Holder has the right to require the Company to redeem part or all of the Series A Preferred Shares at a price equal to 101% of the Stated Value together with accrued and unpaid dividends;
 - (vi) at the option of the Holder, each Series A Preferred Share can be converted into such number of fully paid Ordinary Shares of the Company equal to the Stated Volume divided by HK\$2.725 subject to certain anti-dilution adjustments set out in the full EGM Notice;
 - (vii) if the Company issues rights, warrants or options exercisable for or convertible into Ordinary Shares at an exercise or conversion price, or issue Ordinary Shares at a subscription price per share less than the current market price per Ordinary Share, the Holders shall be entitled to acquire such rights, warrants, options or Ordinary Shares on the same terms and conditions as are offered to third parties;
 - (viii) the Series A Preferred Shares shall have the same voting rights as the Ordinary Shares of the Company as if the Series A Preferred Share have been converted into Ordinary Shares. Additional requirements apply for a class meeting of the Holders; and
 - (ix) further undertakings by and restrictions on the Company to issue, redeem or deal with its shares.

As of the date of this announcement, the Executive Directors are Mr Liu Chuanzhi, Mr Yang Yuanqing, Ms Ma Xuezheng, Non-executive Director is Mr Zeng Maochao, and Independent Non-executive Directors are Mr Wong Wai Ming, Professor Woo Chia-Wei, and Mr Ting Lee Sen.

By Order of the Board
Liu Chuanzhi
Chairman

Hong Kong, 20 April 2005

Notes:

1. This announcement is made pursuant to Rules 13.51 and 13.73 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
2. This is a summary of the full text of the Notice of Extraordinary General Meeting. The full text of the resolutions is set out in the Notice of Extraordinary General Meeting which will be included in the Circular to be despatched to members on 20 April 2005. The Circular can also be viewed and downloaded from the website of the Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk. This announcement adopts the same definitions of the full EGM Notice unless otherwise specified.
3. A member entitled to attend and vote at the Extraordinary General Meeting convened by this notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
4. To be effective, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be completed and lodged at 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, not less than 48 hours before the time for holding the Extraordinary General Meeting or any adjournment thereof.
5. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the Extraordinary General Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint registered holders be present at the Extraordinary General Meeting personally or by proxy, then the registered holder so present whose name stands first on the register of members of the Company in respect of such share will alone be entitled to vote in respect thereof.
6. The votes to be taken in the Extraordinary General Meeting will be taken by way of poll.

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